**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Ka Shui International Holdings Limited 嘉瑞國際控股有限公司, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



# KA SHUI INTERNATIONAL HOLDINGS LIMITED
# 嘉瑞國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 822)**

# PROPOSAL FOR TERMINATION OF THE 2017 SHARE OPTION SCHEME, PROPOSED ADOPTION OF THE 2026 SHARE OPTION SCHEME, PROPOSED ADOPTION OF THE 2026 SHARE AWARD SCHEME AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting (the "**EGM**") of Ka Shui International Holdings Limited (the "**Company**") to be held at Turquoise and Fuchsia Rooms, 3/F, Gateway Hotel Hong Kong, 13 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Wednesday, 7 October 2026 at 10:00 a.m. is set out on pages 60 to 61 of this circular. A form of proxy for use at the EGM is enclosed.

Irrespective of whether you are able to attend the EGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the proxy form shall be deemed to be revoked. For the avoidance of doubt, any Treasury Shares held by the Company shall not be entitled to vote at the Company's general meeting(s).

11 September 2026

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

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| "2017 Share Option Scheme" or "Existing Share Option Scheme" | means the share option scheme adopted by the Company on 19 May 2017 |
| "2026 Share Award Scheme" | means the share award scheme proposed to be adopted by the Company as described in this circular, a summary of the principal terms of which is set out in the Appendix II to this circular |
| "2026 Share Option Scheme" | means the share option scheme proposed to be adopted by the Company as described in this circular, in replacement of the 2017 Share Option Scheme, a summary of the principal terms of which is set out in the Appendix I to this circular |
| "2026 Share Schemes" | the 2026 Share Option Scheme and the 2026 Share Award Scheme |
| "Actual Selling Price" | the actual price at which Awarded Shares are sold (net of brokerage, the Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy and any other applicable costs) on vesting of any Award pursuant to the 2026 Share Award Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company, the consideration receivable under the related scheme or offer |
| "Adoption Date" | means 7 October 2026 (the date on which the 2026 Share Schemes are conditionally adopted by the Shareholders in an extraordinary general meeting) |
| "AFRC" | the Accounting and Financial Reporting Council of Hong Kong |
| "Articles" | means the Articles of Association of the Company |
| "Associate(s)" | has the meaning ascribed to it in the Listing Rules |
| "Award(s)" | an award granted by the Board to a Selected Participant, which may vest in the form of Awarded Shares or Actual Selling Price of the Awarded Shares in cash, as the Board may determine in accordance with the terms of the 2026 Share Award Scheme |
| "Award Price" | the price of the Awarded Shares granted by the Board to a Selected Participant as notified by the Board to such Selected Participant |

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| "Awarded Share(s)" | the Shares as awarded by the Board pursuant to the 2026 Share Award Scheme |
| "Board" | means the board of Directors or a duly authorized committee thereof |
| "Business Day(s)" | means any day that is not a Saturday, Sunday and public holiday in Hong Kong on which licensed banks in Hong Kong are open generally for normal banking business (excluding a day on which a tropical cyclone warning signal number 8 or above, a black rainstorm warning signal and/or "extreme conditions" as announced by the Hong Kong Government is in force between 9:00 a.m. and 4:00 p.m.) |
| "close associate(s)", "controlling shareholder(s)", "core connected person(s)" and "substantial shareholder(s)" | has the meaning ascribed to it in the Listing Rules |
| "Companies Act" | means the Companies Act of the Cayman Islands |
| "Company" | means Ka Shui International Holdings Limited 嘉瑞國際控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability on 7 January 2005, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 822) |
| "Connected Person" | has the meaning ascribed thereto in the Listing Rules |
| "Contributed Amount" | cash paid or made available to the Trust by way of settlement or otherwise contributed by the Company and/or its subsidiaries as permitted under the 2026 Share Award Scheme to the Trust as determined by the Board from time to time |
| "Control" | the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise |
| "Director(s)" | means the director(s) of the Company |
| "Eligible Participant(s)" | means the individuals or entities who or which may participate in the 2026 Share Option Scheme or the 2026 Share Award Scheme (as the case may be), who could be (i) an Employee Participant; or (ii) a Related Entity Participant |

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| "Employee Participant(s)" | any directors (including the independent non-executive Directors) and employees (whether full time or part time) of the Company or the Group |
| "Excluded Participant(s)" | any Eligible Participant who is resident in a place where the grant of an Award and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the 2026 Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant |
| "Exercise Price" | means the price per Share at which a Grantee may subscribe for Shares upon the exercise of an Option pursuant to the terms and conditions of the 2026 Share Option Scheme |
| "Extraordinary General Meeting" or "EGM" | means the extraordinary general meeting of the Company to be convened and held at Turquoise and Fuchsia Rooms, 3/F, Gateway Hotel Hong Kong, 13 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Wednesday, 7 October 2026 at 10:00 a.m., notice of which is set out on pages 60 to 61 of this circular, and any adjournment thereof |
| "Grantee(s)" | means any Eligible Participant who accepts the Offer in accordance with the terms of the 2026 Share Option Scheme, and where the context permits, any person who is entitled to any such Option in consequence of the death of the original Grantee (being an individual) |
| "Group" | means the Company and its subsidiaries from time to time, and "member(s) of the Group" means any or a specific one of them |
| "HK$" | means Hong Kong dollars |
| "Hong Kong" | means the Hong Kong Special Administrative Region of the People's Republic of China |
| "Latest Practicable Date" | 4 September 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein |
| "Listing Committee" | shall have the meaning ascribed thereto under the Listing Rules |
| "Listing Rules" | means the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time |

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| "Offer" | means an offer by the Company to an Eligible Participant to accept an Option in accordance with the 2026 Share Option Scheme |
| "Option(s)" | as the context may require, any option(s) granted or (as the case may be) to be granted to Eligible Participant(s) to subscribe for Share(s) under the 2026 Share Option Scheme |
| "Other Scheme Options and Awards" | means options to subscribe for Shares granted and Shares awarded under any other scheme |
| "Personal Representative(s)" | the person or persons who, according to the laws of succession applicable in respect of the death of an individual, is or are entitled to deal with the property of that individual |
| "PRC" | means the People's Republic of China, which for the purpose of this circular excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan |
| "Related Entity(ies)" | means any holding company, fellow subsidiary or associated company of the Company |
| "Related Entity Participant(s)" | means any director or employee of any Related Entity |
| "Remuneration Committee" | means the remuneration committee of the Company |
| "Returned Shares" | such Awarded Shares which are not vested and/or are forfeited in accordance with the terms of the 2026 Share Award Scheme (whether as a result of a lapse, clawback or cancellation of Awarded Shares pursuant to the 2026 Share Award Scheme or otherwise), or such Shares being deemed to be Returned Shares |
| "Scheme Mandate Limit" | means a limit on the total number of Shares which may be allotted and issued in respect of all options and awards to be granted under all share scheme(s)/plan(s), which must not exceed 10% of the issued Shares (excluding Treasury Shares, if any) as at the date of approval of this limit by the Shareholders at a general meeting |
| "Scheme Period" | means the period of ten (10) years commencing on the Adoption Date and ending on the tenth (10th) anniversary of the Adoption Date unless terminated earlier |

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| "Selected Participant(s)" | any Eligible Participant who is notified by the Board that he/she is eligible to participate in a grant of Awards under the 2026 Share Award Scheme |
| "SFO" | means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time |
| "Share(s)" | means ordinary share(s) of nominal value of HK$0.1 each in the share capital of the Company or shares forming part of the ordinary share capital of the Company or such other nominal value as will result from any sub-division, consolidation, re-classification or reconstruction of the share capital of the Company |
| "Shareholder(s)" | means the holder(s) of the Share(s) |
| "Stock Exchange" | means The Stock Exchange of Hong Kong Limited |
| "Takeovers Code" | the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, as amended and supplemented from time to time |
| "Trading Day(s)" | means a day on which the Stock Exchange is open for the trading of securities |
| "Treasury Share(s)" | has the meaning ascribed to it under the Listing Rules and for the purposes of the 2026 Share Award Scheme, new Shares include Treasury Shares and the issue of Shares includes the transfer of Treasury Shares |
| "Trust" | means the trust constituted by the Trust Deed |
| "Trust Deed" | means trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in relation to the 2026 Share Award Scheme |
| "Trust Fund" | means the funds and properties directly or indirectly held under the Trust and managed by the Trustee for the benefit of the Eligible Participants (other than the Excluded Participants) |
| "Trustee" | the trustee corporation as may be appointed by the Company for the administration of the 2026 Share Award Scheme, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed |
| "%" | means per cent. |

*The English transliteration of the Chinese name(s) in this circular, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).*

# KA SHUI INTERNATIONAL HOLDINGS LIMITED
# 嘉 瑞 國 際 控 股 有 限 公 司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 822)**

*Executive Directors:*
Mr. Lee Yuen Fat
*(Chairman and Chief Executive Officer)*
Mr. Wong Wing Chuen *(Vice Chairman)*
Ms. Chan So Wah

*Independent Non-executive Directors:*
Ir Dr. Lo Wai Kwok *GBS, MH, JP*
Mr. Kong Kai Chuen, Frankie
Mr. Tang Koon Yiu, Thomas

*Registered Office:*
Windward 3, Regatta Office Park,
PO Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

*Principal place of business in Hong Kong:*
Room A, 29/F, Tower B,
Billion Centre, 1 Wang Kwong Road,
Kowloon Bay, Kowloon,
Hong Kong

11 September 2026

*To the Shareholders,*

Dear Sir or Madam,

## PROPOSAL FOR TERMINATION OF THE 2017 SHARE OPTION SCHEME, PROPOSED ADOPTION OF THE 2026 SHARE OPTION SCHEME, PROPOSED ADOPTION OF THE 2026 SHARE AWARD SCHEME AND NOTICE OF EXTRAORDINARY GENERAL MEETING

### INTRODUCTION

Reference is made to the Company's announcement dated 30 September 2025.

The purpose of this circular is to provide you with the relevant information relating to the resolutions to be proposed at the EGM for (i) the termination of the 2017 Share Option Scheme; (ii) the proposed adoption of the 2026 Share Option Scheme; and (iii) the proposed adoption of the 2026 Share Award Scheme.

**Termination of the 2017 Share Option Scheme**

The 2017 Share Option Scheme was approved and adopted by the Shareholders at the annual general meeting of the Company held on 19 May 2017. Apart from the 2017 Share Option Scheme, the Company has no other share option scheme or share award scheme currently in force.

According to the terms of the 2017 Share Option Scheme, the Company may by resolution in general meeting at any time resolve to terminate the 2017 Share Option Scheme and in such event, no further options may be granted but the provision of the 2017 Share Option Scheme shall remain in force and effect to the extent necessary to give effect to the exercise of any options granted prior to its termination or otherwise as may be required in accordance with the provisions of the 2017 Share Option Scheme. Options granted under the 2017 Share Option Scheme prior to such termination shall continue to be valid and exercisable in accordance with the rules of the Existing Share Option Scheme.

For illustration purposes, the maximum number of Shares which may be issued upon exercise of all options to be granted under the existing scheme mandate limit of the 2017 Share Option Scheme is 89,376,140 Shares, being not more than 10% of the issued share capital of the Company (excluding Treasury Shares, if any) as at 19 May 2017, the date of passing the ordinary resolution approving the adoption of the 2017 Share Option Scheme and the termination of the 2007 share option scheme. Since the adoption of the 2017 Share Option Scheme and up to the Latest Practicable Date, the Company has granted options relating to 40,210,000 Shares under the 2017 Share Option Scheme, representing approximately 4.5% of the total issued Shares of which options relating to 6,600,000 Shares were granted to directors and their associates and options relating to 33,610,000 Shares were granted to other eligible grantees. As at the Latest Practicable Date, none of the options had been exercised, 4,500,000 options had lapsed. As at the Latest Practicable Date, 35,710,000 options granted remained outstanding and will continue to be valid and exercisable during their prescribed exercise periods in accordance with the 2017 Share Option Scheme. The Company has no intention to grant any options under the 2017 Share Option Scheme from the Latest Practicable Date to the date of the Extraordinary General Meeting. Details of the outstanding options under the 2017 Share Option Scheme as at the Latest Practicable Date are set out below:

| Category/name of grantee | Participant/connected person status | Date of grant | Exercise price | Exercise period | Outstanding options as at the Latest Practicable Date | Vesting status | Performance targets/other conditions |
|---|---|---|---|---|---|---|---|
| **(A) Directors, chief executive or substantial shareholders of the Company and their respective associates** | | | | | | | |
| Mr. Lee Yuen Fat | Executive Director, Chairman and Chief Executive Officer | 31 October 2022 | HK$0.39 per Share *(Note 1)* | 31 October 2023 to 31 October 2027 *(Note 2)* | 2,000,000 | All vested as at the Latest Practicable Date *(Note 2)* | No performance target *(Note 5)* |
| Mr. Wong Wing Chuen | Executive Director | 31 October 2022 | HK$0.39 per Share *(Note 1)* | 31 October 2023 to 31 October 2027 *(Note 2)* | 2,000,000 | All vested as at the Latest Practicable Date *(Note 2)* | No performance target *(Note 5)* |
| Ms. Chan So Wah | Executive Director | 31 October 2022 | HK$0.39 per Share *(Note 1)* | 31 October 2023 to 31 October 2027 *(Note 2)* | 2,000,000 | All vested as at the Latest Practicable Date *(Note 2)* | No performance target *(Note 5)* |

| Category/name of grantee | Participant/connected person status | Date of grant | Exercise price | Exercise period | Outstanding options as at the Latest Practicable Date | Vesting status | Performance targets/other conditions |
|---|---|---|---|---|---|---|---|
| Mr. Li Yuen Wah | Director's associate | 31 October 2022 | HK$0.39 per Share(Note 1) | 31 October 2023 to 31 October 2027(Note 2) | 600,000 | All vested as at the Latest Practicable Date(Note 2) | No performance target(Note 5) |
| **Subtotal for category (A)** | | | | | 6,600,000 | | |
| **(B) Each related entity participant or service provider with options granted and to be granted in any twelve-month period exceeding 0.1% of the ordinary Shares in issue (excluding Treasury Shares)** | | | | | | | |
| Mr. Keung Wing Ching | Service provider with options exceeding the 0.1% threshold | 31 October 2022 | HK$0.39 per Share(Note 1) | 31 October 2023 to 31 October 2027(Note 2) | 2,000,000 | All vested as at the Latest Practicable Date(Note 2) | No performance target(Note 5) |
| Mr. Au Yeung Kai Chor | Service provider with options exceeding the 0.1% threshold | 31 October 2022 | HK$0.39 per Share(Note 1) | 31 October 2023 to 31 October 2027(Note 2) | 2,000,000 | All vested as at the Latest Practicable Date(Note 2) | No performance target(Note 5) |
| **Subtotal for category (B)** | | | | | 4,000,000 | | |
| **(C) Other service providers** | | | | | | | |
| Other service providers | Other service providers(Note 3) | 31 October 2022 | HK$0.39 per Share(Note 1) | 31 October 2023 to 31 October 2027(Note 2) | 1,800,000(Note 3) | All vested as at the Latest Practicable Date(Note 2) | No performance target(Note 5) |
| **Subtotal for category (C)** | | | | | 1,800,000 | | |
| **(D) Employee participants** | | | | | | | |
| Five highest paid employees in aggregate | Employee participants(Note 4) | 31 October 2022 | HK$0.39 per Share(Note 1) | 31 October 2023 to 31 October 2027(Note 2) | 1,250,000 | All vested as at the Latest Practicable Date(Note 2) | No performance target(Note 5) |
| Other employee participants | Employee participants | 31 October 2022 | HK$0.39 per Share(Note 1) | 31 October 2023 to 31 October 2027(Note 2) | 22,060,000 | All vested as at the Latest Practicable Date(Note 2) | No performance target(Note 5) |
| **Subtotal for category (D)** | | | | | 23,310,000 | | |
| **Total** | | | | | 35,710,000 | | |

*Notes:*

1. The closing price immediately before the date of grant (i.e. 31 October 2022) was HK$0.385 per Share.

2. All options granted are vested in two tranches within a period of two years in proportions of 50% and 50% of the share options granted, i.e. 50% of the share options granted were vested on the first (1st) anniversary of the grant (i.e. 31 October 2023) and the remaining 50% of the share options granted were vested on the second (2nd) anniversary of the grant (i.e. 31 October 2024). Accordingly, all outstanding options under the 2017 Share Option Scheme had vested as at the Latest Practicable Date.

