THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **China Huajun Group Limited**, you should at once hand this circular together with the enclosed form of proxy 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 the 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.

CHINA HUAJUN GROUP LIMITED
中國華君集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 377)

(1) PROPOSED CAPITAL REDUCTION AND SUBDIVISION OF AUTHORISED BUT UNISSUED SHARES; (2) CHANGE IN BOARD LOT SIZE; (3) PROPOSED ADOPTION OF THE 2026 SHARE SCHEME AND TERMINATION OF THE 2017 SHARE OPTION SCHEME; AND (4) NOTICE OF SPECIAL GENERAL MEETING

A notice convening the Special General Meeting of China Huajun Group Limited 中國華君集團有限公司 to be held at Unit 4811, 48/F, COSCO Tower, No.183 Queen's Road Central, Hong Kong on Friday, 4 December 2026 at 3:00 p.m. is set out on pages SGM-1 to SGM-4 of this circular. A proxy form for use at the Special General Meeting is also enclosed.

Irrespective of whether you are able to attend the Special General Meeting, please complete, sign and return the enclosed proxy form in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Special General Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the Special General Meeting or any adjournment thereof if they so wish. In such event, the proxy form shall be deemed to be revoked. For the avoidance of doubt, holders of treasury Shares (if any) are not entitled to vote at the special general meeting. **Shareholders are reminded that physical attendance is not necessary for the purpose of exercising Shareholders' rights. Shareholders are strongly encouraged to exercise their rights and indicate how they would like the proxy to vote on their behalf by submitting a proxy form to appoint the chairman of the Special General Meeting as their proxy for voting, instead of attending the Special General Meeting or any adjourned meetings in person.**

11 November 2026

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NOTICE OF SPECIAL GENERAL MEETING SGM-1

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

"2017 Share Option Scheme"	the share option scheme of the Company adopted on 25 October 2017
"2026 Share Scheme"	the share scheme of the Company proposed to be approved by Shareholders at the SGM, a summary of the principal terms of which is set out in Appendix I to this circular
"Adoption Date"	the date on which the 2026 Share Scheme is approved by the Shareholders at the SGM
"Announcement"	the announcement of the Company dated 9 November 2026 in relation to, among others, the Capital Reorganisation, the Change in Board Lot Size, the proposed adoption of the 2026 Share Scheme and termination of the 2017 Share Option Scheme
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Award(s)"	award(s) granted under the 2026 Share Scheme by the Board to Grantee(s), which may take the form of a Share Option or a Share Award
"Award Letter"	the letter issued by the Company to a Grantee in respect of an Award under the 2026 Share Scheme on the Grant Date in such form as the Scheme Administrator may from time to time determine, setting out the terms and conditions of the Award, including the name and position of the Grantee, the number of Shares subject to the Award, the Issue Price or Exercise Price (as applicable), the Exercise Period (in the case of a Share Option), the time limit for and procedure of acceptance, the Vesting Date and vesting schedule, any minimum holding period, any applicable performance targets, any clawback arrangements and such other details as the Scheme Administrator may consider necessary, and requiring the Grantee to undertake to hold the Award on the terms of the Award Letter and be bound by the provisions of the Scheme Rules
"Award Shares"	new Shares and/or treasury Shares underlying an Award under the 2026 Share Scheme

"Board"	the board of Directors
"Business Day"	any day on which the Stock Exchange is open for the business of dealing in securities
"Bye-Laws"	the bye-laws of the Company currently in force
"Capital Reduction"	the proposed reduction of the par value of each issued Share from HK$1.00 to HK$0.001 by cancelling the paid-up capital to the extent of HK$0.999 on each issued Share, as described in this circular
"Capital Reorganisation"	collectively, the Capital Reduction and the Share Subdivision
"CCASS"	the Central Clearing and Settlement System
"Change in Board Lot Size"	the proposed change in board lot size for trading in the Shares on the Stock Exchange from 80 Shares to 2,000 Shares
"chief executive"	shall have the meaning given to it in the Listing Rules
"Companies Act"	the Companies Act 1981 of Bermuda, as amended from time to time
"Company"	China Huajun Group Limited (中國華君集團有限公司), an exempted company with limited liability incorporated under the laws of Bermuda, and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 377)
"Director(s)"	the director(s) of the Company
"Eligible Participant"	an eligible participant under the 2026 Share Scheme, which may be an Employee Participant or a Related Entity Participant

"Employee Participant"	any person who is an employee (whether full-time or part-time), director or officer of any member of the Group, including persons who are granted Awards under the 2026 Share Scheme as an inducement to enter into employment contracts with any member of the Group; provided that a person shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) any transfer of employment among members of the Group or any successor, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment
"Exercise Period"	in respect of any Share Option, the period during which the Grantee may exercise the Share Option
"Exercise Price"	the price per Share at which a Grantee may subscribe for Shares upon the exercise of a Share Option awarded under the 2026 Share Scheme
"General Rules of HKSCC"	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the HKSCC Operational Procedures
"Grant Date"	the date on which the grant of an Award is made to a Grantee, being the date of the Award Letter in respect of such Award
"Grantee"	any Eligible Participant approved for participation in the 2026 Share Scheme and who has been granted any Award pursuant to the Scheme Rules
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Issue Price"	in respect of any Share Award, the price per Share a Grantee is required to pay to subscribe for the Shares constituting the Share Award under the 2026 Share Scheme
"Latest Practicable Date"	9 November 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Main Board"	the stock market (excluding the options market) operated by the Stock Exchange which is independent from and operates in parallel with the GEM of the Stock Exchange
"Memorandum"	the memorandum of association of the Company, as amended from time to time
"Related Entity"	(i) a holding company of the Company; (ii) subsidiaries of the holding company of the Company other than members of the Group; or (iii) an associated company of the Company
"Related Entity Participant"	any person who is an employee (whether full-time or part-time), director or officer of a Related Entity
"Remuneration Committee"	the remuneration committee of the Board
"Scheme Administrator"	the Board and/or any committee of the Board or other persons to whom the Board has delegated its authority in accordance with the Scheme Rules
"Scheme Mandate Limit"	shall have the meaning set out in the Scheme Rules, as increased, refreshed or renewed from time to time in accordance with the Scheme Rules

