THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Ten Pao Group Holdings Limited**, you should at once hand this circular, together with the enclosed Election Form, to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

No Shareholder receiving a copy of this circular and/or an Election Form in any territory outside Hong Kong may treat the same as an invitation to elect for Shares unless in the relevant territory such invitation could lawfully be made to him/her/it without Ten Pao Group Holdings Limited having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities. It is the responsibility of any Shareholder outside Hong Kong who wishes to receive New Shares under the Scrip Dividend Scheme to comply with the laws of the relevant jurisdictions including procedures or any other similar formalities.

TEN PAO GROUP HOLDINGS LIMITED

天寶集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1979)

SCRIP DIVIDEND SCHEME IN RELATION TO THE INTERIM DIVIDEND FOR THE SIX MONTHS ENDED 30 JUNE 2026

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

If you wish to receive your Interim Dividend wholly or partly in New Shares, you should complete the enclosed Election Form in accordance with the instructions printed on it and lodge it with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Monday, 2 November 2026.

Reference to time and dates in this circular are to Hong Kong time and dates.

15 October 2026

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

"Board"	the board of directors of the Company
"CCASS"	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
"Company"	Ten Pao Group Holdings Limited 天寶集團控股有限公司, a company incorporated in the Cayman Islands with limited liability, and the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 1979)
"Director(s)"	the director(s) of the Company
"Election Form"	the form of election in relation to the Scrip Dividend Scheme
"Eligible Shareholders"	Shareholders whose names appeared on the register of members of the Company on the Record Date
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Interim Dividend"	the interim dividend of HK4.2 cents per Share for the six months ended 30 June 2026 payable on Monday, 16 November 2026 to Eligible Shareholders
"Latest Practicable Date"	7 October 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"New Share(s)"	new Share(s) credited as fully paid to be issued under the Scrip Dividend Scheme
"PRC"	the People's Republic of China
"Record Date"	Tuesday, 6 October 2026, being the date for determining the Shareholders who qualify for the Interim Dividend
"Scrip Dividend Scheme"	the scrip dividend scheme proposed by the Board and announced in the results announcement of the Company on Friday, 28 August 2026 which offers Shareholders a scrip alternative whereby Shareholders may elect to receive the Interim Dividend wholly or partly by the allotment of New Shares in lieu of cash
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company

"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

TEN PAO GROUP HOLDINGS LIMITED
天寶集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1979)

Executive Directors:
Mr. Hung Kwong Yee
(Chairman and Chief Executive Officer)
Mr. Tse Chung Shing
Ms. Hung Sui Lam

Independent Non-executive Directors:
Mr. Lam Cheung Chuen
Dr. Lui Sun Wing
Mr. Cheung Chin Hoo
Ms. Ferheen Mahomed

Registered Office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Headquarters and Principal Place of Business in Hong Kong:
Rooms 610–612, 6th Floor
Kwong Sang Hong Centre
151–153 Hoi Bun Road
Kwun Tong
Kowloon
Hong Kong

Principal Place of Business in PRC:
Dongjiang Industrial Estate
Shuikou Street, Huicheng District
Huizhou City 516005
Guangdong Province
PRC

15 October 2026

To the Shareholders

Dear Sir/Madam,

SCRIP DIVIDEND SCHEME IN RELATION TO THE INTERIM DIVIDEND FOR THE SIX MONTHS ENDED 30 JUNE 2026

INTRODUCTION

On 28 August 2026, the Company announced that the Board had declared the payment of the Interim Dividend to Shareholders whose names appeared on the register of members of the Company on the Record Date. Eligible Shareholders may elect to receive the Interim Dividend in cash, or in the form of fully paid New Shares in lieu of cash, or partly in cash and partly in the form of fully paid New Shares under the Scrip Dividend Scheme.

The purpose of this circular is to provide you with the procedures which apply in relation to the Scrip Dividend Scheme and the action which should be taken by the Shareholders in relation thereto.

PARTICULARS OF THE SCRIP DIVIDEND SCHEME

Under the Scrip Dividend Scheme, Eligible Shareholders may elect to receive the Interim Dividend in one of the following ways:

(a) cash of HK4.2 cents per Share held on the Record Date; or

(b) an allotment of such number of New Shares (credited as fully paid) having a market value (as calculated below) equal to, save for adjustment for fractions, the amount of Interim Dividend which Shareholders would otherwise be entitled to receive in cash; or

(c) partly cash and partly New Shares.

As at the Latest Practicable Date, the Board confirmed that it has not received from the Company's controlling shareholders as to their intentions to elect to receive the Interim Dividend in cash, New Shares, or partly cash and partly New Shares, nor any other relevant information.