3. The 1,800,000 outstanding options disclosed under "Other service providers" exclude the 2,000,000 options granted to Mr. Keung Wing Ching and the 2,000,000 options granted to Mr. Au Yeung Kai Chor, which are separately disclosed under category (B) above.

4. Ir Chan Sin Wing, the Chief Technology Officer of the Group, was an executive Director of the Company from 30 June 2025 to 29 May 2026. As Ir Chan was no longer a Director as at the Latest Practicable Date, his options are included under category (D) "Employee participants — five highest paid employees in aggregate".

5. There was no performance target for any of the options granted on 31 October 2022.

6. Save as disclosed in category (A) above, no outstanding options under the 2017 Share Option Scheme were granted to any Director, chief executive or substantial shareholder of the Company or any of their respective associates. Save as disclosed in category (B) above, there was no other related entity participant or service provider with options granted and to be granted in excess of 0.1% of the ordinary Shares in issue (excluding Treasury Shares) in any twelve-month period which remained outstanding as at the Latest Practicable Date.

7. Since there was no further grant or exercise of options during the period from the date of grant (being 31 October 2022) to the Latest Practicable Date, this breakdown is not required to disclose the relevant disclosure relating to the grant or exercise of options.

8. There is no other share options granted to the participant with options granted and to be granted in excess of the 1% individual limit and remained outstanding as at the Latest Practicable Date.

Pursuant to the terms of the 2017 Share Option Scheme, the Company may, by resolution in general meeting, at any time terminate the operation of the 2017 Share Option Scheme, and in such event, no further options will be offered but the provisions of the 2017 Share Option Scheme shall remain in force in all other respects to the extent necessary to give effect to the exercise of the options granted prior to the termination. The Board proposes to terminate the 2017 Share Option Scheme upon the adoption of the 2026 Share Option Scheme in order to (a) align the Company's share-based incentive arrangements with the amended Chapter 17 of the Listing Rules effective 1 January 2023; and (b) enhance transparency and corporate governance by bringing the scheme provisions in line with the latest market practice. The adoption of the new scheme will ensure compliance with the amended Chapter 17 of the Listing Rules.

**Proposed Adoption of the 2026 Share Schemes**

The purpose of the 2026 Share Schemes is to recognise and acknowledge the contributions that Eligible Participants may make to the Group, and to provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the principal objectives of (a) motivating the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and (b) attracting and retaining or otherwise maintaining ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group. The Directors believe that the provisions as well as such other terms as may be determined by the Board, will serve to protect the value of the Company as well as to achieve the purpose of the 2026 Share Schemes.

As at the Latest Practicable Date, the Board had no intention to grant any options to any of the Eligible Participants in the coming 12 months upon the 2026 Share Option Scheme taking effect. As at the Latest Practicable Date, the Board intends to grant Awards to certain Eligible Participants (including the independent non-executive Directors) under the 2026 Share Award Scheme upon its adoption. Nevertheless, the Board has not formulated any concrete plan as to the details of the grant of Awards. The Company will comply with Chapter 17 of the Listing Rules and the 2026 Share Award Scheme in relation to any such grant.

The Board considers it appropriate to include the independent non-executive Directors as Eligible Participants and to retain flexibility to grant Awards to them under the 2026 Share Award Scheme because (i) equity-based remuneration can, where appropriate and subject to the safeguards described below, align the long-term interests of all Board members, including the independent non-executive Directors, with those of the Company and Shareholders; (ii) it is common to include independent non-executive directors as Eligible Participants of share schemes among listed companies; and (iii) independent non-executive Directors may provide crucial contributions to the Group's development and business in providing valuable insight and advice to the Company with their deep industry knowledge and professional background, as well as their vital role in maintaining a sound corporate governance framework and supervising the internal control system within the Group. The Board believes that the flexibility to grant Awards to independent non-executive Directors, in addition to cash-based directors' fees, would assist the Company in maintaining a competitive remuneration package to attract and retain experienced and high-calibre independent non-executive Directors. For the avoidance of doubt, no performance-related elements will be attached to any Options or Awards that may be granted to the independent non-executive Directors. The Board believes the inclusion of independent non-executive Directors as Eligible Participants and the flexibility to grant Options or Awards to the independent non-executive Directors in addition to cash-based incentives will allow the Company to keep its remuneration package competitive in order to attract and retain talents.

The Board considers that cash-based directors' fees recognise the independent non-executive Directors' ordinary discharge of duties and time commitment, but do not, by themselves, provide the same degree of long-term alignment with Shareholders as an equity-based interest in the Company. The purpose of retaining flexibility to grant Options or Awards to independent non-executive Directors is to allow the Company, where appropriate, to supplement their cash-based remuneration with a non-performance-linked long-term incentive that aligns their interests with the sustainable development of the Group and the interests of Shareholders. The Company is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of the Options and/or Awards under the 2026 Share Schemes for the following reasons: (i) the independent non-executive Directors will continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) approval by independent Shareholders will be required if any Option and/or Award to be granted to independent non-executive Directors or any of their respective associates would result in the total number of Shares issued and to be issued upon exercise or vesting of all the Options and/or Awards granted to such person in the period of twelve (12) months up to and including the date of the grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares, if any); (iii) no performance-related elements will be attached to any such grant; and (iv) the Remuneration Committee and the Board will be mindful of the recommended best practice E.1.9 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors when considering any future grants of options and/or awards to the independent non-executive directors.

None of the Directors is a trustee of the 2026 Share Schemes or has a direct or indirect interest in the trustees of the 2026 Share Option Scheme (if any) or the 2026 Share Award Scheme. There is no trustee appointed for the purposes of the 2026 Share Option Scheme. For the purpose of the 2026 Share Award Scheme, a Trustee will be appointed to administer the 2026 Share Award Scheme and to hold Shares on trust pursuant to the Trust Deed to be entered into between the Company and the Trustee.

For the avoidance of doubt, the Company will not issue any new Shares to, or transfer any Treasury Shares to, the Trustee, or otherwise place any new Shares or Treasury Shares with the Trustee, to fund future grants under the 2026 Share Award Scheme unless such issue or transfer is made for the benefit of specified Selected Participant(s) in respect of specific Award(s) granted or to be granted to such Selected Participant(s) in compliance with Chapter 17 of the Listing Rules and Frequently Asked Questions FAQ13 No.10. Pending identification of the specified Selected Participant(s) and the relevant Award(s), the Company will not issue any new Shares to, transfer any Treasury Shares to, or otherwise place any new Shares or Treasury Shares with, the Trustee to satisfy future grants. Any new Shares issued or Treasury Shares transferred to the Trustee for the benefit of specified Selected Participant(s) will be held by the Trustee solely for the purpose of satisfying the relevant Award(s) and will be counted towards the Scheme Mandate Limit in accordance with Chapter 17 of the Listing Rules.

It is proposed that subject to the approval of the Shareholders at the Extraordinary General Meeting of the proposed adoption of the 2026 Share Schemes and the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which fall to be allotted and issued upon the exercise of the Options that may be granted under the 2026 Share Option Scheme or the vesting of the Awards granted under the 2026 Share Award Schemes, the 2026 Share Schemes will take effect.

The Company will strictly comply with the requirements under Rules 17.04(3) and 17.04(4) of the Listing Rules in relation to any future grant of Options or Awards to any independent non-executive Director, substantial shareholder of the Company, or any of their respective associates. In particular, where any proposed grant to such person would result in the total number of Shares issued and to be issued upon exercise or vesting of all Options or Awards granted to that person (excluding any options and awards lapsed in accordance with the terms of the relevant scheme(s)) in any twelve-month period up to and including the date of such grant exceeding 0.1% of the issued share capital of the Company (excluding Treasury Shares), such further grant will be subject to approval by the Shareholders at a general meeting in accordance with the Listing Rules. In such circumstances, a circular containing the details of the proposed grant, including the identity of the grantee, the number and terms of the Options or Awards to be granted, and the recommendation of the independent non-executive Directors (excluding any Grantee who is an independent non-executive Director), will be despatched to Shareholders. The Grantee, his/her associates and all core connected persons of the Company will abstain from voting in favour of the relevant resolution(s).

The Company is allowed to use Treasury Shares for the 2026 Share Schemes to the extent permitted by the Listing Rules, all applicable laws and regulations and the Articles. If the Company has Treasury Shares available, the Company may use the Treasury Shares for the 2026 Share Schemes where appropriate. The Company has no intention to use Treasury Shares, if any, for the 2026 Share Option Scheme. For the purposes of Chapter 17 of the Listing Rules, references to new Shares include Treasury Shares and references to the issue of Shares include the transfer of Treasury Shares. Accordingly, any transfer of Treasury Shares under the 2026 Share Schemes will be treated as an issue of new Shares for Chapter 17 of the Listing Rules purposes and will be counted towards the Scheme Mandate Limit.

The Board may determine whether to reward an Eligible Participant with Options or Awards by considering the purpose of the grant, the nature of the Eligible Participant's contribution, the expected incentive effect, the financial and accounting impact on the Group, the prevailing market price of the Shares, the dilution effect on Shareholders and the terms of the relevant 2026 Share Schemes. Options are generally intended to incentivise Eligible Participants to contribute to the future growth in the market value of the Shares because the grantee will only benefit from an Option if the market price of the Shares exceeds the Exercise Price, which must be determined in accordance with the Listing Rules. The Board may consider granting Options where it wishes to create a long-term incentive linked to Share price appreciation and where it is appropriate for the Grantee to subscribe for Shares at the Exercise Price upon exercise. Awards are generally intended to provide a more direct proprietary interest in the Company, subject to vesting conditions, performance targets (if any) and clawback. The Board may consider granting Awards where it wishes to attract, retain, motivate or reward Eligible Participants, to recognise contribution through a direct share-based incentive, or to provide a retention and alignment tool that may be more suitable than an Option in light of the participant's role, expected contribution or prevailing market conditions.

A summary of the principal terms of the 2026 Share Option Scheme is set out in the Appendix I to this circular and a summary of the principal terms of the 2026 Share Award Scheme is set out in Appendix II to this circular. These serve as a summary of the terms of the 2026 Share Schemes but does not constitute the full terms of the same. The terms of the 2026 Share Schemes are in line with the latest requirement under Chapter 17 of the Listing Rules. A copy of the rules of the 2026 Share Option Scheme and the 2026 Share Award Scheme have been published and will remain on the Company's website at www.kashui.com and the Stock Exchange's website at www.hkexnews.hk for display for a period of not less than fourteen (14) days before the date of the EGM and such rules will be made available for inspection at the EGM.

**Other Details of the 2026 Share Schemes**

***Eligible Participants***

The rules of the 2026 Share Option Scheme and the 2026 Share Award Scheme enable the Company to grant Options and/or Awards to Eligible Participants including Employee Participants and Related Entity Participants.

The Board may determine the Employee Participants' eligibility by considering all relevant factors as appropriate and take into account criteria based on the nature of the contributions made by Related Entity Participants before granting Options or Awards to them.

The basis of determining the eligibility of each Eligible Participant, including the criteria for determining a person's eligibility under each category of Eligible Participant, shall be determined by the Board from time to time. For details of the eligibility of each category of Eligible Participants, please refer to Appendix I for the 2026 Share Option Scheme and Appendix II for the 2026 Share Award Scheme to this circular.

The executive Directors are of the view that the eligibility of Employee Participants and Related Entity Participants to participate in the 2026 Share Schemes is consistent with the purposes of the 2026 Share Schemes. The independent non-executive Directors also share the same view as the executive Directors because this will enable the Group to use share incentives to encourage them to contribute to the Group and align the mutual interests of each party, as the Company on one hand and the Employee Participants and Related Entity Participants on the other hand, by holding on to equity incentives, will mutually benefit from the long-term growth of the Group.

The executive Directors are of the view that apart from the contributions from directors and employees of the Group, the success of the Group might also come from the efforts and contributions from Related Entity Participants who have contributed to the Group or may contribute to the Group in the future. The grant of Options and/or Awards to Related Entity Participants would not only align the interest of the Group with such grantees, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in promoting the business of the Group; (ii) their joint and collaborative efforts in co-creating value for the Group's customers; and (iii) maintaining a stable and long-term relationship with the Group. The independent non-executive Directors also share the same view as the executive Directors, and are of the view that based on the reasons above, the proposed adoption of 2026 Share Schemes with such scope of Eligible Participants will enable the Group to use equity incentives to encourage them to continue to contribute to the growth and development of the Group's business, and therefore aligns with the purpose of the 2026 Share Schemes. Furthermore, through the grant of Options and/or Awards, the interest of such Related Entity Participants will be aligned with that of the Group in promoting the growth and development of the Group's business.