"Scheme Rules"	the rules relating to the 2026 Share Scheme as amended from time to time
"SGM"	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, the Capital Reorganisation, the adoption of the 2026 Share Scheme and the termination of the 2017 Share Option Scheme, and the transactions contemplated thereunder
"Share(s)"	ordinary share(s) in the share capital of the Company with a par value of HK$1.00 each prior to the Capital Reorganisation becoming effective, or ordinary share(s) in the share capital of the Company with a par value of HK$0.001 each following the Capital Reorganisation becoming effective (as the case may be)
"Share Award"	an Award which vests in the form of the right to subscribe for and/or be issued such number of Shares as the Scheme Administrator may determine at the Issue Price in accordance with the terms of the 2026 Share Scheme
"Share Option"	an Award which vests in the form of the right to subscribe for such number of Shares as the Scheme Administrator may determine during the Exercise Period at the Exercise Price in accordance with the terms of the 2026 Share Scheme
"Share Subdivision"	the proposed subdivision of each authorised but unissued Share of HK$1.00 into 1,000 Shares of HK$0.001 each, immediately following the Capital Reduction becoming effective
"Shareholders"	holder(s) of Share(s) from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it in the Listing Rules
"treasury Shares"	shall have the meaning given to it in the Listing Rules

"Vesting Date(s)"	the date on which an Award (or part thereof) is to vest in the relevant Grantee following which the Grantee may exercise the Award, as determined from time to time by the Scheme Administrator pursuant to the Scheme Rules

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

The expected timetable for the implementation of the Capital Reorganisation together with the Change in Board Lot Size is set out below. All times and dates in this circular refer to Hong Kong time and dates. This timetable is indicative only and any subsequent changes to the expected timetable will be announced by the Company as and when appropriate.

Event	**Time and date**
Expected date of despatch of circular in relation to the Capital Reorganisation and the Change in Board Lot Size together with the notice of the SGM and form of proxy	on or before Wednesday, 11 November 2026
Latest time for lodging transfers of Shares in order to qualify for attendance and voting at the SGM	4:00 p.m. on Monday, 30 November 2026
Closure of register of members of the Company for determining entitlement to attend and vote at the SGM	Tuesday, 1 December 2026 to Friday, 4 December 2026 (both dates inclusive)
Latest time for lodging forms of proxy for the SGM	3:00 p.m. on Wednesday, 2 December 2026
Record date for attendance and voting at the SGM	Friday, 4 December 2026
Expected date and time of the SGM	3:00 p.m. on Friday, 4 December 2026
Publication of announcement of poll results of the SGM	Friday, 4 December 2026
Register of members of the Company re-opens	Monday, 7 December 2026

The following events are conditional on the fulfilment of the conditions for implementation of the Capital Reorganisation and therefore the dates below are tentative only:

Last day for trading of Shares in board lot of 80 Shares each in the original counter	Monday, 7 December 2026

Expected effective date of the Capital Reorganisation	Tuesday, 8 December 2026
Effective date of the Change in Board Lot Size from 80 Shares each to 2,000 Shares each	Tuesday, 8 December 2026
Original counter for trading in the Shares in board lot of 80 Shares each closes and becomes counter for trading in the Shares in board lot of 2,000 Shares each	9:00 a.m. on Tuesday, 8 December 2026
Designated broker starts to stand in the market to provide matching services for odd lots of Shares	9:00 a.m. on Tuesday, 8 December 2026
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares	4:00 p.m. on Tuesday, 29 December 2026

CHINA HUAJUN GROUP LIMITED
中國華君集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 377)

Executive Director:
Mr. Li Gang
(Chairman and Co-Chief Executive Officer)

Non-executive Directors:
Ms. Tan Yanzi
Ms. Chen Yun

Independent Non-executive Directors:
Mr. Mok Yi Kwo
Ms. Shen Shujiang
Dr. Gao Xiang

Registered Office:
Victoria Place, 5th Floor
31 Victoria Street, Hamilton
Pembroke, HM10
Bermuda

Head Office and Principal Place of Business in Hong Kong:
Suites 2404-2405, 24/F
Alliance Building
130-136 Connaught Road Central
Sheung Wan
Hong Kong

Wednesday, 11 November 2026

To Shareholders,

Dear Sirs/Madams,

(1) PROPOSED CAPITAL REDUCTION AND SUBDIVISION OF AUTHORISED BUT UNISSUED SHARES; (2) CHANGE IN BOARD LOT SIZE; (3) PROPOSED ADOPTION OF THE 2026 SHARE SCHEME AND TERMINATION OF THE 2017 SHARE OPTION SCHEME; AND (4) NOTICE OF SPECIAL GENERAL MEETING

1. INTRODUCTION

Reference is made to the Announcement, in respect of, among others, the Capital Reorganisation, the Change in Board Lot Size, the proposed adoption of the 2026 Share Scheme and termination of the 2017 Share Option Scheme. The purpose of this circular is to provide you with further information in respect of, among other matters, (i) the proposed capital reduction

and subdivision of authorised but unissued Shares; (ii) the proposed Change in Board Lot Size; (iii) the proposed adoption of the 2026 Share Scheme and termination of the 2017 Share Option Scheme; and (iv) to give the Shareholders notice of the SGM at which resolutions will be proposed for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation, the adoption of the 2026 Share Scheme and the termination of the 2017 Share Option Scheme.

2. PROPOSED CAPITAL REDUCTION AND SUBDIVISION OF AUTHORISED BUT UNISSUED SHARES

The Capital Reorganisation

The Company proposes to implement a capital reorganisation (the "**Capital Reorganisation**") involving the Capital Reduction and the Share Subdivision as follows:

Capital Reduction

(a) the par value of each issued Share will be reduced from HK$1.00 to HK$0.001 by cancelling the paid-up capital to the extent of HK$0.999 on each issued Share (the "**Capital Reduction**"); and

Share Subdivision

(b) immediately following the Capital Reduction becoming effective, each authorised but unissued Share of HK$1.00 will be subdivided into 1,000 Shares of HK$0.001 each (the "**Share Subdivision**").

The number of issued Shares will remain unchanged immediately following the Capital Reorganisation becoming effective. No share consolidation is proposed as part of the Capital Reorganisation.

The credit arising from the Capital Reduction will be transferred to the contributed surplus account of the Company and may be applied by the Board in any manner permitted by or consistent with all applicable laws (including section 54 of the Companies Act), the Bye-Laws and the Memorandum.