BASIS OF ALLOTMENT OF NEW SHARES

The number of New Shares to be allotted pursuant to choices (b) and (c) above will be calculated by reference to the market value of HK$1.468 per New Share, which is the average closing price of one Share as quoted on the Stock Exchange for the five consecutive trading days commencing from Tuesday, 29 September 2026 to Tuesday, 6 October 2026 (both days inclusive) (the "**Average Closing Price**"). Accordingly, the number of New Shares which the Eligible Shareholders are entitled to receive in respect of the Shares registered in their names as at the Record Date will be calculated as follows:

$$\text{Number of New Shares to be received} = \text{Number of Shares held on the Record Date and elected for the New Shares} \times \frac{\text{HK\$0.042 } \textit{(Interim Dividend per Share)}}{\text{HK\$1.468 } \textit{(Average Closing Price)}}$$

The number of New Shares to be issued to the Eligible Shareholders will be rounded down to the nearest whole number. Fractional entitlements to the New Shares in respect of choices (b) and (c) above will be paid in the form of cash dividend to the respective Shareholders concerned. The New Shares will, on issue, rank *pari passu* in all respects with the Shares in issue on the date of the allotment and issue of the New Shares except that they shall not be entitled to the Interim Dividend. The New Shares will be allotted by way of capitalisation of the Company's reserves or profits.

ADVANTAGES OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme will give the Shareholders an opportunity to increase their investment in the Company at market value without incurring brokerage fees, stamp duty and related dealing costs. It will also benefit the Company to the extent that cash which would otherwise have been paid to the Shareholders who elect to receive the New Shares, in whole or in part in lieu of cash dividend, will be retained for use as working capital of the Company.

EFFECT OF THE SCRIP DIVIDEND SCHEME

The Company does not have any outstanding share options, warrants, or securities which are convertible into Shares. Based on the 1,035,216,837 Shares in issue as at the Record Date, if all Eligible Shareholders elect to receive the Interim Dividend in cash, the total cash dividend payable by the Company would be approximately HK$43,479,107. If all Eligible Shareholders elect to receive all of their entitlements to the Interim Dividend in the form of New Shares in lieu of cash, based on the Average Closing Price, the maximum number of New Shares to be issued under the Scrip Dividend Scheme will be 29,617,920 Shares, representing approximately 2.86% of the issued share capital of the Company as at the Latest Practicable Date and approximately 2.78% of the issued share capital of the Company as enlarged by the issue of such New Shares.

Shareholders should note that the New Shares to be issued under the Scrip Dividend Scheme may give rise to disclosure requirements under Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). **Shareholders who are in any doubt as to how these provisions may affect them as a result of their election of receiving the Interim Dividend in the form of New Shares or the issue of the New Shares are recommended to seek their own professional advice. Shareholders who are in any doubt as to their taxation position are also recommended to seek their own professional advice.**

ELECTION FORM

An Election Form is enclosed with this circular for use by the Eligible Shareholders who wish to receive the Interim Dividend wholly in New Shares or partly in cash and partly in New Shares. Please read carefully the instructions below and the instructions printed on the Election Form.

If you wish to receive your Interim Dividend wholly in cash, you DO NOT need to take any action and DO NOT need to return the Election Form. Shareholders who do not make an election to receive their Interim Dividend in New Shares will receive their Interim Dividend wholly in cash.

If you wish to receive your Interim Dividend wholly in New Shares, please just SIGN, DATE and RETURN the Election Form.

If you wish to receive your Interim Dividend partly in cash and partly in New Shares, you should fill in Box C of the Election Form the number of registered Shares you held on the Record Date for which you wish your Interim Dividend to be paid in New Shares and then SIGN, DATE and RETURN the Election Form. If you sign and return the Election Form by the deadline specified below but do not specify the number of Shares in respect of which you wish to receive New Shares, or if you elect to receive New Shares in respect of a greater number of Shares than your registered holding as at the Record Date, you will be deemed to have exercised your election to receive only New Shares in respect of all the Shares registered in your name on the Record Date. Therefore, in either of the above two cases, you will receive only New Shares for the Interim Dividend. The enclosed Election Form should be completed in accordance with the instructions printed thereon and you should return the same to the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong **by 4:30 p.m. on Monday, 2 November 2026**. The deadline for submission of Election Forms will be adjusted if there is a tropical cyclone warning signal no. 8 or above, "extreme conditions" caused by a super typhoon or a "black" rainstorm warning:

(a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Monday, 2 November 2026 — in such case the deadline for submission of Election Forms will be 5:00 p.m. on the same business day, i.e. Monday, 2 November 2026; or

(b) in force in Hong Kong at any local time between 12:00 noon and 4:30 p.m. on Monday, 2 November 2026 — in such case the deadline for submission of Election Forms will be rescheduled to 4:30 p.m. on the next business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:30 p.m.