In respect of the Related Entity Participants, the Company and the Related Entity Participants have historically maintained close working relationships. In assessing the eligibility of Related Entity Participants, the Board will consider, among other things, their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group. As at the Latest Practicable Date, the Company did not have any holding company or fellow subsidiary whose directors or employees are expected to contribute to the Group. The Related Entity Participants expected to be relevant to the 2026 Share Schemes are primarily directors and employees of associated companies of the Company which have an equity, strategic, operational or business collaboration relationship with the Group. Despite that Related Entity Participants may not be directly appointed and employed by the members of the Group, such Related Entity Participants are nonetheless valuable human resources to the Group given their close corporate and collaborative relationships. They may be involved in business engagements relating to or having collaborations with the Group's businesses, which may include manufacturing technology, new materials, product development, tooling, production, sales/customer projects, supply chain or operational cooperation connected with the Group's principal businesses. The Company considers that it is important to recognise their contribution or future contribution through participation in the 2026 Share Schemes. Only directors or employees of Related Entities who have made, are making or are expected to make substantive contributions to the Group will be eligible. In assessing the eligibility of Related Entity Participant(s), the Board will consider all relevant factors as appropriate, including, among others: (a) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits and/or an addition of expertise to the Group; (b) the period of employment of the Related Entity Participant by the Group; (c) the number, scale and nature of the projects in which the Related Entity Participant is involved; (d) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialised into further business relationships; (e) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share; and (f) the materiality and nature of the business relation of holding companies, fellow subsidiaries or associated companies with the Company and the Related Entity Participants' contribution in such holding companies, fellow subsidiaries or associated companies of the Company which may benefit the core business of the Group through a collaborative relationship. It is therefore in the interest of the Company and the Shareholders, and is in line with the objectives of the 2026 Share Schemes to include the Related Entity Participants, who the Company can incentivise with the grant of Options and/or Awards in order to strengthen their loyalty to the Group even though they may not be directly employed by the Group, and to in turn facilitate a higher degree of collaboration and closer business relationships and ties between the Related Entities and the Group. While the Related Entities may consider granting share options or awards to their employees, the Board considers that such employees of the Related Entity may also be engaged by the Company to assist with its projects notwithstanding that they are not directly employed by the Group. Accordingly, the Board is of the view that it would be in the Company's interest to also grant Options and/or Awards to those Related Entity Participants in recognition of their contributions to the Company.

Based on the above and considering (i) that the Related Entity Participants would contribute to the operation and long-term growth of the Group's businesses; (ii) that the success of the Group requires the co-operation and contribution not only from its directors and employees, but also from various other parties who play an instrumental role in and make actual or potential contributions to the business and development of the Group; and (iii) the factors which the Board will take into account in assessing the eligibility of the Related Entity Participants are also highly linked to the actual or future contribution made by them to the Group, the executive Directors are of the view that the inclusion of the Related Entity Participants in the 2026 Share Schemes is in line with the purpose of the 2026 Share Schemes, is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The independent non-executive Directors also share the same view as the executive Directors above because such inclusion would give the Company the flexibility to grant Options and/or Awards (instead of cash reward or other settlement) to the Related Entity Participants when necessary. In addition, the independent non-executive Directors consider that the proposed categories of Related Entity Participants above are in line with the Group's business needs to align interests and incentivise performance and contribution, as it is desirable and necessary to sustain and foster these business relationships on a long-term basis and that the criteria for the selection of Eligible Participants are sufficiently objective and specific align with the purpose of the 2026 Share Schemes. Such arrangement also enables the Group to preserve its cash resources and use share-based incentives to encourage persons outside of the Group towards their contribution to the Group. In addition, it is in line with the modern commercial practice with reference to other companies listed on the Stock Exchange to include the Related Entity Participants in their respective share scheme(s). The independent non-executive Directors further consider that the vesting requirements, performance targets and clawback arrangements are aligned with the purpose of the 2026 Share Schemes. In particular, grants to Related Entity Participants will not be subject to a vesting period shorter than 12 months. The Board may impose performance targets on a case-by-case basis with reference to measurable operational, technical, business or project-related indicators, and the clawback mechanisms under the 2026 Share Schemes enable the Company to cancel, withhold or recover benefits in circumstances such as serious misconduct, fraud, material misstatement or failure to satisfy continuing eligibility criteria. Taking into account the above, the independent non-executive Directors consider that the inclusion of Related Entity Participants is fair and reasonable, aligns their interests with the long-term interests of the Group and Shareholders, and is in the interests of the Company and Shareholders as a whole.

In addition, the Directors (including the independent non-executive Directors) are of the view that the categories of the Related Entity Participants are in line with the business needs of the Group and that the criteria for their selection align with the purpose of the 2026 Share Schemes. Apart from the contributions from employees, the success of the Group might also come from the efforts and contributions from the Related Entity Participants. Grant of Options and/or Awards to the Related Entity Participants would not only align the interest of the Group with such Eligible Participants, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in the business of the Group; and (ii) maintaining a stable and long term relationship with the Group. Through the grant of Options and/or Awards, the interest of such Eligible Participants will align with that of the Group in promoting the growth and development of the Group's business, which is desirable and necessary from a commercial perspective and helps maintain or enhance the competitiveness of the Group.

***Scheme Mandate Limit***

The maximum total number of new Shares which may be issued upon exercise or vesting of all options and awards to be granted under the 2026 Share Option Scheme, the 2026 Share Award Scheme and other share schemes must not in aggregate exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date. As at the Latest Practicable Date, there were an aggregate of 893,761,400 Shares in issue. Assuming there is no issue or repurchase of Shares from the Latest Practicable Date to the date of the Extraordinary General Meeting on which the 2026 Share Schemes are expected to be conditionally approved and adopted by the Shareholders, the maximum number of Shares that can be issued upon exercise of the Options and/or vesting of Awards under the 2026 Share Schemes and other share schemes is 89,376,140 Shares, representing 10% of the Shares in issue (excluding Treasury Shares, if any).

Assuming (i) there is no change in the number of issued Shares from the Latest Practicable Date to the Adoption Date; (ii) all outstanding options under the 2017 Share Option Scheme are exercised in full; and (iii) all Options and Awards that may be granted under the Scheme Mandate Limit of the 2026 Share Schemes are exercised or vested in full, the aggregate potential dilution effect is as follows:

| Category | Number of Shares | % of existing issued Shares | % of enlarged issued Shares |
|---|---|---|---|
| Outstanding options under the 2017 Share Option Scheme | 35,710,000 | 4.00% | 3.50% |
| Maximum Options/Awards under the Scheme Mandate Limit of the 2026 Share Schemes | 89,376,140 | 10.00% | 8.77% |
| **Aggregate** | **125,086,140** | **14.00%** | **12.28%** |

For the illustrative purpose, the enlarged issued share capital is 1,018,847,540 Shares, being 893,761,400 Shares in issue as at the Latest Practicable Date plus 35,710,000 Shares that may be issued upon exercise of the outstanding options under the 2017 Share Option Scheme and 89,376,140 Shares that may be issued upon exercise or vesting of all Options and Awards that may be granted under the Scheme Mandate Limit of the 2026 Share Schemes.

For the avoidance doubt, the 35,710,000 outstanding options under the 2017 Share Option Scheme were granted before the adoption of the 2026 Share Schemes and before approval of the Scheme Mandate Limit for the 2026 Share Schemes. They will not be counted towards, and will not reduce, the Scheme Mandate Limit of the 2026 Share

Schemes. The Scheme Mandate Limit applies to Options and Awards to be granted under the 2026 Share Schemes and any other share schemes of the Company after approval of the Scheme Mandate Limit by Shareholders.

*Vesting Period*

Pursuant to the 2026 Share Schemes, the relevant vesting period shall not be less than twelve (12) months.

There could be a shorter vesting period at the discretion of the Board or the Remuneration Committee under each of the following circumstances in relation to grants to the Employee Participants:

1. grants of "make-whole" rewards to new employees to replace the share options or share awards they forfeited when leaving the previous employers;

2. grants to a participant whose employment is terminated due to death or disability or occurrence of any out-of-control event. An "out-of-control event" refers to an event which is beyond the control of the relevant Employee Participant, and is not attributable to the voluntary resignation, misconduct, fraud, serious negligence, underperformance or failure to satisfy performance targets or other vesting conditions of such Employee Participant, and which results in the cessation or termination of the relevant Employee Participant's employment or office with the Group, or makes the continuation of such employment or office materially impracticable. Examples may include: (i) serious illness, accident or injury affecting the Employee Participant which is not self-inflicted and prevents him/her from continuing his/her employment or office; (ii) redundancy, group reorganisation, business transfer, disposal of the relevant employing entity or cessation of the relevant employing entity, where the relevant cessation is not due to misconduct, default or underperformance of the Employee Participant; and (iii) any legal, regulatory or governmental requirement which makes the continuation of the Employee Participant's employment or office impracticable. For the avoidance of doubt, an out-of-control event does not include voluntary resignation, termination for cause, termination due to misconduct, fraud, serious negligence, underperformance, failure to satisfy performance targets or other vesting conditions, any lapse, cancellation or clawback event under the relevant 2026 Share Scheme, or other circumstances within the control of the relevant Employee Participant;

3. grants with performance-based vesting conditions in lieu of time-based vesting criteria as determined in the conditions of grant as there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, and the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances;

4. grants that are made in batches during a year for administrative and compliance reasons which may include Options or Awards that should have been granted earlier but had to wait for a subsequent batch, in such cases, the vesting date may be adjusted to take account of the time from which the options/awards would have been granted if not for such administrative or compliance requirements;

5. grants with a mixed or accelerated vesting schedule such as where the options or awards may vest evenly over a period of twelve (12) months; and

6. grants with a total vesting and holding period of more than twelve (12) months.

The discretion to allow a vesting period shorter than 12 months applies only to grants of Options or Awards to Employee Participants in the specific circumstances permitted under Rule 17.03F of the Listing Rules and the rules of the 2026 Share Schemes.

In respect of any grant of Options or Awards to Directors or senior management with a shorter vesting period due to any of the above circumstances, the Remuneration Committee shall also consider and explain why such circumstances for a shorter vesting period is appropriate.

The Board and the Remuneration Committee noted that in respect of (1) above, the "make-whole" Options or Awards may be vested in less than 12 months in order to compensate the new employees for their forfeited benefits; in respect of (2) above, termination of employment may result in earlier lapse of the Options or Awards; in respect of (4) above, grants of Options or Awards in batches may result in some of the Options or Awards being vested earlier to reflect the otherwise earlier time of grant; in respect of (5) above, grants with mixed or accelerated vesting schedule may result in Options or Awards being vested earlier upon occurrence of the triggering events and in respect of (3) above, performance based vesting conditions may be satisfied within 12 months from grant.

The Board and the Remuneration Committee consider that by having the flexibility of having a shorter vesting period for the Employee Participants in accordance with the above circumstances, the Group will be in a better position to attract and retain Employee Participants to continue serving the Group whilst at the same time providing them with further incentive in achieving the goals of the Group, and thereby to achieve the purpose of the 2026 Share Schemes. Hence the Board and the Remuneration Committee are of the view that the shorter vesting period for the Employee Participants under the above circumstances is in line with the market practice and is appropriate and aligns with the purpose of the 2026 Share Schemes.

***Performance target and clawback mechanism***

The rules of the 2026 Share Option Scheme and the 2026 Share Award Scheme will give the Board (or a committee established and authorised by the Board (where appropriate)) absolute discretion to impose specific performance targets, if any, that must be met before an Option can be exercised or an Award can vest and/or to prescribe clawback mechanism, if any, to recover or withhold any remuneration to any Eligible Participants in the event of serious negligence, fraud or misconduct, a material misstatement or omission in the Company's financial statements or other circumstances where appropriate.

Where performance targets are imposed, the Board or the relevant committee will determine the relevant targets by reference to the category, role, responsibilities and expected contribution of the relevant Eligible Participant, the purpose of the grant and the terms of the relevant 2026 Share Scheme. Such targets may include, among other things: (a) for Employee Participants: corporate, business unit, department, project or individual key performance indicators, including revenue, profit, cost reduction, cash flow, return-based measures, productivity, production efficiency, yield improvement, defect-rate reduction, quality improvement, safety or environmental indicators, customer satisfaction, project delivery, product development milestones, compliance indicators, management appraisal results and other role-specific targets; and (b) for Related Entity Participants: project collaboration milestones, new business or customer opportunities introduced to the Group, technology or operational support provided to the Group, contribution to revenue, profit, cost control, product development, market expansion or other synergies between the Related Entity and the Group. The satisfaction of performance targets will be assessed by the Board or the relevant committee by reference to internal records, management accounts, project reports, service records, customer or quality reports, technical acceptance documents, performance appraisals, deliverables under employment contracts and other relevant quantitative or qualitative evidence. Where no performance target is imposed for a particular grant, the Board will consider the purpose of the grant, the contribution or expected contribution of the grantee and other grant terms, including the vesting period and clawback mechanism. For the avoidance of doubt, no performance-related element will be attached to any Options or Awards granted to independent non-executive Directors.

The Company has established a clawback mechanism under each of the 2026 Share Option Scheme and the 2026 Share Award Scheme. The Company may exercise clawback where, in the opinion of the Board or the Remuneration Committee, where appropriate, it would be inequitable for any Option or Award to vest, be exercised, be retained or continue to be held by the relevant grantee. Such circumstances include where the relevant grantee has committed serious misconduct, fraud, dishonesty or serious negligence, has contributed to a material misstatement or omission in the financial reports of the Group, has breached the terms of the relevant scheme, grant letter, employment contract, has disclosed confidential information, has breached non-competition or non-solicitation obligations, has been convicted or held liable for an offence involving integrity, honesty or securities laws, has caused reputational or other material harm to the Group, or has failed to satisfy continuing eligibility criteria or other grant conditions.

The scope of clawback may include, in respect of Options, cancellation of unvested or unexercised Options and/or recovery from the Grantee of gains realised on Options exercised, in each case to the permitted by applicable laws, the Listing Rules, the 2026 Share Option Scheme and the relevant grant letter. In respect of Awards, the scope of clawback may include lapse or forfeiture of unvested Awards, withholding of vesting of Awards, and/or withholding of the transfer of Awarded Shares which have not yet been transferred to the Selected Participant, in each case to the extent permitted by applicable laws, the Listing Rules, the 2026 Share Award Scheme, the relevant grant letter and the Company's clawback policy.

The Board will be the approving authority for the exercise of clawback rights, except that the Remuneration Committee will consider clawback matters involving Directors or senior management where required or appropriate. In determining whether and how to exercise clawback, the Board or the Remuneration Committee, as the case may be, may consider the circumstances of the relevant event, the grantee's responsibility, the impact on the Group, whether the grantee has realised any benefit, the practicability of recovery and any applicable legal, tax, regulatory or accounting implications.