Upon the Capital Reorganisation becoming effective, the Shares will be identical in all respects and rank *pari passu* with each other in relation to all future dividends and distributions which are declared, made or paid in accordance with the Memorandum and the Bye-Laws.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon the following conditions:

(a) the passing of a special resolution by the Shareholders at the SGM to approve the Capital Reorganisation and the transactions contemplated thereunder;

(b) the compliance with the relevant procedures and requirements under the Companies Act and applicable laws of Bermuda to effect the Capital Reorganisation, which includes the Directors being satisfied that, on the date the Capital Reorganisation is to take effect, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due;

(c) the compliance with the relevant procedures and requirements under the Listing Rules to effect the Capital Reorganisation; and

(d) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

Subject to the fulfilment of the conditions of the Capital Reorganisation, the Capital Reorganisation is expected to become effective on Tuesday, 8 December 2026. As at the Latest Practicable Date, none of the above conditions had been fulfilled.

Effect of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company was HK$400,000,000 divided into 400,000,000 Shares of HK$1.00 each, of which 187,491,851 Shares had been issued and were fully paid or credited as fully paid and 212,508,149 Shares remained unissued.

Assuming that no further Shares are allotted, issued or repurchased from the Latest Practicable Date up to and including the date on which the Capital Reorganisation becomes effective, immediately following the Capital Reorganisation becoming effective, the authorised share capital of the Company will become HK$400,000,000 divided into 400,000,000,000 Shares of HK$0.001 each, of which 187,491,851 Shares will have been issued and will be fully paid or credited as fully paid and 399,812,508,149 Shares will remain unissued.

A credit of approximately HK$187,304,359.149 will arise from the Capital Reduction and will be transferred to the contributed surplus account of the Company.

Other than the expenses to be incurred in relation to the Capital Reorganisation and the Change in Board Lot Size, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders. The Directors are of the view that the Capital Reorganisation and the Change in Board Lot Size will not have any material adverse effect on the financial position of the Group and are in the interests of the Company and the Shareholders as a whole.

Subject to the Change in Board Lot Size becoming effective, the size of each board lot for dealing in the Shares on the Stock Exchange will be changed from 80 Shares to 2,000 Shares. Please refer to the announcement of the Company dated 9 November 2026 in relation to, among other things, the proposed Change in Board Lot Size for further details.

Assuming that there is no change in the number of issued Shares from the Latest Practicable Date up to and including the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company will be as follows:

	As at the Latest Practicable Date	**Immediately following the Capital Reorganisation becoming effective**
Par value	HK$1.00 per Share	HK$0.001 per Share
Authorised share capital	HK$400,000,000 divided into 400,000,000 Shares	HK$400,000,000 divided into 400,000,000,000 Shares
Issued share capital	HK$187,491,851.00 divided into 187,491,851 Shares	HK$187,491.851 divided into 187,491,851 Shares

Proposed Change in Board Lot Size

As at the date of this circular, the Shares are traded on the Stock Exchange in the board lot size of 80 Shares. The Board hereby announces that the board lot size of the Shares for trading on the Stock Exchange will be changed from 80 Shares to 2,000 Shares with effect from 9:00 a.m. on Tuesday, 8 December 2026 (the "**Change in Board Lot Size**"). Based on the closing price of HK$0.65 per Share as quoted on the Stock Exchange as at the Latest Practicable Date, the market value of the existing board lot of 80 Shares each is HK$52. Upon the Change in Board Lot Size becoming effective, the market value of the then board lot of 2,000 Shares each will be HK$1,300 (based on the closing price of HK$0.65 per Share as quoted on the Stock Exchange as at the Latest Practicable Date). The

Change in Board Lot Size will increase the board lot value. The Change in Board Lot Size will not affect any of the relative rights of the Shareholders. The Board is of the opinion that the Change in Board Lot Size is in the interests of the Company and the Shareholders as a whole.

Share certificates

No new share certificate for existing Shares will be issued as a result of the Change in Board Lot Size, and therefore there will be no arrangement for free exchange of existing share certificates in board lot size of 80 Shares to new share certificates in board lot size of 2,000 Shares. As from Tuesday, 8 December 2026, any new share certificates will be issued in board lot of 2,000 Shares each (except for odd lots or where the share registrar is otherwise instructed). All existing share certificates in board lot of 80 Shares each will continue to be good evidence of legal title to such Shares and continue to be valid for transfer, trading, delivery and settlement purposes.

The Capital Reorganisation will not affect any of the rights of the existing Shareholders. All existing share certificates of the Company in issue bearing the existing par value will continue to be evidence of title to the Shares and will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates of the Company for new share certificates after the Capital Reorganisation becomes effective. Upon the Capital Reorganisation becoming effective, any new share certificate of the Company will be issued bearing the par value of HK$0.001 per Share. The new share certificates bearing the par value of HK$0.001 per Share will be issued in yellow colour in order to distinguish them from the existing share certificates which are in red colour.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Shares, the Company has appointed Central China International Securities Co., Limited as an agent to provide matching services, on a best effort basis, regarding the sale and purchase of odd lots of Shares from 9:00 a.m. on Tuesday, 8 December 2026 to 4:00 p.m. on Tuesday, 29 December 2026 (both days inclusive). Shareholders who wish to acquire odd lots to make up a full board lot, or to dispose of their holding of odd lots of the Shares, should contact Mr. Leo Cheng of Central China International Securities Co., Limited at Room 1304, 13/F, Admiralty Centre Tower 1, 18 Harcourt Road, Admiralty, Hong Kong (telephone number: 2500 1388) during the office hours of such period.

Holders of the Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. Shareholders are recommended to consult their professional advisors if they are in doubt about the above arrangement.

3. REASONS FOR THE CAPITAL REORGANISATION AND THE CHANGE IN BOARD LOT SIZE

Under the Bye-Laws and the applicable laws of Bermuda, the Company is restricted from issuing Shares at a price lower than their par value. The Capital Reorganisation will reduce the par value of the Shares to a lower amount of HK$0.001 each, which will provide the Company with greater flexibility in the pricing of further issuances of Shares as needed.

In addition, upon the Capital Reorganisation becoming effective, the credit arising from the Capital Reduction will be transferred to the contributed surplus account of the Company and may be applied by the Company in any manner permitted by or consistent with all applicable laws (including section 54 of the Companies Act), the Bye-Laws and the Memorandum.