Failure to complete and return the Election Form in accordance with the instructions printed thereon will result in the relevant Eligible Shareholder's Interim Dividend being paid wholly in the form of cash. Election in respect of the Interim Dividend cannot be in any way withdrawn, revoked, superseded, or altered after the relevant Election Form is signed and lodged with the Company's Hong Kong Branch Share Registrar. No acknowledgement of receipt of the Election Form will be issued.

SHAREHOLDERS RESIDENT OUTSIDE HONG KONG

As at the Record Date, there was no Eligible Shareholder whose address as shown on the register of members of the Company on the Record Date was in places outside Hong Kong.

The Scrip Dividend Scheme is made in compliance with the laws of Hong Kong and with all other relevant codes, rules and other requirements that apply to the Scrip Dividend Scheme in Hong Kong. All Shareholders resident outside Hong Kong (if any) should consult their professional advisers as to whether or not they are permitted to participate in the Scrip Dividend Scheme or whether any government or other consent is required or other formalities need to be observed. No Shareholder receiving a copy of this circular and/or the Election Form in any territory outside Hong Kong may treat the same as an invitation to participate in the Scrip Dividend Scheme or to elect for New Shares unless in the relevant territory such invitation could lawfully be made to him/her/it without the Company having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities. It is the responsibility of any Shareholder outside Hong Kong who wishes to receive New Shares under the Scrip Dividend Scheme to comply with the laws of the relevant jurisdictions including procedures or any other similar formalities. Persons who receive New Shares in lieu of cash dividend must also comply with any restrictions on the resale of Shares which may apply outside Hong Kong.

BOOK CLOSURE PERIOD

The register of members of the Company was closed from Friday, 2 October 2026 to Tuesday, 6 October 2026, both days inclusive, for the purpose of determining Shareholders who qualify for the Interim Dividend. The latest time by which transfers were accepted for registration for entitlement to the Interim Dividend was 4:30 p.m. on Wednesday, 30 September 2026.

CONDITIONS OF SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares.

In the unlikely event that the above condition is not satisfied, the Scrip Dividend Scheme will not become effective and the Election Forms will be void, and the Interim Dividend will then be paid wholly in cash.

SHARE CERTIFICATES AND STOCK EXCHANGE LISTING

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Shares. It is expected that the share certificates for the New Shares and/or cheques for cash dividend will be sent by ordinary mail to Shareholders at their own risk on Monday, 16 November 2026. The first day of dealings in the New Shares on the Stock Exchange is expected to be on Tuesday, 17 November 2026. One share certificate will be issued for all New Shares a Shareholder is entitled to.

The Shares are listed and dealt in on the Stock Exchange. No part of the equity securities or debt securities (if any) of the Company is listed or dealt in on any other stock exchange and the Company is not currently seeking to list its equity securities or debt securities (if any) on any other stock exchange.

CENTRAL CLEARING AND SETTLEMENT SYSTEM

Subject to the granting of the listing of, and permission to deal in, the New Shares to be issued under the Scrip Dividend Scheme on the Stock Exchange, such New Shares to be issued by the Company will be admitted as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by Hong Kong Securities Clearing Company Limited. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek the advice of their stockbroker or other professional adviser for details of these settlement arrangements and how such arrangements will affect their rights and interests.

GENERAL

New Shares issued to the Eligible Shareholders pursuant to an election to receive some or all of their Interim Dividend in New Shares may be allocated in odd lots (of less than a board lot of 4,000 Shares). No special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of New Shares issued in odd lots. Eligible Shareholders should be aware that odd lots usually trade at a discount to the price of board lots.

Whether or not it is to your advantage to receive cash or the New Shares, in whole or in part, depends upon your own individual circumstances, and the decision in this regard and all effects resulting therefrom are the sole responsibility of each Shareholder. If you are in doubt as to what to do, you should consult your professional advisers. Shareholders who are trustees are recommended to take professional advice as to whether the choice of New Shares is within their powers and as to its effect having regard to the terms of the relevant trust instrument.

EXPECTED TIMETABLE

Latest time by which transfers were accepted for registration for entitlement to the Interim Dividend	4:30 p.m. on Wednesday, 30 September 2026
Determination of the market value of a New Share	Tuesday, 29 September 2026 to Tuesday, 6 October 2026 (both days inclusive)
Book closure period	Friday, 2 October 2026 to Tuesday, 6 October 2026
Record Date	Tuesday, 6 October 2026
Latest time for the return of the Election Form	4:30 p.m. on Monday, 2 November 2026
Expected dispatch of share certificates for the New Shares and/or cheques for cash dividend	Monday, 16 November 2026
Expected first day of dealings in the New Shares	Tuesday, 17 November 2026

Yours faithfully,
By order of the Board
Hung Kwong Yee
Chairman & Chief Executive Officer