The Company considers that it is not practicable to expressly set out a generic set of performance targets in the rules of the 2026 Share Schemes since each Eligible Participant has a different position/role with respect to the Group or the Related Entity and will contribute differently to the Group in nature, duration and significance. For any future grant of Options or Awards to Directors or senior management without performance targets and/or clawback mechanism, the Company will comply with the Listing Rules, including disclosing the Remuneration Committee's views on why performance targets and/or clawback mechanism are not necessary and how the grant aligns with the purpose of the relevant 2026 Share Scheme. By giving maximum flexibility for the Board (or a committee established and authorized by the Board (where appropriate)) to impose specific conditions in the notice of grant as and when required, the Board (or a committee established and authorized by the Board (where appropriate)) will be able to ensure that all Options and Awards granted will align with the purpose of the 2026 Share Schemes as far as possible.

The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward for the Eligible Participants' contribution or potential contribution. Further, by allowing the Company to grant options under the 2026 Share Option Scheme at a price which will be determined on a fair basis according to market value of the Shares, and/or by granting Awards under the 2026 Share Award Scheme, and in each case having the discretion to impose such clawback mechanism and/or require the Eligible Participant to achieve such performance targets as may be stipulated in the grant letter on a case by case basis, the Company may be in a better position to retain such Eligible Participants to continue serving the Company whilst at the same time providing these Eligible Participants further incentive in achieving the goals of the Group, and therefore aligns with the purpose of the 2026 Share Schemes.

***Exercise price***

The Exercise Price for any Share under the 2026 Share Option Scheme shall be a price determined by the Board at its absolute discretion and notified to each Grantee and shall not be less than the highest of: (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a Trading Day; (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Trading Days immediately preceding the date of grant of the relevant option; and (c) the nominal value of a Share on the date of grant.

***Award price***

Under the 2026 Share Award Scheme, Awarded Shares are granted to Selected Participants at the Award Price, which shall be paid upon vesting of the Awarded Shares. No amount is payable by a Selected Participant on application for, or acceptance of, an Award under the 2026 Share Award Scheme. A Selected Participant shall accept an Award by returning the Acceptance Notice within the Acceptance Period specified in the relevant grant letter. The Award Price shall be payable upon vesting of the Awarded Shares or at such other time as may be specified by the Board in the relevant grant letter. The grant letter will specify the Award Price, the manner of payment and the time period within which payment must be made. Although each Selected Participant is required to pay for the Awarded Shares at the Award Price which shall be determined by the Board from time to time based on consideration such as the purpose of the Award and the characteristics and the profile of the Selected Participant, he/she is given the opportunity to acquire proprietary interests in the Company and is incentivized to work towards enhancing the value of the Shares for the benefits of both the Company and himself/herself. The Award Price may be nil, a nominal amount, a price at a discount to the prevailing market price of the Shares, or a price determined with reference to the prevailing market price of the Shares, subject to the terms of the 2026 Share Award Scheme, the Listing Rules, applicable laws and any conditions imposed by the Board. The Board considers this basis fair and reasonable and aligned with the purpose of the 2026 Share Award Scheme because it allows the Company to tailor Awards to the circumstances of each Selected Participant and to provide meaningful long-term incentives while remaining subject to the Scheme Mandate Limit, vesting requirements, performance targets if imposed, clawback mechanism and all applicable approval and disclosure requirements under Chapter 17. The grants of Awarded Shares provide the Group with a flexible means of attracting and retaining valuable talent and of incentivizing and compensating Selected Participants. Also, they align the interest of the Group with the interest of the Selected Participants and promote the culture of making joint and collaborative efforts in enhancing the value of the Group. Having said that, the Board will consider different factors in making such decisions as which Eligible Participants should be granted with Awarded Shares, the amounts of Awarded Shares and the vesting conditions applicable to each Eligible Participant (more details are set out in Appendix II to this circular).

***Adjustments, cancelled grants and lapsed grants***

Any adjustment to the Exercise Price of Options, the Award Price of Awards and/or the number of Shares subject to Options or Awards granted under the 2026 Share Schemes will be made only in the circumstances permitted under Rule 17.03(13) of the Listing Rules, including a capitalisation issue, rights issue, consolidation or sub-division of Shares or reduction of the share capital of the Company, and any other circumstances permitted by the Listing Rules or guidance issued by the Stock Exchange from time to time. No adjustment will be made in respect of an issue of Shares or other securities as consideration in a transaction. Any adjustment must give the relevant participant the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which he/she/it was previously entitled, must not result in Shares being issued at less than their nominal value, and, except for an adjustment made on a capitalisation issue, must be certified in writing by the auditors or an independent financial adviser as satisfying the relevant requirements of the Listing Rules.

Any Options or Awards cancelled under the 2026 Share Schemes will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. Where the Company cancels Options or Awards and makes a new grant of Options or Awards to the same participant under the 2026 Share Schemes or any other share scheme of the Company, such new grant may be made only under an available Scheme Mandate Limit approved by Shareholders in accordance with Chapter 17 of the Listing Rules. For this purpose, the cancelled Options or Awards will not be added back to the available mandate.

Options or Awards which lapse in accordance with the terms of the relevant 2026 Share Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. Accordingly, such lapsed Options or Awards will not reduce the available mandate under the Scheme Mandate Limit, subject to and in accordance with the Listing Rules and the terms of the relevant 2026 Share Scheme. For this purpose, lapsed Options or Awards will be added back to the available mandate.

**EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM to be held at Turquoise and Fuchsia Rooms, 3/F, Gateway Hotel Hong Kong, 13 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Wednesday, 7 October 2026 at 10:00 a.m. is set out on pages 60 to 61 of this circular.

A proxy form for use at the EGM is enclosed. Whether or not you are able to attend the EGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM and any adjournment thereof should you so wish and in such event, the proxy form will be deemed to be revoked.

**VOTING BY WAY OF POLL**

Pursuant to Rule 13.39(4) of the Listing Rules, any votes of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the chairman of the EGM will demand a poll for each and every resolution put forward at the EGM. The Company will appoint scrutineers to handle vote-taking procedures at the EGM. The results of the poll will be published on the websites of the Stock Exchange and the Company respectively as soon as possible in accordance with Rule 13.39(5) of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the EGM. Your attention is also drawn to the additional information set out in the appendices to this circular.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 2 October 2026 to Wednesday, 7 October 2026, both days inclusive, during which period no transfer of Shares will be registered, in order to determine the entitlement to attend and vote at the EGM. In order to be entitled to attend and vote at the EGM, unregistered holders of Shares should ensure that all transfers of Shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 30 September 2026.

## RESPONSIBILITY STATEMENT

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

## RECOMMENDATION

The Board considers the proposed resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the resolutions to be proposed at the EGM.

Yours faithfully,
By order of the Board
**Ka Shui International Holdings Limited**
**嘉瑞國際控股有限公司**
**Lee Yuen Fat**
*Chairman and Chief Executive Officer*

## PRINCIPAL TERMS OF 2026 SHARE OPTION SCHEME

The following is a summary of the principal terms of the 2026 Share Option Scheme to be adopted by way of ordinary resolution at the Extraordinary General Meeting, save that this Appendix I does not and is not intended to form part of the 2026 Share Option Scheme, nor is deemed to form an interpretation affecting the rules of the 2026 Share Option Scheme.

## 1. PURPOSE OF THE 2026 SHARE OPTION SCHEME

(a) The 2026 Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that Eligible Participants (as defined under paragraph (c) below) may make to the Group.

(b) The 2026 Share Option Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company with the view to achieving the following principal objectives:

(i) motivate the Eligible Participants to optimise their performance and efficiency for the benefit of the Group; and

(ii) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.

(c) For the purpose of the 2026 Share Option Scheme, "Eligible Participants" means any person who satisfies the eligibility criteria in paragraph 2 below.

## 2. WHO MAY JOIN AND BASIS FOR DETERMINING ELIGIBILITY

(a) The Board may at its discretion grant Options to any (i) Employee Participant; and (ii) Related Entity Participant.

(b) In order for a person to satisfy the Board that he/she/it is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his/her/its eligibility (or continuing eligibility).

(c) Each grant of Options to a Connected Person of the Company or any of his/her/its Associates must be approved by the independent non-executive Directors (excluding any such independent non-executive Directors who is a proposed Grantee of an Option) and in accordance with the requirements of the Listing Rules.

(d) Any person whom the Board has resolved to be qualified to become an Eligible Participant must remain eligible during the period when any Option granted to him remains outstanding. In determining the Options to be granted to any Grantee, the Board shall, on a case-by-case basis, take into account both qualitative and quantitative factors including but not limited to, the following matters:

(i) the present and expected contribution of the relevant Grantee to the profits of the Group;

(ii) the leadership role, duties, responsibilities and level of effort of the relevant Grantee;

(iii) the general financial condition of the Group;

(iv) the Group's overall business objectives and future development plan; and

(v) any other matter which the Board considers relevant.

In assessing the eligibility of Related Entity Participant(s) to be Eligible Participant(s), the Board will consider all relevant factors as appropriate, including, among others:

(i) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of, amongst other things, an increase in turnover or profits and/or an addition of expertise to the Group;

(ii) the period of engagement or employment of the Related Entity Participant by the Group;

(iii) the number, scale and nature of the projects in which the Related Entity Participant is involved;

(iv) whether the Related Entity Participant has or expected to refer or introduce opportunities to the Group which have or likely to materialise into further business relationships;

(v) whether the Related Entity Participant has or expected to assist the Group in tapping into new markets and/or increased its market share; and

(vi) the materiality and nature of the business relation of holding companies, fellow subsidiaries or associated companies with the Company and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies of the Company which may benefit the core business of the Group through a collaborative relationship.

## 3. GRANT OF OPTIONS

(a) On and subject to the terms of the 2026 Share Option Scheme, the Board shall be entitled at any time on a Business Day within the Scheme Period to offer the grant of an Option to any Eligible Participants as the Board may in its absolute discretion select in accordance with the eligibility criteria as set out in paragraph 2.

(b) An Offer shall be deemed to have been accepted and an Option to which the Offer relates shall be deemed to have been granted and accepted and to have taken effect when the Company, within twenty-one (21) days from the date on which an Option is offered to an Eligible Participant, receives the duly signed Offer letter from the Grantee together with the number of Options in respect of which the Offer is accepted clearly stated therein and a non-refundable payment of HK$1.00 (or such other sum in any currency as the Board may determine) for each acceptance of an Offer of the grant of Options payable on acceptance of such Offer, in favour of the Company as consideration for the grant thereof.

(c) The vesting period for all Options shall not be less than twelve (12) months. Options granted to Employee Participants may be subject to a shorter vesting period under each of the following specific circumstances at the discretion of the Board (or Remuneration Committee where arrangements relate to grant of the Options to the Directors and/or senior management of the Company):

(i) grants of "make-whole" rewards to new employees to replace the share options or share awards they forfeited when leaving the previous employers;

(ii) grants to a participant whose employment is terminated due to death or disability or occurrence of any out-of-control event. An "out-of-control event refers to an event which is beyond the control of the relevant Employee Participant, and is not attributable to the voluntary resignation, misconduct, fraud, serious negligence, underperformance or failure to satisfy performance targets or other vesting conditions of such Employee Participant, and which results in the cessation or termination of the relevant Employee Participant's employment or office with the Group, or makes the continuation of such employment or office materially impracticable. Examples may include: (i) serious illness, accident or injury affecting the Employee Participant which is not self-inflicted and prevents him/her from continuing his/her employment or office; (ii) redundancy, group reorganisation, business transfer, disposal of the relevant employing entity or cessation of the relevant employing entity, where the relevant cessation is not due to misconduct, default or underperformance of the Employee Participant; and (iii) any legal, regulatory or governmental requirement which makes the continuation of the Employee Participant's employment or office impracticable. For the avoidance of doubt, an out-of-control event does not include voluntary resignation, termination for cause, termination due to misconduct, fraud, serious negligence, underperformance, failure to satisfy performance targets or other vesting conditions, any lapse, cancellation or clawback event under the relevant 2026 Share Scheme, or other circumstances within the control of the relevant Employee Participant;

(iii) grants with performance-based vesting conditions in lieu of time-based vesting criteria as determined in the conditions of grant;

(iv) grants that are made in batches during a year for administrative and compliance reasons;

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

(vi) grants with a total vesting and holding period of more than twelve (12) months.

(d) Subject to the provisions of the 2026 Share Option Scheme, the Listing Rules and other applicable laws, the Board may, on a case-by-case basis and at its discretion when offering the grant of an Option, impose any conditions, restrictions or limitations in relation thereto additional to those expressly set forth in the 2026 Share Option Scheme as it may think fit (which shall be stated in the letter containing the Offer of the grant of the Option) including (without prejudice to the generality of the foregoing):

(i) the continuing eligibility of the Grantee under the 2026 Share Option Scheme, and in particular, where the Board resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria, the Option (to the extent it has not already been exercised) shall lapse;

(ii) the continuing compliance of any such terms and conditions that may be attached to the grant of the Option, failing which the Option (to the extent it has not already been exercised) will lapse unless otherwise resolved to the contrary by the Board;

(iii) in the event that the Eligible Participant is a corporation (whether incorporated or unincorporated), that any material change of the management and/or shareholding of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under the 2026 Share Option Scheme;

(iv) in the event that the Eligible Participant is a trust, that any change of the beneficiary of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under the 2026 Share Option Scheme;

(v) in the event that the Eligible Participant is a discretionary trust, that any material change of the discretionary objects of the Eligible Participant shall constitute a failure to meet the continuing eligibility criteria under the 2026 Share Option Scheme;

(vi) conditions, restrictions or limitations relating to the achievement of performance targets, which may include operating, financial, corporate, business unit, department, project or individual key performance indicators, including revenue growth, profitability, cost reduction, cash flow, return-based measures, production efficiency, quality or yield improvement, defect-rate reduction, project milestones, product development milestones, compliance indicators, management appraisal results and other role-specific key performance indicators. Where any performance targets are imposed, the relevant Offer letter shall specify the performance targets, the relevant target levels or performance measures, the method for assessing satisfaction of such targets and the period within which such targets must be satisfied before the relevant Option may vest or be exercised;

(vii) any clawback mechanism for the Company to recover or withhold any remuneration, which may include Options granted, from any Eligible Participant in the event of serious misconduct, fraud, dishonesty, serious negligence, material misstatement or omission in the financial reports of the Group, breach of the terms of the 2026 Share Option Scheme, the Offer letter or the relevant employment contract, breach of confidentiality, non-competition or non-solicitation obligations, conviction or liability for an offence involving integrity, honesty or securities laws, material harm to the reputation or business of the Group, failure to satisfy continuing eligibility criteria or other circumstances where, in the opinion of the Board or the Remuneration Committee, it would be inequitable for the Option to vest, be exercised or be retained; and

(viii) if applicable, the satisfactory performance of certain obligations by the Grantee.

(e) Without prejudice to the generality of the foregoing and subject to the Listing Rules and paragraph 5, the Board may grant Options in respect of which the Exercise Price for the Shares under the 2026 Share Option Scheme is fixed at different prices for different periods during the applicable Scheme period.