As set out in the "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited, the value of each board lot shall not be less than HK$1,000. Based on the closing price of HK$0.65 per Share as at the Latest Practicable Date, (i) the value per board lot of 80 Shares is HK$52; and (ii) the value per board lot of 2,000 Shares would be HK$1,300. The Board believes that the Change in Board Lot Size would allow the Company to comply with such requirement. The Change in Board Lot Size will not affect the relative rights of Shareholders.

Accordingly, the Board considers that the Capital Reorganisation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, save for the proposed adoption of the 2026 Share Scheme as set out in this circular, the Company does not have any intention to carry out other corporate actions in the next 12 months which may have the effect of undermining or negating the intended purpose of the Capital Reorganisation and the Change in Board Lot Size. The Company, from time to time, explores suitable fund raising opportunities, including debt and/or equity fund raising exercises, to support future development of the Group. The Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support the operations and future development of the Group. The Company will make further announcement(s) in this regard in accordance with the Listing Rules as and when appropriate.

4. PROPOSED ADOPTION OF THE 2026 SHARE SCHEME

The 2026 Share Scheme

On 9 November 2026, the Board resolved to propose the adoption of the 2026 Share Scheme and the termination of the 2017 Share Option Scheme. The 2026 Share Scheme will constitute a share scheme funded by issuance of new Shares and/or transfer of treasury shares under Chapter 17 of the Listing Rules and, pursuant to Rule 17.02(1)(a) of the Listing Rules, its adoption will be subject to, among others, the approval of the Shareholders in general meeting.

In proposing the adoption of the 2026 Share Scheme, the Board has considered various factors, including: (i) that the terms of the 2026 Share Scheme would allow the Company to broaden the types of equity incentives it can utilize by allowing the grant of both share awards and share options, whereas the 2017 Share Option Scheme of the Company only allowed the Company to grant share options to the eligible participants under that plan; and (ii) that the terms of the 2026 Share Scheme could be able to comply with the amended requirements in Chapter 17 of the Listing Rules that took effect on 1 January 2023.

The purposes of the 2026 Share Scheme are (i) to provide the Company with a flexible means of remunerating, incentivizing, retaining, rewarding, compensating and/or providing benefits to Eligible Participants; (ii) to align the interests of Eligible Participants with those of the Company and Shareholders by providing them with the opportunity to acquire shareholding interests in the Company; and (iii) to attract suitable personnel for the further development of the Group, and to encourage Eligible Participants to contribute to the long-term growth and profitability of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

Scope of Eligible Participants

The rules of the 2026 Share Scheme enable the Company to grant Awards to Eligible Participants including Employee Participants and Related Entity Participants. The Directors (including the independent non-executive Directors) consider the proposed categories of Related Entity Participants to be in line with industry norms and that the proposed scope for ''Eligible Participants'' (including the selection of Eligible Participants) to be appropriate and aligns with the purpose of the 2026 Share Scheme. In particular: (a) Related Entity Participants will have a sufficiently close relationship with the Group and would likely be in a position to influence the Group's business, reputation, operations and performance; (b) this scope is consistent with the scope of participants approved by the Company under past share incentive plans, as well as, to the best knowledge of the Directors, the practices of peer companies that operate in similar or comparable industries to that of the Group or other companies listed in Hong Kong and their remuneration or compensation packages, and accordingly, the Directors (including the independent non-executive Directors) consider it appropriate to enhance the long-term relationship with these Eligible Participants by aligning their interests with that of the Company and Shareholders. Based on the above, the Directors (including the independent non-executive Directors) believe that the proposed scope for ''Eligible Participants'' is in line with the purpose of the 2026 Share Scheme.

Eligibility of Related Entity Participants

The 2026 Share Scheme permits the grant of Awards to Related Entity Participants in addition to Employee Participants.

The Board (including the independent non-executive Directors) is of the view that, apart from the contributions of employees and directors of the Group, the success of the Group may also come from the efforts and co-operation of Related Entity Participants who play a part in the development and continued success of the Group's business and operations, and have contributed or may contribute to the Group in the future. The grant of Awards to Related Entity Participants would not only align their interests with those of the Group, but also strengthen their loyalty to the Group and provide incentives to them for (i) a higher degree of participation and involvement in promoting the business of the Group; and (ii) maintaining a stable and long-term relationship with the Group.

The inclusion of Related Entity Participants as Eligible Participants will also enable the Group to preserve its cash resources and use equity incentives to encourage persons within and outside the Group to continue to contribute to the growth and development of the Group's business.

The Board (including the independent non-executive Directors) is of the view that the inclusion of Related Entity Participants as Eligible Participants, the criteria for selection of the Eligible Participants and the terms of the Awards are fair and reasonable and align with the purpose of the 2026 Share Scheme and the long-term interests of the Company and the Shareholders as a whole.

Independent non-executive Directors as Eligible Participants

Although independent non-executive Directors also fall within the categories of Employee Participants, the Company is mindful of the recommended best practices under E.1.9 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules which provides that issuers generally should not grant equity-based remuneration (e.g. share options or grants) with performance-related elements to independent non-executive directors as this may lead to bias in their decision-making and compromise their objectivity and independence. Notwithstanding the above, the Company is of the view that independent non-executive Directors are important members of the Board and their contribution to the independence and impartiality of the Board is an important element for the Shareholders and investors of the Company to assess the performance and corporate governance of the Company. Therefore, it is important for the Company to be able to include them as Eligible Participants in order to attract and retain suitable independent non-executive Directors so that they can continue to contribute to the success of the Company.

The Board is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of Awards under the 2026 Share Scheme for the following reasons: (i) the independent non-executive Directors are required to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) the Remuneration Committee and the Board will consider whether the package offered to independent non-executive Directors may affect their objectivity and

independence and it is expected that any equity-based remuneration that may be granted by the Company to any independent non-executive Director will make reference to the prevailing market benchmark as well as the time and effort devoted by such Director and such grant (if any) will only form part of (but not the entirety of) the independent non-executive Director's remuneration package; and (iii) in the event that the Company decides to grant any Awards to any independent non-executive Director, the Company will comply with the applicable requirements under the Listing Rules including in particular the recommended best practice E.1.9 of Appendix C1 to the Listing Rules whereby any grants to them will not include any performance-related elements.

As at the Latest Practicable Date, the Company had no plan or intention to grant Awards to any independent non-executive Director under the 2026 Share Scheme.

Scheme Limit

As at the Latest Practicable Date, there were 187,491,851 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the maximum number of Shares issuable pursuant to the 2026 Share Scheme and any other schemes of the Company (if any) in aggregate will be 18,749,185 Shares, being 10% of the total number of Shares in issue on the date of approval of the 2026 Share Scheme.

The 2026 Share Scheme shall become effective upon fulfillment of the following conditions:

(a) the passing of a resolution by the Shareholders to approve the adoption of the 2026 Share Scheme; and

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

As at the Latest Practicable Date, the Company intends to use treasury Shares (if any) for the 2026 Share Scheme. The Company will make appropriate announcement(s) in accordance with the Listing Rules requirements when it chooses to utilize treasury Shares to satisfy grants under the 2026 Share Scheme.

Vesting period

The Directors and the Remuneration Committee are of the view that the vesting period (including the circumstances in which a shorter vesting period may apply), as detailed in Appendix I, enables the Company to offer competitive remuneration and reward packages to Employee Participants, on an ad hoc basis, in such circumstances that would be justified

and reasonable, which is also consistent with the Listing Rules and the former practice of the Company and peer companies in the Group's industry. Accordingly, the above vesting period is considered appropriate and aligns with the purpose of the 2026 Share Scheme.

Performance target and clawback mechanism

The Board and the Remuneration Committee believe 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 each eligible participant's contribution or potential contribution. It is considered that by allowing the Company to require the Eligible Participant to achieve such performance targets as may be stipulated in the Award Letter on a case-by-case basis, the Company may be in a better position to incentivise suitable eligible participants to deliver high quality work or to complete specified projects or goals important to the Group, which is in line with the purpose of the 2026 Share Scheme. Where Awards are granted to Directors or senior management of the Company without performance targets, the views of the Remuneration Committee on why performance targets are not necessary and how the grants align with the purpose of the 2026 Share Scheme, will be included in the announcement to be issued after any grant of Awards as required by the Listing Rules.

The Directors are of the view that the clawback mechanism detailed in Appendix I enables the Company to clawback Awards (or the Award Shares underlying such Awards) received by those Grantees whose conduct falls within the categories of serious misconduct as defined in the 2026 Share Scheme, including gross insubordination or wilful refusal to follow reasonable and lawful instructions, deliberate breach of any material policy of the Group, conduct which brings or is reasonably likely to bring any member of the Group into serious disrepute, wilful destruction of any property of any member of the Group, or any act or omission which causes or is reasonably likely to cause material financial loss or reputational harm to any member of the Group. In these circumstances, the Company would not consider it in the Company or Shareholders' best interests to incentivise them with proprietary interests of the Company under the 2026 Share Scheme, nor would the Company consider such Grantees benefiting under the 2026 Share Scheme to align with the purpose of the 2026 Share Scheme. As such, the Company considers this clawback mechanism appropriate and reasonable.

Exercise Price of Share Options

The Scheme Administrator shall determine the Exercise Price for such Share Options in which it shall in any event be no less than the highest of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Grant Date; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Grant Date; and (iii) the nominal value of the Shares on the Grant Date.

The above flexibility allows the Company to control the costs incurred by the Company from the grant of Awards under the 2026 Share Scheme by correlating the exercise price for Share Options with prevailing market prices at the time of grant (particularly considering that timing of when the Share Options will be exercised are within the discretion of the Participant and is typically made with reference to the difference between the exercise price and prevailing market prices at the time of exercise) and the Company reserving the discretion to determine the issue price, if any, on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such Grantee, which is aligned with the purpose of the 2026 Share Scheme (particularly considering that Awards typically do not involve the same degree of exercise procedure and discretion on the part of the Participant as with Share Options).

Explanation of the terms of the 2026 Share Scheme

Please see the Appendix to this circular for:

(a) a summary of the principal terms of the 2026 Share Scheme. This summary serves as an overview of these terms and does not constitute the full reproduction of the terms or a comprehensive list of all the rules under the 2026 Share Scheme; and

(b) *in italics and as notes to the summary*, the views of the Directors and Remuneration Committee as to the appropriateness and reasonableness of particular terms and how they align with the purpose of the 2026 Share Scheme.

Termination of the 2017 Share Option Scheme

The 2017 Share Option Scheme was adopted by the Company on 25 October 2017 and has been valid for a period of 10 years commencing on the adoption date. According to the terms of the 2017 Share Option Scheme, the scheme may be early terminated as determined by the Board, provided that such termination shall not affect any subsisting rights of any selected participants thereunder (provided further that for the avoidance of doubt, the change in the subsisting rights of a selected participant as aforementioned refers solely to any change in the rights in respect of the share options already granted to a selected participant thereunder).

Accordingly, the Board proposes that, subject to the approval of the Shareholders at the SGM, and conditional upon and with effect from the 2026 Share Scheme taking effect, the 2017 Share Option Scheme shall be terminated. After the termination of the 2017 Share Option Scheme, no further options may be granted thereunder, while the options already granted before the termination shall remain valid and continue to vest in accordance with the rules of the 2017 Share Option Scheme and the relevant option agreement.

As at the Latest Practicable Date, no share options remain outstanding under the 2017 Share Option Scheme. The Directors confirm that, prior to the SGM, the Company will not grant any further options under the 2017 Share Option Scheme.

Document on display

A copy of the Scheme Rules of the 2026 Share Scheme will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the SGM and the Scheme Rules of the 2026 Share Scheme will be made available for inspection at the SGM.

5. SGM AND PROXY ARRANGEMENT

A notice convening the SGM to be held at Unit 4811, 48/F, COSCO Tower, No.183 Queen's Road Central, Hong Kong on Friday, 4 December 2026 at 3:00 p.m., is set out on pages SGM-1 - SGM-4 of this circular. The SGM will be convened for the purpose of considering and, if thought fit, approving, among others, the Capital Reorganisation, the adoption of the 2026 Share Scheme and the termination of the 2017 Share Option Scheme.

Pursuant to Rule 13.39(4) of the Listing Rules and the Bye-Laws, any vote of 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 SGM will demand a poll for each and every resolution put forward at the SGM. The Company will appoint scrutineers to handle vote-taking procedures at the SGM. An announcement on the poll results will be published by the Company after the SGM in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

To the extent that the Company is aware having made all reasonable enquiries, as at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, no Shareholder has a material interest in the Capital Reorganisation and no Shareholder is required to abstain from voting on any of the resolutions at the SGM.