(f) The Options held by Grantees are not equal to the Shares and do not confer the rights related to voting, share allotment and dividends.

## 4. GRANT OF OPTIONS TO CONNECTED PERSONS OR ANY OF THEIR ASSOCIATES

Without prejudice to paragraph 3, any grant of Options to any Director, Chief Executive or Substantial Shareholder of the Company or any of their respective Associates must be approved by all of the independent non-executive Directors excluding, for all purposes, any independent non-executive Director who is a proposed Grantee.

Where any grant of Options to an independent non-executive Director or a Substantial Shareholder of the Company, or any of their respective Associates, would result in the total number of the Shares issued and to be issued in respect of all options (including the Options) and awards granted (excluding any options or awards lapsed in accordance with the terms of the 2026 Share Option Scheme and all other share schemes) to such person under the 2026 Share Option Scheme and all other share schemes in any twelve-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares, if any), such grant of Options must be approved by the Shareholders in general meeting of the Company in the manner set out in Rule 17.04(4) of the Listing Rules. The Grantee, his/her Associates and all Core Connected Persons of the Company must abstain from voting in favour at such general meeting. The Company must send a circular to its Shareholders containing the information required under the Listing Rules.

## 5. EXERCISE PRICE

The Exercise Price for any Share under the 2026 Share Option Scheme will be a price determined by the Board at its absolute discretion and notified to each Grantee and will not be less than the highest of (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant Option, which must be a Trading Day; (ii) an amount equivalent to the average closing price of the Share as stated in the Stock Exchange's daily quotation sheets for the five (5) Trading Days immediately preceding the date of grant of the relevant Option; and (iii) the nominal value of a Share on the date of the grant. The Exercise Price shall also be subject to any adjustments made in a situation contemplated under paragraph 11.

## 6. MAXIMUM NUMBER OF SHARES

(a) Subject to paragraph (d), the maximum number of Shares which may be issued in respect of all options and awards to be granted under the 2026 Share Option Scheme and any other share schemes shall not, in aggregate, exceed 10% of the Shares in issue (excluding Treasury Shares, if any), as at the Adoption Date (the "**Scheme Mandate Limit**").

(b) The Board may seek separate Shareholders' approval in general meeting to grant Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing such relevant information from time to time required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.

(c) The Company may seek approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit after three (3) years from the date of the first Shareholders' approval for such limits or for the last refreshment (as the case may be). Any refreshment within any three-year period must be approved by the Shareholders, with any controlling Shareholders and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) abstaining from voting in favour of the relevant resolution at the general meeting. The total number of Shares which may be issued in respect of all options and awards to be granted under all of the share scheme(s) under the scheme mandate as refreshed must not exceed 10% of the Shares in issue (excluding Treasury Shares, if any), as at the date of approval of the refreshed scheme mandate. The Company will comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 in respect of any such refreshment of the Scheme Mandate Limit.

(d) The maximum number of Shares issued or to be issued in respect of all options and awards granted to a Grantee at any one time or in aggregate under the 2026 Share Option Scheme and all other share schemes (excluding any options and awards lapsed in accordance with the terms of the respective share schemes) in any twelve-month period up to and including the date of such relevant grant should not exceed 1% of the issued share capital of the Company (excluding Treasury Shares, if any) (the "**Individual Limit**"). Where any Grant to a Grantee may result in exceeding the Individual Limit, the Company shall not grant such Options unless it is separately approved by the Shareholders in general meeting, with such Grantee and his/her close associates (or Associates if the Grantee is a Connected Person) abstaining from voting.

(e) The maximum number of Shares referred to in this paragraph shall be adjusted, in such manner as the auditors of the Company or the independent financial adviser of the Company shall certify as fair and reasonable in accordance with paragraph 11.

## 7. TIME OF EXERCISE OF OPTION

(a) Subject to certain restrictions contained in the 2026 Share Option Scheme, an Option may be exercised in accordance with the terms of the 2026 Share Option Scheme and the terms of grant thereof at any time during the applicable Exercise period, which is not more than ten (10) years from the date of grant of Option.

(b) There is no general requirement on the minimum period for which an Option must be held or the performance targets which must be achieved before an Option can be exercised under the terms of the 2026 Share Option Scheme. However, at the time of granting any Option, the Board may, on a case-by-case basis, make such grant subject to such conditions, restrictions or limitations including (without limitation) those in relation to the minimum period of the Options to be held and/or the performance targets to be achieved as the Board may determine in its absolute discretion.

## 8. RIGHTS ARE PERSONAL TO GRANTEE

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option (where the Grantee is a company, any change of its major shareholder or any substantial change in its management as determined by the Board at its sole discretion will be deemed to be a sale or transfer of interest as aforesaid, if so determined by the Board at its sole discretion). Any breach of the foregoing by a Grantee shall entitle the Company to cancel, revoke or terminate any Option granted to such Grantee to the extent not already exercised.

## 9. RIGHTS ON CEASING TO BE AN ELIGIBLE PARTICIPANT

Where an Option was granted subject to certain continuing conditions, restrictions or limitations on the Grantee's eligibility and the Board resolves that the Grantee has failed or otherwise is or has been unable to meet such continuing eligibility criteria, the Option (to the extent it has not already been exercised) shall lapse.

## 10. RIGHTS ON DEATH/CEASING EMPLOYMENT

(a) If the Grantee (being an individual) dies before exercising the Option in full, his or her legal personal representative(s) may exercise the Option up to the Grantee's entitlement (to the extent exercisable as at the date of his/her death and not exercised) within a period of twelve (12) months following his/her death or such longer period as the Board may determine.

(b) Subject to sub-paragraphs (c) and (d), in the event of the Grantee who is an Employee Participant ceasing to be an Employee Participant for any reason other than his/her death, disability or the termination of his/her employment on one or more of the grounds specified in paragraph 16(f), the Grantee may exercise the Option (to the extent exercisable as at the date of the relevant event and not exercised) within thirty (30) days following such cessation.

(c) If the Grantee is an Eligible Participant at the time of the grant of the relevant Option(s) and his/her employment to the Company is terminated on the ground of disability, the Grantee may exercise the Option (to the extent exercisable as at the date on which such Grantee ceases to be an Eligible Participant) within six (6) months following such cessation or such longer period as the Board may determine.

(d) If the Grantee is an Employee Participant at the time of the grant of the relevant Option(s), in the event that such Grantee shall cease to be an Employee Participant but becomes, or continues to be, a Related Entity Participant, then the Option (to the extent exercisable as at the date on which such Grantee ceases to be an Employee Participant and not exercised) shall be exercised within three (3) months following the date of such cessation or such longer period as the Board may determine.

(e) If the Grantee is a Related Entity Participant but not an Employee Participant, in the event that such Grantee shall cease to be a director or an employee of the Related Entity for any reason other than his/her death (in the case of a Grantee being an individual) or disability, then the Option(s) (to the extent exercisable as at the date of such cessation and not exercised) shall be exercised within thirty (30) days following the date of such cessation or such longer period as the Board may determine.

## 11. EFFECTS OF ALTERATIONS TO CAPITAL

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or the 2026 Share Option Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation or sub-division of the Shares, or reduction of the share capital of the Company, then, in any such case the Company shall instruct the independent financial adviser appointed by the Company or the auditors to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

(a) the number or nominal amount of Shares to which the 2026 Share Option Scheme relates;

(b) the Exercise Price of any Option; and/or

(c) (insofar as it is/they are unexercised, unless the relevant Grantee elects to waive such adjustment) the number of Shares comprised in an Option or which remains comprised in an Option, and an adjustment as so certified by the independent financial adviser or the auditors shall be made, provided that:

   (i) any such adjustment shall give the Grantee the same proportion of the issued share capital of the Company as that to which he/she was previously entitled rounded to the nearest whole share;

   (ii) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value (if any);

   (iii) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and

(iv) any such adjustment shall be in compliance with the Listing Rules and such applicable rules, codes, guidance notes and/or interpretation of the Listing Rules from time to time promulgated by the Stock Exchange.

In respect of any adjustment referred to in paragraph 11, other than any adjustment made on a capitalisation issue, the independent financial adviser or the auditors must confirm to the Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

Subject to the above principles and certification procedures, and any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time assuming only the Exercise Price is adjusted, the Company shall follow the method of adjustment under Appendix 1 to Frequently Asked Questions FAQ13 No. 1–20 published by the Stock Exchange which is replicated below:

(1) Capitalisation issue, rights issue or open offer of Shares Adjustments shall follow the following formula:

New number of Share Options = Existing number of Share Options × F

$$\text{New Exercise Price} = \text{Exercise Price} \times \frac{1}{F}$$

Where:

$$F = \frac{CUM}{TEEP}$$

CUM = Closing price as shown in daily quotation sheet of the Stock Exchange on the last Trading Day before going ex-entitlement to the offer (the cum-rights price)

$$\text{TEEP (Theoretical Ex Entitlement Price)} = \frac{(CUM + M \times R)}{(1 + M)}$$

M = Entitlement per existing Share

R = Subscription price for the capitalisation issue, rights issue or open offer (as the case may be)

(2) Subdivision or Consolidation of Shares

Adjustments shall follow the following formula:

New number of Share Options = Existing number of Share Options × F

$$\text{New Exercise Price} = \text{Exercise Price} \times \frac{1}{F}$$

Where:

F = Subdivision or consolidation factor (as the case may be)

## 12. RIGHTS ON A TAKEOVER

If a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (within the meaning of the Takeovers Code), the Grantee shall be entitled to exercise the Option (to the extent exercisable as at the date on which the general offer becomes or is declared unconditional and not exercised) in full or in part at any time within one month after the date on which the offer becomes or is declared unconditional (within the meaning of the Takeovers Code).

## 13. RIGHTS ON A SCHEME OF ARRANGEMENT

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (other than any relocation schemes as contemplated in Rule 7.14(3) of the Listing Rules), the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme of arrangement, and thereupon the Grantee may, by notice in writing to the Company accompanied by the remittance for the total Exercise Price payable in respect of the exercise of the relevant Option (such notice to be received by the Company not later than two (2) Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the Option (to the extent exercisable as at the date of the notice to the Grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise credited as fully paid and registered the Grantee as holder thereof.

## 14. RIGHTS ON A VOLUNTARY WINDING UP

In the event notice is given by the Company to the Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall forthwith give notice thereof to the Grantee and the Grantee may, by notice in writing to the Company accompanied by the remittance for the total Exercise Price payable in respect of the exercise of the relevant Option (such notice to be received by the Company not later than two (2)

Business Days (excluding any period(s) of closure of the Company's share registers) prior to the proposed meeting) exercise the Option (to the extent exercisable as at the date of the notice to the Grantee and not exercised) either in full or in part and the Company shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of the Company's share registers) immediately prior to the date of the proposed Shareholders' meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise.

## 15. RIGHTS ATTACHING TO SHARES UPON EXERCISE OF AN OPTION

The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the Articles for the time being in force as at the allotment date and shall rank *pari passu* in all respects with the existing fully paid Shares in issue (excluding Treasury Shares, if any) on the allotment date and accordingly shall entitle the holder to participate in all dividends or other distributions paid or made after the allotment date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the allotment date. Any Share to be allotted upon the exercise of an Option shall not carry voting rights until the name of the Grantee (or his or her nominee or legal personal representative(s)) has been duly entered into the register of members of the Company as the holder thereof. Where any Treasury Shares are transferred to a Grantee upon exercise of an Option, such Treasury Shares shall rank *pari passu* in all respects with other existing fully paid Shares in issue (including the right to receive dividends and other distributions with a record date on or after the date of transfer).

## 16. LAPSE OF OPTIONS

16.1 An Option (to the extent such Option has not already been exercised) shall lapse and not be exercisable on the earliest of:

(a) the expiry of the Exercise Period;

(b) the expiry of the periods referred to in paragraph 10;

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

(d) the date on which the proposed compromise or arrangement becomes effective in respect of the situation contemplated in paragraph 13;

(e) the date on which the Grantee ceases to be an Eligible Participant due to the following reasons:

  (i) the Grantee's employment with the Group has been terminated by any member of the Group, any Related Entity for cause, and "cause" means:

    (1) dishonesty or serious misconduct, whether or not in connection with his/her employment; willful disobedience or non-compliance with the terms of his/her employment contract with any member of the Group, any Related Entity or any lawful orders or instructions given by any member of the Group, any Related Entity as the case may be;

    (2) incompetence or negligence in the performance of his/her duties; or

    (3) doing anything in the conclusive opinion of the Board adversely affects his/her ability to perform his/her duties properly or brings the Company or the Group or any Related Entity into disrepute;

  (ii) the Grantee has been summarily dismissed by any member of the Group or any Related Entity;

  (iii) the Grantee has been convicted for any criminal offence involving his/her integrity or honesty;

  (iv) the Grantee 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

  (v) the Grantee or his/her Associates has committed any breach of any contract entered into between the Grantee or his/her Associates on one part and any member of the Group on the other part or has any legal dispute with the Company as the Board may in its absolute discretion determine;

(f) the happening of any of the following events, unless otherwise waived by the Board:

  (i) any liquidator, provisional liquidator, receiver or any person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the asset or undertaking of the Grantee (being a corporation);

  (ii) the Grantee (being a corporation) has ceased or suspended payment of its debts, become unable to pay its debts (within the meaning of section 178 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any similar provisions under the Companies Act) or otherwise become insolvent;

(iii) there is unsatisfied judgment, order or award outstanding against the Grantee or the Company has reason to believe that the Grantee is unable to pay or to have no reasonable prospect of being able to pay his/her/its debts;

(iv) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in sub-paragraphs (i), (ii) and (iii) above;

(v) a bankruptcy order has been made against the Grantee or any director of the Grantee (being a corporation) in any jurisdiction; or

(vi) a petition for bankruptcy has been presented against the Grantee or any director of the Grantee (being a corporation) in any jurisdiction;

(g) the date on which a situation as contemplated under paragraph 8 arises;

(h) the date on which the Grantee commits a breach of any terms or conditions attached to the grant of the Option, unless otherwise resolved to the contrary by the Board; or

(i) the date on which the Board resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed pursuant to paragraph 9.

16.2 The Company may exercise a clawback right in circumstances where, in the absolute opinion of the Board or the Remuneration Committee, it would be inequitable for any Option to vest, be exercised or be retained by any Grantee. Such circumstances include, without limitation, where the relevant Grantee has committed serious misconduct, fraud, dishonesty or serious negligence, has contributed to a material misstatement or omission in the financial reports of the Group, has breached the terms of the 2026 Share Option Scheme, the relevant Offer letter or the relevant employment contract has disclosed confidential information, has breached non-competition or non-solicitation obligations, has been convicted or held liable for an offence involving integrity, honesty or securities laws, has caused reputational or other material harm to the Group, or has failed to satisfy continuing eligibility criteria or other grant conditions. For the avoidance of doubt, notwithstanding anything else in the 2026 Share Option Scheme, any Option may be made subject to clawback pursuant to the Company's clawback policy, as amended from time to time, which may include, without limitation, cancellation of unvested or unexercised Options and/or recovery from the Grantee of gains realised on Options exercised, in each case to the extent permitted by applicable laws, the Listing Rules, the 2026 Share Option Scheme and the relevant Offer letter.