As the Capital Reorganisation is subject to the satisfaction of certain conditions, it may or may not become effective. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

A form of proxy for use at the SGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinahuajungroup.com). Whether or not you are able to attend the SGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the

SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the SGM or any adjourned meeting if they so wish.

6. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the SGM, the register of members of the Company will be closed from Tuesday, 1 December 2026 to Friday, 4 December 2026, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the SGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Monday, 30 November 2026.

7. 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.

8. RECOMMENDATION

The Board (including all the independent non-executive Directors) are of the opinion that the Capital Reorganisation, the proposed adoption of the 2026 Share Scheme and the termination of the 2017 Share Option Scheme are in the best interests of the Company and the Shareholders as a whole, and would therefore recommend Shareholders to vote in favour of the resolutions to be proposed at the SGM.

Yours faithfully,
For and on behalf of the Board
China Huajun Group Limited
LI Gang
Chairman, Co-Chief Executive Officer and Executive Director

The following is a summary of the principal terms of the Scheme Rules to be considered and approved by Shareholders at the SGM. It does not form part of, nor is it intended to be part of, the Scheme Rules. The Directors reserve the right at any time prior to the SGM to make amendments to the 2026 Share Scheme as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspect with the summary set out in this Appendix.

Purpose: The purpose of the 2026 Share Scheme is (i) to provide the Company with a flexible means of remunerating, incentivizing, retaining, rewarding, compensating and/or providing benefits to Eligible Participants; (ii) to align the interests of Eligible Participants with those of the Company and Shareholders by providing such Eligible Participants with the opportunity to acquire shareholding interests in the Company; and (iii) to attract suitable personnel for the further development of the Group, and to encourage Eligible Participants to contribute to the long-term growth and profitability of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

Awards: An Award may take the form of a Share Award or a Share Option, which shall be funded by Award Shares.

Scheme administration: The 2026 Share Scheme shall be administered by the Scheme Administrator, being the Board and/or any committee of the Board or other persons to whom the Board has delegated its authority in accordance with the Scheme Rules.

Eligible Participants: Eligible Participants under the 2026 Share Scheme shall include:

(i) ***Employee Participants,*** namely, any employee (whether full-time or part-time), director or officer of any member of the Group, including persons who are granted Awards under the 2026 Share Scheme as an inducement to enter into employment contracts with any member of the Group. For the purposes of the 2026 Share Scheme, approved leave of absence and transfers of employment within the Group or to any successor shall not constitute a cessation of employment. A person ceases to be an Employee Participant on and from the date of termination of his/her employment;

(ii) ***Related Entity Participants,*** namely, any person who is an employee (whether full-time or part-time), director or officer of a holding company of the Company, subsidiaries of the holding company other than members of the Group, or an associated company of the Company.

In assessing the eligibility of each Eligible Participant, the Board or Scheme Administrator shall take into account the following factors:

(i) in respect of Employee Participants: their skills, knowledge, experience and professional qualifications; their individual performance, time commitment, responsibilities and employment conditions; their historical and expected contribution to the growth and development of the Group; and the prevailing level of remuneration for comparable positions in the industry;

(ii) in respect of Related Entity Participants: the contributions to the returns and benefits of the Group's investment and/or interest in the Related Entity; the business synergy and opportunities brought by them to the Group; the degree of involvement in and/or cooperation with the Group and the length of collaborative relationship established with the Group; and whether they should be rewarded to further motivate their performance for the benefit of the Group.

Note:

The Directors (including the independent non-executive Directors) consider the proposed categories of Related Entity Participants to be in line with industry norms and that the proposed scope for "Eligible Participants" (including the selection of Eligible Participants) to be appropriate and aligns with the purpose of the 2026 Share Scheme. In particular: (a) Related Entity Participants will have a sufficiently close relationship with the Group and would likely be in a position to influence the Group's business, reputation, operations and performance; (b) this scope is consistent with scope of participants approved by the Company under past share incentive plans, as well as, to the best knowledge of the Directors, the practices of peer companies that operate in similar or comparable industries to that of the Group or other companies listed in Hong Kong and their remuneration or compensation packages, and accordingly, the Directors (including the independent non-executive Directors) consider it appropriate to enhance the long-term relationship with these Eligible Participants by aligning their interests with that of the Company and Shareholders. Based on the above, the Directors (including the independent non-executive Directors) believe that the proposed scope for "Eligible Participants" is in line with the purpose of 2026 Share Scheme.

Scheme Mandate Limit: ***Scheme Mandate Limit***

The Scheme Mandate Limit, namely, the total number of Award Shares which may be issued pursuant to all Awards to be granted under the 2026 Share Scheme together with the number of Shares which may be issued pursuant to all options, awards or securities to be granted under any other share schemes of the Company:

(i) shall initially be the number of Shares representing 10% of the total issued Shares (excluding any treasury Shares) as at the Adoption Date, being 18,749,185 Shares (assuming that there are no changes to the Company's issued share capital between the Latest Practicable Date and the SGM); and

(ii) may be increased, refreshed or renewed from time to time in accordance with the Scheme Rules.

Shares which would have been issued pursuant to Awards which have lapsed in accordance with the terms of the Scheme Rules, or options, awards or securities which have lapsed in accordance with the terms of any other share schemes of the Company, shall not be counted for the purpose of calculating the Scheme Mandate Limit. For the avoidance of doubt, Awards cancelled pursuant to the Scheme Rules shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and shall not be available for re-grant.

If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Awards to be granted under the 2026 Share Scheme and all options, awards or securities to be granted under any other share schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

Awards in excess of the Scheme Mandate Limit

The Company may seek separate approval of the Shareholders in general meeting to grant Awards beyond the Scheme Mandate Limit to Eligible Participants specifically identified by the Company before such approval is sought.

Refreshing the Scheme Mandate Limit:

The Company may refresh the Scheme Mandate Limit:

(i) with the prior approval of Shareholders in general meeting, at any time after three years from the date of the Shareholders' approval for the last refreshment of the Scheme Mandate Limit pursuant to the Scheme Rules (or, in the case of the first refreshment, three years after the Adoption Date); or

(ii) at any time within three years from the date of the Shareholders' approval for the last refreshment of the Scheme Mandate Limit pursuant to the Scheme Rules (or, in the case of the first refreshment, within three years after the Adoption Date), with the prior approval of Shareholders in general meeting, provided that (i) any controlling shareholder of the Company and its associates (or where there are no controlling shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at such general meeting, and (ii) the Company shall comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules. The requirements under (i) and (ii) above shall not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the relevant class of Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

The total number of Shares which may be issued in respect of all Awards to be granted under the 2026 Share Scheme and options, awards or securities to be granted under all other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the Shares in issue (excluding any treasury Shares) as at the date of the approval to refresh the Scheme Mandate Limit by the Shareholders in general meeting. Awards already granted under the 2026 Share Scheme and all options, awards or securities already granted under any other share schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with their respective terms) shall not be counted for the purpose of calculating the number of Award Shares that may be issued under the Scheme Mandate Limit as refreshed.

Maximum entitlement of a Grantee:

There is no specific maximum entitlement for each Eligible Participant under the 2026 Share Scheme. Awards granted to individuals that exceed the thresholds set out in Chapter 17 of the Listing Rules will be subject to additional approval requirements as required under Chapter 17 of the Listing Rules and set out in the section headed "Further approval requirements" below.

Further approval requirements:

1% Individual Limit

Unless approved by the Shareholders in the manner set out in the Scheme Rules, the total number of Shares issued and to be issued upon exercise of Awards granted and to be granted under the 2026 Share Scheme and all options, awards or securities granted and to be granted under any other share schemes of the Company to each Eligible Participant (including both exercised and outstanding options, awards or securities but excluding any options, awards or securities lapsed in accordance with the terms of such schemes) in any 12-month period up to and including the Grant Date shall not exceed 1% of the total number of Shares in issue (excluding any treasury Shares) at the Grant Date. Any further grant of Awards to an Eligible Participant which would exceed this limit shall be subject to separate approval of the Shareholders in general meeting with the relevant Eligible Participant and his/her close associates (or associates if the relevant Eligible Participant is a connected person) abstaining from voting.

Limit on Grant to Director, Chief Executive or Substantial Shareholder

Any grant of Awards to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the remuneration committee of the Board (excluding any member who is a proposed recipient of the grant of the Award) and the independent non-executive Directors of the Company (excluding any independent non-executive Director who is a proposed recipient of the grant of Awards).

Where any grant of Share Awards (but not any grant of Share Options) to any 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 Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue (excluding any treasury Shares) at the date of such grant, or where any grant of Awards to an independent non-executive Director or substantial shareholder of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued upon exercise of all Awards already granted (excluding any Awards lapsed in accordance with the terms of the 2026 Share Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of Shares in issue (excluding any treasury Shares), such further grant of Awards must be approved by Shareholders of the Company in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

Limitation on the timing of grants of Awards:

No Award shall be granted to any Eligible Participant during the following time periods or in the following circumstances:

(i) in circumstances prohibited by the Listing Rules or at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the Listing Rules or by any applicable rules, regulations or law;

(ii) where the Company is in possession of any unpublished inside information in relation to the Company, until (and including) the trading day after such inside information has been announced;

(iii) during the periods commencing 30 days immediately before the earlier of the date of the board meeting for approving the Company's results for any year, half-year, quarterly or any other interim period and the deadline for the Company to announce such results, and ending on the date of the results announcement; provided that such period will also cover any period of delay in the publication of any results announcement;

(iv) if any member of the Group is required under applicable laws, rules or regulations to issue a prospectus or other offer documents in respect of such grant or the Scheme;

(v) where such grant or dealing in the Shares in respect of such grant would result in a breach by any member of the Group or any of its directors of any applicable laws, rules, regulations or codes in any jurisdiction from time to time;

(vi) in circumstances where the requisite approval from any applicable governmental or regulatory authority has not been obtained, provided that to the extent permissible an Award may be made conditional upon such approval being obtained;

(vii) in circumstances which would result in a breach of the Scheme Mandate Limit, provided that to the extent permissible an Award may be made conditional upon the Scheme Mandate Limit being refreshed or approval of Shareholders being otherwise obtained;

(viii) where such Award under the Listing Rules requires the specific approval of Shareholders, until such approval of Shareholders is obtained, provided that to the extent permissible an Award may be made conditional upon such specific shareholder approval being obtained; and

(ix) any such grant so made (or made without being subject to the necessary conditions contemplated above) shall be null and void to the extent (and only to the extent) that it falls within the circumstances described above.

Acceptance:

Unless otherwise specified in the Award Letter, the Grantee shall have 21 days from the Grant Date to accept the Award. An offer shall be deemed to have been accepted on the date when the duplicate comprising acceptance of the offer is duly signed by the Grantee with the number of Shares in respect of which the offer is accepted clearly stated therein, together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof, which consideration shall not be refundable. To the extent that an Award is not accepted within the time and in the manner stipulated, it shall be deemed to have been irrevocably declined and shall automatically lapse.

Any Award may be accepted in whole or in part provided that it must be accepted in respect of a board lot for dealing in Shares or a multiple thereof.

Issue Price of Share Awards and Exercise Price of Share Options:

The Issue Price per Shares for the Shares underlying a Share Award shall be determined by the Scheme Administrator and notified to the Grantee in the Award Letter.

The Scheme Administrator shall determine the Exercise Price for such Share Options in which it shall in any event be no less than the highest of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Grant Date; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Grant Date; and (iii) the nominal value of the Shares on the Grant Date.

Note:

The above flexibility allows the Company to control the costs incurred by the Company from the grant of Awards under the 2026 Share Scheme by correlating the exercise price for Share Options with prevailing market prices at the time of grant (particularly considering that timing of when the Share Options will be exercised are within the discretion of the Participant and is typically made with reference to the difference between the exercise price and prevailing market prices at the time of exercise) and the Company reserving the discretion to determine the issue price, if any, on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such Grantee, which is aligned with the purpose of the 2026 Share Scheme (particularly considering that Awards typically do not involve the same degree of exercise procedure and discretion on the part of the Participant as with Share Options).

Exercise Period of Share Options: The Exercise Period for Share Options shall not be longer than 10 years from the Grant Date. If no Exercise Period is specified in the Award Letter, the Exercise Period shall expire on the earlier of (i) the date on which the Share Option lapses in accordance with the terms of the 2026 Share Scheme and (ii) the tenth anniversary of the Grant Date. A Share Option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the expiry of the tenth anniversary from the Grant Date.