## 17. CANCELLATION OF OPTIONS

17.1 Any Options granted but not exercised may be cancelled by the Board and such cancellation is recommended by the Remuneration Committee. Any Options granted but subsequently renounced by the Grantee may be cancelled by the Board.

17.2 If an Option is cancelled under paragraph 17.1, the Grantee shall not be entitled to any compensation from the Company.

17.3 Where the Company cancels Options and issue new Options to the same Grantee, the issue of such new Option may only be made with available but unissued Shares in the authorised share capital of the Company, and available ungranted Options (excluding for this purpose all the cancelled Options) within the limits referred to in paragraph 6.

## 18. PERIOD OF THE 2026 SHARE OPTION SCHEME

Options may be granted to Eligible Participants under the 2026 Share Option Scheme during the period of ten (10) years commencing on the Adoption Date of the 2026 Share Option Scheme and ending on the tenth (10th) anniversary of the Adoption Date.

## 19. ALTERATION TO 2026 SHARE OPTION SCHEME AND TERMINATION

(a) The 2026 Share Option Scheme may be altered in any respect by a resolution of the Board except that those specific provisions relating to matters contained in Chapter 17 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) which cannot be altered to the advantage of Grantees or prospective Grantees except with the prior approval of the Shareholders in general meeting.

(b) Any alteration to the terms and conditions of the 2026 Share Option Scheme which is of a material nature must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the 2026 Share Option Scheme.

(c) The Company by resolution in general meeting or the Board may at any time terminate the operation of the 2026 Share Option Scheme and in such event no further Options will be offered but the provisions of the 2026 Share Option Scheme shall remain in force in all other respects. In particular, all Options granted prior to such termination and yet to be exercised shall continue to be valid and exercisable in accordance with the terms of the 2026 Share Option Scheme.

(d) The amended terms of the 2026 Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules as may be amended from time to time.

(e) Any change to the authority of the Board in relation to any alteration to the terms of the 2026 Share Option Scheme must first be approved by the Shareholders in general meeting.

(f) Any change to the terms of Options granted must be approved by the Board, the Remuneration Committee, the independent non-executive Director and/or the Shareholders if the initial grant of Options were approved by the Board, the Remuneration Committee, the independent non-executive Director and/or the Shareholders (as the case may be). The foregoing requirement does not apply where the alterations take effect automatically under the existing terms of the 2026 Share Option Scheme. For the avoidance of doubt, the Scheme Mandate Limit can be refreshed, which is subject to prior approval from the Shareholders as specified in the provisions of the 2026 Share Option Scheme above.

## 20. DEALING RESTRICTIONS

The Board shall not grant any Options after inside information has come to its knowledge until (and including) the Trading Day after it has announced the information. In particular, the Board shall not grant any Options during the period commencing thirty (30) days immediately preceding the earlier of:

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

(b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcements.

No Options shall be granted during any period of delay in publishing a results announcement or during any period specified in the Listing Rules as being a period during which no Option may be granted.

For the avoidance of doubt, in compliance with the Listing Rules, a Director must not deal in any of the securities of the Company (and no Options may be granted to a Director) at any time when he/she possesses unpublished inside information in relation to those securities, or where clearance to deal is not otherwise conferred upon him/her under rule B.8 of the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules.

A Director must not deal in any securities of the Company (and no Options may be granted to a Director) on any day on which its financial results are published and:

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

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

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in section C of the Model Code. In any event, the director must comply with the procedure in rules B.8 and B.9 of the Model Code.

## PRINCIPAL TERMS OF 2026 SHARE AWARD SCHEME

The following is a summary of the principal terms of the 2026 Share Award Scheme to be adopted by way of ordinary resolution at the Extraordinary General Meeting, save that this Appendix II does not and is not intended to form part of the 2026 Share Award Scheme, nor is deemed to form an interpretation affecting the rules of the 2026 Share Award Scheme.

### 1. PURPOSE OF THE 2026 SHARE AWARD SCHEME

1.1 The purpose of the 2026 Share Award Scheme is to provide the Selected Participants with an opportunity to obtain a proprietary interest in the Company and align their interest with those of the Shareholders to promote the long-term performance of the Group, to recognise and acknowledge the contributions by the Group's personnel and to provide incentives to Selected Participants to contribute to the Company and to enable the Company to recruit, retain and motivate Eligible Participants to optimise their performance and efficiency and attract human resources that are valuable to the Group.

### 2. ELIGIBLE PARTICIPANTS OF THE 2026 SHARE AWARD SCHEME AND THE BASIS OF DETERMINING ELIGIBILITY OF ELIGIBLE PARTICIPANTS

2.1 Subject to the terms and conditions of the 2026 Share Award Scheme, Eligible Participants include the Employee Participants and the Related Entity Participants (excluding any Excluded Participant) who in the absolute discretion of the Board have contributed to the Group on the basis of their contribution to the development and growth of the Group and may participate in the 2026 Share Award Scheme.

2.2 In assessing the eligibility of Employee Participant(s), the Board shall, on a case-by-case basis, take into account both qualitative and quantitative factors as appropriate, including, among others:

(a) his/her present and expected contribution to the profits of the Group;

(b) his/her leadership role, duties, responsibilities and level of effort;

(c) the general financial condition of the Group;

(d) the Group's overall business objectives and future development plan;

(e) whether granting Awards to him/her is an appropriate incentive to motivate him/her to continue to contribute towards the betterment of the Group; and

(f) any other matter which the Board considers relevant.

2.3 In assessing the eligibility of Related Entity Participant(s), the Board will consider all relevant factors as appropriate, including, among others:

(a) the positive impacts brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits and/or an addition of expertise to the Group;

(b) the period of engagement or employment of the Related Entity Participant by the Group;

(c) the number, scale and nature of the projects in which the Related Entity Participant is involved;

(d) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialized into further business relationships;

(e) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increased its market share; and

(f) the materiality and nature of the business relation of holding companies, fellow subsidiaries or associated companies with the Company and the Related Entity Participants' contribution in such holding companies, fellow subsidiaries or associated companies of the Company which may benefit the core business of the Group through a collaborative relationship.

**3. DURATION**

3.1 Subject to paragraphs 3.2 and 18, the 2026 Share Award Scheme will take effect when all the conditions set out in paragraph 5 have been satisfied and will terminate or expire (as the case may be) on the earlier of:

(a) the termination of the 2026 Share Award Scheme pursuant to paragraph 20; or

(b) ten (10) years commencing on the Adoption Date (the "**Scheme Period**").

3.2 After the Scheme Period, no further grant of Awards shall be made but the provisions of the 2026 Share Award Scheme will remain in full force and effect in all other respects to the extent necessary to give effect to the acceptance of any granted Awards, vesting of any Awarded Shares or otherwise as may be required in accordance with the 2026 Share Award Scheme and the administration of the trust property held by the Trustee pursuant to the Trust Deed.

## 4. ADMINISTRATION OF THE SHARE AWARD SCHEME

4.1 The Board, any committee established and authorised by the Board and the Trustee will administer the 2026 Share Award Scheme. The Remuneration Committee is involved where the Selected Participant is a Director or a member of the Company's senior management, the Listing Rules require its involvement or it is authorised by the Board. In order to avoid any conflict of interest, if the Remuneration Committee has any member who is not an independent non-executive Director, such director member will abstain from voting on the resolution of the Board (for the avoidance of doubt, an independent non-executive director who is the prospective Selected Participant of the relevant Award shall also abstain from voting on such resolution) or of the Remuneration Committee in relation to any decision on any grant or potential grant being considered to be made under the 2026 Share Award Scheme to a director and/or senior management, including the decision on whether to make a grant to a director and/or senior management and the vesting conditions.

4.2 The Board may appoint a third-party professional service provider as the administrator in relation to the 2026 Share Award Scheme (or certain aspects of it) on such terms as the Board may determine.

4.3 The decision of the Board on the interpretation of the 2026 Share Award Scheme or whether a circumstance exists which may affect the treatment of any Award or Selected Participant thereunder will be final and binding (in the absence of manifest error) on all parties.

## 5. CONDITIONS OF THE 2026 SHARE AWARD SCHEME

5.1 The 2026 Share Award Scheme will take effect upon satisfaction of the following conditions:

(a) the approval by ordinary resolution of Shareholders in a general meeting of the Company is obtained to adopt the 2026 Share Award Scheme and to authorise the Board to grant Awards under the 2026 Share Award Scheme and to allot, issue and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of the 2026 Share Award Scheme; and

(b) the Listing Committee grants approval for the listing of and permission to deal in such number of Shares representing the Scheme Mandate Limit to be allotted and issued by the Company pursuant to the grant of any Awards in accordance with the terms and conditions of the 2026 Share Award Scheme.

## 6. OPERATION OF THE 2026 SHARE AWARD SCHEME

6.1 The Board may from time to time cause to be paid a Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company or any subsidiary as directed by the Board which shall constitute part of the Trust Fund, for the purchase or subscription (as the case may be) of Shares and other purposes set out in the 2026 Share Award Scheme and the Trust Deed.

6.2 The Company is allowed to use Treasury Shares for the 2026 Share Award Scheme to the extent permitted by the Listing Rules, all applicable laws and regulations and the Articles. If the Company has Treasury Shares available, the Company may use the Treasury Shares for the 2026 Share Award Scheme where appropriate. Furthermore, subject to the requirements in the 2026 Share Award Scheme and all applicable laws, rules and regulations, the Board may from time to time instruct the Trustee in writing to (i) purchase Shares on the Stock Exchange; (ii) subscribe for Shares from the Company at a subscription price representing the nominal value of the Shares; or transfer Treasury Shares (if available) to such Selected Participant. Once purchased or subscribed for, the Shares are to be held by the Trustee for the benefit of Selected Participants under the Trust on and subject to the Listing Rules, the terms and conditions of the 2026 Share Award Scheme and the Trust Deed. For the avoidance of doubt, the Company will not issue any new Shares to, or transfer any Treasury Shares to, the Trustee, or otherwise place any new Shares or Treasury Shares with the Trustee, to fund future grants under the 2026 Share Award Scheme unless such issue or transfer is made for the benefit of specified Selected Participant(s) in respect of specific Award(s) granted or to be granted to such Selected Participant(s) in compliance with Chapter 17 of the Listing Rules and Frequently Asked Questions FAQ13 No.10. Pending identification of the specified Selected Participant(s) and the relevant Award(s), the Company will not issue any new Shares to, transfer any Treasury Shares to, or otherwise place any new Shares or Treasury Shares with, the Trustee to satisfy future grants. Any new Shares issued or Treasury Shares transferred to the Trustee for the benefit of specified Selected Participant(s) will be held by the Trustee solely for the purpose of satisfying the relevant Award(s) and will be counted towards the Scheme Mandate Limit and in accordance with Chapter 17 of the Listing Rules.

6.3 Subject to the requirements in the 2026 Share Award Scheme and all applicable laws, rules and regulations, the Board may, from time to time at its absolute discretion, select any Eligible Participant (other than any Excluded Participant) to be a Selected Participant and grant to such Selected Participant Awarded Shares at the Award Price.

6.4 The Award Price for the Awarded Shares shall be determined by the Board from time to time based on consideration such as the purpose of the Award and the characteristics and the profile of the Selected Participant, which shall be paid upon vesting of the Awarded Shares or at such other time as determined by the Board in its absolute discretion.

6.5 The Board will grant Awards to the Selected Participants by letters. The letter of grant will specify:

(a) the name and address of the Selected Participant;

(b) the date of the letter;

(c) the Acceptance Period and procedure for acceptance;

(d) the conditions to Vesting (if any);

(e) the performance targets, if any, including conditions, restrictions or limitations relating to the achievement of operating, financial, corporate, business unit, department, project or individual performance targets, which may include revenue growth, profitability, cost reduction, cash flow, return-based measures, production efficiency, quality or yield improvement, defect-rate reduction, project milestones, product development milestones, technical, testing or certification milestones, customer project milestones and quality indicators, compliance indicators, management appraisal results and other role-specific key performance indicators, and the method for assessing satisfaction of such performance targets;

(f) the clawback mechanism, if any, for the Company to recover or withhold any remuneration, which may include Awards or Awarded Shares granted, from the Selected Participant, including the circumstances in which the clawback may be exercised, the scope of recovery or withholding and the procedure for implementing the clawback;

(g) the number of Awarded Shares;

(h) the Award Price, time period within which payment must be made and the manner of payment;

(i) the lock-up period; and

(j) such other terms and conditions to which the Award will be subject.

The letter of grant will contain provisions requiring the Selected Participant (i) to undertake to hold the Award on the terms and conditions on which it is granted and (ii) to agree to be bound by the 2026 Share Award Scheme.

6.6 An Award will be open for acceptance by the Selected Participant during the acceptance period.

6.7 Upon receipt of the letter of grant, the Selected Participant shall accept an Award by returning to the Company a notice of acceptance (the "**Acceptance Notice**") duly executed by them within the Acceptance Period. No amount is payable by a

Selected Participant on application for, or acceptance of, an Award under the 2026 Share Award Scheme. If any Selected Participant fails to return the Acceptance Notice before the expiry of the Acceptance Period, the Award will automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date. Once accepted, the Award is granted as from the date on which it was offered to the relevant Selected Participant.

## 7. GRANT AWARDS TO DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY

7.1 Any grant of Awards to a Director, chief executive or substantial Shareholder (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Selected Participant of such grant).

7.2 Where the grant of Awards to:

(a) a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the 2026 Share Award Scheme) to him/her in the twelve-month period immediately preceding the grant date to exceed 0.1% of the number of Shares in issue (excluding any Treasury Shares) as at the grant date; or

(b) an independent non-executive Director or a substantial Shareholder or any of their respective associates, would result in the Shares issued and to be issued in respect of all Awards and Other Scheme Options and Awards granted (excluding any Awards in accordance with the terms of the 2026 Share Award Scheme and Other Scheme Options and Awards lapsed) to him/her in the 12-month period immediately preceding the grant date to exceed 0.1% of the number of Shares in issue (excluding any Treasury Shares) as at the grant date.

In the circumstances described in (a) and (b) above, a circular containing the details of the grant shall be despatched to the Shareholders in a manner complying with, and containing the information as required under the Listing Rules (including in particular a recommendation from the independent non-executive Directors (excluding the independent non-executive Director who is the prospective Selected Participant of the Award) to the independent Shareholders as to voting). Also, an approval by ordinary resolution of Shareholders must be obtained in general meeting of the Company with such Selected Participant, his/her Associates and all core connected person of the Company abstaining from voting (except that a Connected Person may vote against the resolution if his/her intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules). The Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

7.3 For the avoidance of doubt, the requirements of paragraph 7 for the granting of Awards to a Director or chief executive of the Company do not apply where the Selected Participant is only a proposed Director or proposed chief executive of the Company.

## 8. RESTRICTION ON GRANT OF AWARD

8.1 The Board will not grant any Award to any Selected Participant, or cause the Trustee to purchase or subscribe for Shares:

(a) after any inside information (as defined in the SFO) has come to the knowledge of the Company until such inside information has been published in accordance with the Listing Rules;

(b) during the period commencing thirty (30) days immediately before the earlier of: (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the requirements of the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (b) the deadline for the Company to publish an announcement of, its results for any year or half-year in accordance with the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement (no Award shall be granted during any period of delay in publishing a results announcement);

(c) who is a Director, during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company; and

(d) in any circumstances which are prohibited under the Listing Rules or where the requisite approval from any applicable regulatory authorities has not been granted.

## 9. LAPSE OF AWARDS AND CLAWBACK

9.1 If a Selected Participant who on the grant date was an Eligible Participant, that individual ceases to be an Eligible Participant because of:

(a) death; or

(b) his/her employment to the Company is terminated on the ground of job-related ill health, serious injury or disability, provided such ill health, serious injury or disability is not self-inflicted; or

(c) (in the case of an Employee Participant or a Related Entity Participant) redundancy, retirement or expiration of the term of the employment according to his/her contract of employment with his/her Employer; or

(d) (in the case of an Employee Participant or a Related Entity Participant) early retirement or termination by mutual agreement with his/her Employer; or

(e) (in the case of an Employee Participant) he/she ceases to be an Employee Participant but becomes, or continues to be, a Related Entity Participant; or

(f) (in the case of an Employee Participant) his/her employment or office being in a company which ceases to be a member of the Group or under the Control of the Group or relating to a business, or a part of the business which is transferred to a person who is not a member of the Group or is not under the Control of a member of the Group or if the Company or the relevant Employer or member of the Group is reorganised or merged or consolidated with another entity (and paragraphs 9.4, 9.5 and 9.6 do not apply) such that such Employer or the new entity ceases to be a member of the Group or under the Control of a member of the Group,

and situations in paragraph 9.3 do not apply, then, unless the Board determines otherwise at its absolute discretion, any Awarded Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the relevant grant. In the event of death, the Personal Representative of the Selected Participant shall be entitled to such Awarded Shares subject to provision of satisfactory evidence (including but not limited to a legal opinion) within one year of the date of death, failing which any unvested Awards shall lapse. For the purpose of this paragraph, a Selected Participant shall be taken to have retired upon reaching the age of retirement specified in his/her employment contract, the statutory retirement age, or such other retirement age as approved by the Board.

9.2 When a person who is a Selected Participant ceases to be an Eligible Participant because he/she has submitted his/her resignation from his/her employment or office with the Employer (and paragraph 9.1(a) does not apply), whether or not he/she is still in the employment of the Employer during the relevant employment resignation notice period or the relevant Employer has terminated the employment or office (and paragraph 9.3 does not apply), then, unless the Board determines otherwise at its absolute discretion:

(a) the relevant Award made to such Selected Participant will automatically lapse forthwith; and

(b) the relevant Awarded Shares shall not vest on the relevant Vesting Date.

9.3 If the Board or the board of directors (or a committee thereof) of the relevant subsidiary determines that a person who is a Selected Participant (this includes a person who has ceased to be an Eligible Participant but his/her Awards continue to subsist in accordance with power of the Board as set out in the 2026 Share Award Scheme), that person:

(a) is guilty of dishonesty or serious misconduct, whether or not in connection with his/her relationship with the Group, or wilful disobedience or non-compliance with the terms of his/her employment contract or lawful orders or instructions given by any member of the Group; or

(b) has been convicted of any criminal offence involving his/her integrity or honesty, whether or not in connection with his/her relationship with the Group; or

(c) 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 from time to time; or

(d) has caused a material misstatement in the Group's financial reports; or

(e) has committed any act or offence which would justify (as determined by the Board) the termination of his/her employment contract or office with the relevant member of the Group at common law or pursuant to any applicable law, rule or regulation (or, in the case of a person who was an Employee Participant but has subsequently ceased to be an Employee Participant, his/her behaviour while he/she was an Employee Participant would have justified the termination of his/her employment contract but which does not become known to the Group until after he/she has ceased to be an Employee Participant); or

(f) has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally; or

(g) has disclosed confidential information of the Group; or

(h) incompetence or negligence in the performance of his/her duties; or

(i) has done anything (as determined by the Board) adversely affecting his/her ability to perform his/her duties properly or bring the Group into disrepute; or

(j) has entered into competition with the Group or breached any non-solicitation provisions or any other undertakings in his/her employment contract with any member of the Group (irrespective of whether such provisions are upheld or declared void and unenforceable by a court with competent jurisdiction), then whether or not he/she is summarily dismissed by the Employer or is still employed by the Employer, the relevant Award made to such Selected Participant will automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date.

A resolution of the Board or the board of directors (or a committee thereof) of the relevant subsidiary to the effect that the employment of the person has or has not been terminated on one or more of the grounds specified in this paragraph or that one or more of the grounds specified in this paragraph 9 has arisen in respect of the person will be conclusive and binding on the person, and, where appropriate, the persons' Personal Representative(s).

9.4 If a general offer to acquire Shares (whether by way of a takeover offer, share repurchase offer, privatisation proposal by a scheme of arrangement between the Company and its members or otherwise in like manner) is made to the Shareholders pursuant to the Takeovers Code, the vesting conditions, the vesting schedule and other terms referred to in paragraph 13 and the letters of grant in respect of all the Awards not yet vested will not change when the general offer is made whether or not the offer becomes or is declared unconditional in all respects.

9.5 If a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, all unvested Awarded Shares (only to the extent that a minimum vesting period of twelve (12) months has been reached in respect of such unvested Awarded Shares) will immediately and automatically vest and the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Selected Participants (together with a notice of the existence of the provisions of this paragraph), and the Company shall allot and issue to such Selected Participant such number of Awarded Shares in accordance with the terms of the 2026 Share Award Scheme. All the unvested Awarded Shares as at the date of commencement of the winding-up of the Company will be regarded as lapsed.

9.6 If a compromise or arrangement between the Company and its members or creditors is proposed in connection with a scheme for the reconstruction of the Company or amalgamation of the Company with another company or companies (other than a relocation scheme as contemplated in Rule 7.14(3) of the Listing Rules):

(a) the Company will give notice to all Selected Participants on the same date as it gives notice to its members or creditors to hold a meeting to consider, and if thought fit approve, such a compromise or arrangement;

(b) thereupon all unvested Awarded Shares (only to the extent that a minimum vesting period of twelve (12) months has been reached in respect of such unvested Awarded Shares) will vest; and

(c) the Board shall cause the Trustee to transfer or cause the Company to allot and issue to such Selected Participant such number of Awarded Shares in accordance with the terms of the 2026 Share Award Scheme,

provided that the arrangements and mechanisms in this paragraph shall be subject to the laws relevant to the compromise or arrangement and to the sanction of the relevant court (where applicable).

The Company may require any Selected Participant to transfer or otherwise deal with the Awarded Shares issued as a result of the vesting of the Awards so as to place the Selected Participant in the same position as nearly as would have been the case had such Awarded Shares been subject to such compromise or arrangement.

9.7 For the purpose of this paragraph 9, an Employee Participant will be regarded as remaining as an Employee Participant notwithstanding that he/she ceases to be an employee of a member of the Group if he/she immediately becomes or stays as an Employee Participant of another member of the Group.

9.8 The Company may exercise the Clawback right in circumstances where, in the absolute opinion of the Board or the Remuneration Committee, it would be inequitable for any Award to vest, be retained or continue to be held by any Selected Participant. Such circumstances include, without limitation, where the relevant Selected Participant has committed serious misconduct, fraud, dishonesty or serious negligence, has contributed to a material misstatement or omission in the financial reports of the Group, has breached the terms of the 2026 Share Award Scheme, the relevant letter of grant or the relevant employment contract, has disclosed confidential information, has breached non-competition or non-solicitation obligations, has been convicted or held liable for an offence involving integrity, honesty or securities laws, has caused reputational or other material harm to the Group, or has failed to satisfy continuing eligibility criteria or other grant conditions. For the avoidance of doubt, notwithstanding anything else in the 2026 Share Award Scheme, any Award may be subject to Clawback pursuant to the Company's policy on Clawback, as amended from time to time. The scope of Clawback may include, without limitation, lapse or forfeiture of unvested Awards, withholding of vesting of Awards, and/or withholding of the transfer of Awarded Shares which have not yet been transferred to the Selected Participant, in each case to the extent permitted by applicable laws, the Listing Rules, the 2026 Share Award Scheme and the relevant letter of grant.

9.9 The Awards that are clawed back before the Awarded Shares have been transferred or paid to the Selected Participant shall be regarded as lapsed or forfeited, and the relevant Awarded Shares shall be regarded as Returned Shares. The Board shall inform the Trustee in writing in case if any Award is deemed to have lapsed or claw backed pursuant to the terms of the 2026 Share Award Scheme. The Trustee shall hold Returned Shares exclusively for the benefit of all or one or more of the Eligible Participants (excluding any Excluded Participants) as the Board or the Remuneration Committee shall in its absolute discretion at any time determine and select in writing as the Selected Participant(s). Where Clawback is exercised after Awarded Shares have been transferred to a Selected Participant, the Selected Participant shall, to the extent permitted by applicable laws, the Listing Rules, the 2026 Share Award Scheme and the relevant letter of grant, return to the Company, the Trustee or such other person as the Board may direct the relevant Awarded Shares from the vested Awards. Any Awarded Shares recovered pursuant to Clawback shall be dealt with in accordance with the 2026 Share Award Scheme, the Trust Deed, the relevant letter of grant and applicable laws and regulations.

## 10. MAXIMUM NUMBER OF SHARES

10.1 Subject to paragraphs 10.2 to 10.5, the total number of Shares which may be allotted and issued in respect of all Awards to be granted under the 2026 Share Award Scheme and Other Scheme Options and Awards must not exceed 10% of the Shares in issue (excluding any Treasury Shares) as at the Adoption Date (subject to adjustment in the event of a capitalisation issue or rights issue or open offer of Shares, or a consolidation, sub-division or reduction of share capital of the Company (other than an issue of Shares as consideration in respect of a transaction)) (the "**Scheme Mandate Limit**"). Unless approved pursuant to paragraphs 10.2 to 10.5, no Awards or Other Scheme Options and Awards may be granted if such grant will result in the Scheme Mandate Limit being exceeded. Awards and Other Scheme Options and Awards lapsed according to the terms of the 2026 Share Award Scheme or other scheme(s) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

10.2 Subject to an approval by ordinary resolution of Shareholders in general meeting of the Company, the Company may after three (3) years from the Adoption Date (or from the date of approval by ordinary resolution of Shareholders in general meeting of the Company for the last refreshment) "refresh" a Scheme Mandate Limit provided that the total number of Shares which may be allotted and issued in respect of all Awards to be granted under the 2026 Share Award Scheme and Other Scheme Options and Awards to be granted under the Scheme Mandate Limit as "refreshed" must not exceed 10% of the Shares in issue (excluding any Treasury Shares) at the date of the resolution to approve the "refreshed" limit ("**Refresher Date**"). For any additional refreshment within three (3) years of the Adoption Date (or within three (3) years from the date of approval by ordinary resolution of Shareholders in general meeting of the Company for the last refreshment), approval of Shareholders must be obtained in general meeting of the Company with controlling Shareholders and their associates (or if there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) abstaining from voting in favour of the relevant resolution at the general meeting of the Company.

10.3 The requirements above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the total number of Shares in issue (excluding any 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.

10.4 The Company will comply with all applicable laws, rules and regulations in seeking a refreshment of a Scheme Mandate Limit. Unless approved pursuant to paragraph 10.5, the Board cannot grant any Award on or after the Refresher Date if such grant will result in the Scheme Mandate Limit as refreshed being exceeded.

10.5 Subject to a specific approval by ordinary resolution of Shareholders in general meeting of the Company, the Board may grant Awards to Selected Participants specifically identified by the Board beyond the Scheme Mandate Limit, provided the Awards in excess of the Scheme Mandate Limit are granted only to Selected Participants specifically identified by the Company before such approval is sought. If the approval by ordinary resolution of Shareholders in general meeting of the Company is obtained, the Board may grant Awards to any Selected Participant in respect of such number of Awarded Shares and on such terms as specified in that approval by ordinary resolution of Shareholders in general meeting of the Company.

## 11. MAXIMUM ENTITLEMENT OF EACH SELECTED PARTICIPANT

11.1 Unless approval by ordinary resolution of Shareholders in general meeting of the Company is obtained pursuant to paragraph 10.5 with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting and subject to the Listing Rules including but not limited to rules relating to grant of options/awards to connected persons, the Board cannot grant any Award ("**Triggering Award**") to any Selected Participant which, if vested, would result in that Selected Participant becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued or to be issued to him/her in respect of all Awards and Other Scheme Options and Awards granted to him/her in the 12-month period immediately preceding the grant date of the Triggering Award to exceed 1% of the number of Shares in issue (excluding any Treasury Shares) as at that grant date (the "**Individual Limit**").

## 12. TRANSFERABILITY OF AWARDS

12.1 Prior to the vesting date, a Selected Participant cannot sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any third party over or otherwise dispose of any of his/her Awards or purport to do any of the foregoing. If a Selected Participant does any of the foregoing, whether voluntarily or involuntarily, the Award will immediately and automatically lapse.

## 13. VESTING OF AWARDS

13.1 Subject to the rest of the provisions in this paragraph, paragraph 13.2 and other provisions in the 2026 Share Award Scheme, all applicable laws, rules and regulations and with its terms and conditions, the respective Awarded Shares shall vest on the Selected Participant in accordance with the applicable vesting schedule as set out in the letter of grant when all the vesting conditions set out in the letter of grant have been satisfied, waived or, by the terms of the grant, treated as having been waived in accordance with paragraph 18 (provided that a minimum vesting period of twelve (12) months has been reached), and the Board shall either (A) direct and procure the Trustee to release from the Trust the Awarded Shares to the Selected Participants by transferring the number of Awarded Shares to the Selected Participants in such manner as determined by them from time to time; (B) cause the Company to allot and issue to such Selected Participant or to transfer Treasury Shares (if available) to such Selected Participant such number of Awarded Shares as set out in the letter of grant and the Board shall, in the case of allotment and issue of new Awarded Shares to Selected Participants, cause to be paid the subscription money for the new Awarded Shares, representing the nominal value of the new Awarded Shares multiplied by the number of new Awarded Shares to be issued, from the Company's resources within a reasonable period of time; and the Selected Participants shall pay the Company the Award Price for the Awarded Shares.

To the extent that, at the determination of the Board, it is not practicable for the Selected Participant to receive the Award in Shares due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to the Selected Participant, the Board will direct and procure the Trustee to sell, by on-market transactions at the prevailing market price, the number of Awarded Shares so vested in respect of the Selected Participant and pay the Selected Participant the net amount of the Actual Selling Price of such Awarded Shares in cash arising from such sale less the Award Price based on the number of Awarded Shares as set out in the Vesting Notice within a reasonable period of time.

13.2 The minimum vesting period is twelve (12) months. Provided that where the Employee Participant (i) is a Director or a senior management specifically identified by the Company, the Remuneration Committee shall, or (ii) is not a Director nor a senior management specifically identified by the Company, the Board shall have the authority to determine a shorter vesting period, if the Remuneration Committee (or, as the case may be, the Board) considers that a shorter vesting period is appropriate to align with the purpose of the 2026 Share Award Scheme, in any of the following specific circumstances:

(a) grants of "make-whole" Awards to Employee Participants who newly joined the Group to replace the share awards or options they forfeited when leaving the previous employers;

(b) grants to a participant whose employment is terminated due to death or disability or occurrence of any out-of-control event. An "out-of-control event refers to an event which is beyond the control of the relevant Employee Participant, and is not attributable to the voluntary resignation, misconduct, fraud, serious negligence, underperformance or failure to satisfy performance targets or other vesting conditions of such Employee Participant, and which results in the cessation or termination of the relevant Employee Participant's employment or office with the Group, or makes the continuation of such employment or office materially impracticable. Examples may include: (i) serious illness, accident or injury affecting the Employee Participant which is not self-inflicted and prevents him/her from continuing his/her employment or office; (ii) redundancy, group reorganisation, business transfer, disposal of the relevant employing entity or cessation of the relevant employing entity, where the relevant cessation is not due to misconduct, default or underperformance of the Employee Participant; and (iii) any legal, regulatory or governmental requirement which makes the continuation of the Employee Participant's employment or office impracticable. For the avoidance of doubt, an out-of-control event does not include voluntary resignation, termination for cause, termination due to misconduct, fraud, serious negligence, underperformance, failure to satisfy performance targets or other vesting conditions, any lapse, cancellation or clawback event under the relevant 2026 Share Scheme, or other circumstances within the control of the relevant Employee Participant;

(c) grants of Awards with specific and objective performance-based vesting conditions in lieu of time-based vesting criteria;

(d) grants that are made in batches during a year for administrative and compliance reasons, which may include Awards that should have been granted earlier but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;

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

(f) grants of Awards with a total vesting and holding period of more than twelve (12) months.

13.3 The Board shall send to each Selected Participant a vesting notice not less than thirty (30) Trading Days prior to each vesting date or the date a general offer involving the Shares of the Company is announced (the "**Vesting Notice**").

13.4 The Board or the committee established and authorised by the Board (where appropriate) is entitled to impose any conditions, as it deems appropriate in its absolution discretion with respect to the vesting of the Awarded Shares to the Selected Participant and shall set out such conditions in the letter of grant to the

Selected Participant. Subject to applicable law and regulations, the Board or the committee may waive any vesting conditions in accordance with paragraph 18. The Board or the committee may in its absolute discretion, on a case-by-case basis, set performance targets to be achieved before the vesting of the Awarded Shares to the Selected Participant. For the avoidance of doubt, no performance target shall apply to an Award unless such performance target is specified in the relevant letter of grant, and no performance-related element shall be attached to any Award granted to an independent non-executive Director.

13.5 In addition to paragraphs 3.2, 6.7 and 12 and subject to paragraph 9, unless the Board exercises its discretion pursuant to the powers granted by under the 2026 Share Award Scheme, an Award will automatically lapse and will not vest on the earlier of:

(a) the failure to satisfy the vesting conditions, or such conditions are not waived;

(b) the Selected Participant is found to be an Excluded Participant;

(c) the Selected Participant fails to deliver the relevant transfer documents duly executed by the Selected Participant to the Trustee prior to the vesting date as required by the Board; or

(d) the Selected Participant failing to obtain all necessary consents or file all necessary registrations referred to in the 2026 Share Award Scheme within thirty (30) Trading Days from the date of the Vesting Notice.

**14. RIGHTS OF SELECTED PARTICIPANTS**

14.1 A Selected Participant will not be entitled to any voting, dividend, transfer and other rights of a shareholder in respect of the Awarded Shares, including those arising on a liquidation of the Company, until the Awarded Shares are allotted and issued or transferred to the Selected Participant and he/she has been registered in the register of members of the Company in respect of the Awarded Shares.

**15. RANKING OF SHARES**

15.1 The Awarded Shares will be subject to all the provisions of the Articles and will rank equally in all respects with the fully paid Shares in issue (excluding Treasury Shares, if any) on the date when the name of the Selected Participant is registered on the register of members of the Company.

## 16. REORGANISATION OF CAPITAL STRUCTURE

16.1 In the event of a capitalisation issue or rights issue or open offer of Shares, or a consolidation, sub-division or reduction of share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), the Company will make corresponding adjustments (as necessary and in accordance with the Listing Rules and any guidance materials published by the Stock Exchange from time to time) to:

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

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

(c) the Award Price.

16.2 No adjustments required in paragraph 16.1 may be made to the advantage of any Selected Participant unless with the prior approval by ordinary resolution of Shareholders in general meeting of the Company.

16.3 An adjustment will be made, to the extent practicable, in accordance with the following principles:

(a) on the basis that each Selected Participant will have the same proportion of the Awarded Shares to which he/she would have been entitled immediately prior to the event leading to the requirement to perform the adjustment; and

(b) Shares will not be issued at less than its nominal value.

16.4 In respect of any adjustment required in paragraph 16.1, other than adjustments made on a capitalisation issue, the Company will seek a written certification from an independent financial adviser or the auditors that the adjustments satisfy the conditions set out in paragraph 16.3 ("**Adjustment Certificate**"). In giving the Adjustment Certificate, the independent financial adviser or the auditors will act as experts and not as arbitrators and their confirmation will (in the absence of manifest error) be final and binding on the Company and the Selected Participants. The costs of the Adjustment Certificate will be borne by the Company.

16.5 An adjustment will be deemed to have taken effect on the earlier of (i) the date of completion of the relevant corporate event leading to the requirement to perform the adjustment and (ii) if necessary, the issue of the Adjustment Certificate.

16.6 The Company will within thirty (30) Trading Days of the announcement of the relevant corporate event leading to the requirement to perform the adjustment inform each Selected Participant of the adjustment.

## 17. ALTERATIONS TO THE 2026 SHARE AWARD SCHEME

17.1 Subject to paragraph 17.2 and the Listing Rules, the Board may alter any of the provision of the 2026 Share Award Scheme except that:

(a) any alterations to the terms and conditions of the 2026 Share Award Scheme which are of a material nature, including but not limited to the provisions of the 2026 Share Award Scheme as to the definition of "Eligible Participant(s)" and "Selected Participant(s)"; and

(b) the provisions of the 2026 Share Award Scheme relating to matters governed by Chapter 17 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) to the advantage of the Eligible Participants,

shall not be altered except with the prior approval by ordinary resolution of Shareholders in general meeting of the Company, provided that no such alteration shall operate to affect adversely the terms of any Award granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Selected Participants as would be required of the holders of the Shares under the Articles for the time being for a variation of the rights attached to the Shares.

17.2 Prior approval by ordinary resolution of Shareholders in general meeting of the Company must be obtained before any change to the authority of the Board to alter the terms of the 2026 Share Award Scheme.

17.3 The amended terms of the 2026 Share Award Scheme and the Awards will comply with the relevant requirements of all laws, rules and regulations including but not limited to the Listing Rules.

## 18. ALTERATION OF TERMS AND CONDITIONS OF AWARDS GRANTED

18.1 Any change to the terms of any Award granted to a Selected Participant must be approved by the Board, the independent non-executive Directors, the Remuneration Committee, and/or the Shareholders in general meeting (as the case may be) if the initial grant of the Awards was approved by the Board, the independent non-executive Directors, the Remuneration Committee, and/or the Shareholders in general meeting (as the case may be), in accordance with the terms of the 2026 Share Award Scheme and Chapter 17 of the Listing Rules. The foregoing provisions shall not apply where the alterations take effect automatically under the existing terms of the 2026 Share Award Scheme.

18.2 The amended terms of the Awards will comply with the relevant requirements of all laws, rules and regulations including but not limited to the Listing Rules.

## 19. CANCELLATION OF AWARDS

19.1 The Board may cancel any Awards granted on such terms and conditions with the consent of the relevant Selected Participant. Any Awards granted but remained unvested may be cancelled by the Board and such cancellation is recommended by the Remuneration Committee in accordance with the terms of the 2026 Share Award Scheme and all applicable legal requirements. Where the Board cancels outstanding Awards and grants new Awards (or Other Scheme Options and Awards) to the same Selected Participant, the grant of such replacement Awards (or Other Scheme Options and Awards) cannot cause the Scheme Mandate Limit set out in paragraph 10.1 to be breached.

19.2 The cancelled Awards will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit in paragraph 10.1.

## 20. TERMINATION OF THE 2026 SHARE AWARD SCHEME

20.1 The 2026 Share Award Scheme may be terminated at any time by ordinary resolution of Shareholders in a general meeting of Company or by the Board when it resolves that no further Awards will be granted thereunder.

20.2 Subject to paragraph 20.1, no further grant of Awards shall be made but the 2026 Share Award Scheme will remain in full force and effect in all other respects to the extent necessary to give effect to the acceptance of any granted Awards, vesting of any Awarded Shares or otherwise as may be required in accordance with the 2026 Share Award Scheme.

# KA SHUI INTERNATIONAL HOLDINGS LIMITED
# 嘉瑞國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 822)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the "**EGM**") of Ka Shui International Holdings Limited 嘉瑞國際控股有限公司 (the "**Company**") will be held at Turquoise and Fuchsia Rooms, 3/F, Gateway Hotel Hong Kong, 13 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong on Wednesday, 7 October 2026 at 10:00 a.m.. to transact the following businesses:

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

**ORDINARY RESOLUTIONS**

"**THAT**:

(a) subject to and conditional upon the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the shares of the Company (the "**Shares**") to be allotted and issued pursuant to the exercise of options under the 2026 Share Option Scheme of the Company (the "**2026 Share Option Scheme**"), the rules of which are contained in the document marked "A" produced to the EGM and for the purposes of identification signed by the chairman thereof, the 2026 Share Option Scheme be and is hereby approved and adopted; and the directors of the Company (the "**Directors**") be and are hereby authorised to grant options, subject to such conditions as the Directors and/or his/her delegate(s) may impose thereunder, to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the exercise of the options under the 2026 Share Option Scheme and to do all 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 2026 Share Option Scheme;

(b) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares to be allotted and issued in respect of the awarded shares to be granted under the 2026 Share Award Scheme of the Company (the "**2026 Share Award Scheme**"), the rules of which are contained in the document marked "B" produced to the EGM and for the purposes of identification signed by the chairman thereof, the 2026 Share Award Scheme be and is hereby approved and adopted; and the Directors be and are hereby authorised to grant awarded shares, subject to such conditions as the Directors and/or his/her delegate(s) may impose thereunder, to allot and issue from time to time such number of Shares as may be required to be issued and/or transferred under the 2026 Share Award Scheme and to do all 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 2026 Share Award Scheme;

(c) the Scheme Mandate Limit (as defined in the 2026 Share Option Scheme and the 2026 Share Award Scheme) of 10% of the number of Shares in issue (excluding Treasury Shares, if any) as at the date of passing of this resolution be and is hereby approved and adopted; and

(d) conditional upon the 2026 Share Option Scheme becoming effective, the existing share option scheme of the Company as adopted on 19 May 2017 (the "**2017 Share Option Scheme**") be and is hereby terminated (without prejudice to the rights and benefits of and attached to any outstanding options which have been granted under the 2017 Share Option Scheme prior to the date of the passing of this resolution)."

By order of the Board
**Ka Shui International Holdings Limited**
**嘉瑞國際控股有限公司**
**Leung Lai Seung**
*Company Secretary*

Hong Kong, 11 September 2026

*Principal place of business in Hong Kong:*
Room A, 29/F, Tower B
Billion Centre, 1 Wang Kwong Road
Kowloon Bay, Kowloon
Hong Kong

*Notes:*

1. Any member entitled to attend and vote at the EGM is entitled to appoint another person as his/her/its proxy to attend and vote on his/her/its behalf. A member who is the holder of two or more Shares may appoint more than one proxy to attend on the same occasion. In the case of a recognized clearing house, it may authorise such person(s) as it thinks fit to act as its representative(s) at the EGM and vote in its stead. A proxy need not be a member of the Company.

2. In order to be valid, proxy form in prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority should be deposited to the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable, but in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof (as the case may be).

3. Completion and return of the proxy form will not preclude members from attending and voting in person at the EGM or any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the proxy form shall be deemed to be revoked. Shareholders may appoint the chairman of the EGM as their proxy to vote on the resolutions, instead of attending the EGM in person. The proxy form can be downloaded from the website of the Company at www.kashui.com or HKEXnews at www.hkexnews.hk.

4. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such share(s) as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the EGM, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such shares shall alone be entitled to vote in respect thereof.

5. The register of members of the Company will be closed from Friday, 2 October 2026 to Wednesday, 7 October 2026, both days inclusive, during which period no transfer of Shares will be registered and for the purpose of determining the identity of members who are entitled to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, all completed share transfer documents accompanied by the relevant share certificate(s) and transfer forms 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, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Wednesday, 30 September 2026.

6. Pursuant to Rule 13.39(4) of the Listing Rules, resolutions will be put to vote at the EGM by way of poll.

7. If Typhoon Signal No. 8 or above, or "extreme conditions" is caused by super typhoon is announced by the Government of Hong Kong, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the EGM, the EGM will be postponed. Shareholders may visit the website of the Company at www.kashui.com for details of the postponement and alternative meeting arrangement.

*As at the date hereof, the Board comprises three executive directors, namely Mr. Lee Yuen Fat, Mr. Wong Wing Chuen and Ms. Chan So Wah and three independent non-executive directors, namely Ir Dr. Lo Wai Kwok GBS, MH, JP, Mr. Kong Kai Chuen, Frankie and Mr. Tang Koon Yiu, Thomas.*