Vesting period: The Vesting Date in respect of any Award shall be not less than 12 months from the Grant Date; provided that for Employee Participants the Vesting Date may be less than 12 months from the Grant Date (including on the Grant Date) in the following circumstances:

(i) grants of ''make whole'' Share Awards to new Employee Participants to replace share awards such Employee Participants forfeited when leaving their previous employers;

(ii) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;

(iii) grants of Awards which are subject to the fulfillment of performance targets;

(iv) grants of Awards the timing of which is determined by administrative, or compliance requirements not connected with the performance of the relevant Employee Participant, in which case the Vesting Date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;

(v) grants of Awards with a mixed vesting schedule such that the Awards vest evenly over a period of 12 months;

(vi) grants of Awards with a total vesting and holding period of more than 12 months; or

(vii) such circumstances as set out in the Scheme Rules including a change in control of the Company, or a dissolution or liquidation of the Company.

Note:

The Directors and the Remuneration Committee are of the view that the vesting period (including the circumstances in which a shorter vesting period may apply), as detailed above, enables the Company to offer competitive remuneration and reward packages to Employee Participants, on an ad hoc basis, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules and the former practice of the Company and peer companies in the Group's industry. Accordingly, the above vesting period is considered appropriate and aligns with the purpose of the 2026 Share Scheme.

Performance target: The Scheme Administrator may in respect of each Award and subject to all applicable laws, rules and regulations determine such performance targets or other criteria or conditions for vesting of Awards in its sole and absolute discretion. Any such performance targets, criteria or conditions shall be set out in the Award Letter. For the avoidance of doubt, an Award shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Award Letter. Where performance targets, criteria or conditions are to be specified in the relevant Award Letter, the Scheme Administrator may determine such targets, criteria or conditions based on, among others, sales performance, operating performance, financial performance of the Group, corporate sustainability parameters, discipline and responsibility, and the considerations below, and shall specify in the Award Letter the person(s) of the Company that will assess how and whether such targets, criteria or conditions are satisfied. If the Board considers that performance targets are not required for any grant of Awards to a Director or member of senior management of the Company, or that no clawback arrangements are to apply to such grant, the remuneration committee of the Board shall explain to the Shareholders the reasons for such determination and how such grant is consistent with the purpose of the 2026 Share Scheme. Where performance targets, criteria or conditions are to be specified in the relevant Award Letter, the Scheme Administrator may determine such targets, criteria or conditions based on, among other considerations:

(i) for Directors and members of senior management of the Company: business or financial milestones, transaction milestones, performance appraisal within a specified period reaching a desirable level, or the Grantee's anticipated future contribution to the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets etc.);

(ii) for other Employee Participants (except a Director or member of senior management of the Company): performance appraisal within a specified period reaching a desirable level, or the Grantee's anticipated future contribution to the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets etc.);

(iii) for Related Entity Participants: the Grantee's anticipated future contribution to the long-term development of the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets or business collaboration targets etc.).

The Scheme Administrator shall specify in the Award Letter the person(s) of the Company that will assess how and whether such targets, criteria or conditions are satisfied.

Note:

The Board and the Remuneration Committee believe 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 each eligible participant's contribution or potential contribution. It is considered that by allowing the Company to require the Eligible Participant to achieve such performance targets as may be stipulated in the Award Letter on a case-by-case basis, the Company may be in a better position to incentivise suitable eligible participants to deliver high quality work or to complete specified projects or goals important to the Group, which is in line with the purpose of the 2026 Share Scheme. Where Awards are granted to Directors or senior management of the Company without performance targets, the views of the Remuneration Committee on why performance targets are not necessary and how the grants align with the purpose of the 2026 Share Scheme, will be included in the announcement to be issued after any grant of Awards as required by the Listing Rules.

Transferability: Awards shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Award, unless (i) the Directors give their express written consent and (ii) the Stock Exchange grants a waiver permitting such transfer. Where such waiver is granted, an Award may be transferred to a vehicle for the benefit of the Grantee and his/her family members (for the purposes of estate planning or tax planning or such other reasons as the Company and the Stock Exchange consider to be justifiable) that would continue to meet the purpose of the 2026 Share Scheme and comply with Chapter 17 of the Listing Rules. The Company shall disclose the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle. Any cessation, lapse, forfeiture or other event affecting a transferred Award shall be determined by reference to the status and circumstances of the original Grantee. Any such transferee shall agree to be bound by the Scheme Rules as if the transferee were the Grantee. Any breach of the above shall cause the applicable Awards to immediately lapse, and a determination by the Board to that effect shall be final and conclusive.

Voting and dividend rights: Awards do not carry any right to vote at general meetings of the Company nor any right to dividends, transfer, or other rights. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Award Shares are issued or transferred to the Grantee pursuant to the vesting and/or exercise of such Awards.

Lapse of Awards: Without prejudice to the authority of the Scheme Administrator to provide additional situations when an Award shall lapse in the terms of any Award Letter, an Award shall lapse automatically (to the extent not already vested and, where relevant, exercised) on the earliest of:

(i) the expiry of any applicable Exercise Period (in respect of Share Options);

(ii) the date on which the Board makes a clawback determination, being where: (a) a Grantee ceases to be an Eligible Participant by reason of the termination of his/her employment or contractual engagement with the Group or Related Entity for cause or without notice or with payment in lieu of notice; (b) a Grantee has been convicted of a criminal offence involving his/her integrity or honesty; (c) in the reasonable opinion of the Board, a Grantee has engaged in serious misconduct or breached the terms of the 2026 Share Scheme in any material respect; or (d) in the event of fraud, serious misconduct, material misstatement in the Company's financial information, or any prescribed performance targets applicable to a Grantee having been assessed or calculated in a materially inaccurate manner;

(iii) the expiry of any of the periods for exercising a Share Option following cessation of eligibility, upon retirement, voluntary resignation or dismissal, death or permanent incapacity, bankruptcy, and other reasons if a Grantee ceases to be an Eligible Participant;

(iv) the date on which the Grantee commits a breach of the transferability provisions of the Scheme Rules;

(v) the commencement of the voluntary winding-up of the Company, subject to the advance exercise right;

(vi) the date on which an Award is deemed to have been irrevocably declined, being where the Grantee fails to accept the Award within 21 days from the Grant Date (or such other period as specified in the Award Letter) in the stipulated manner; or

(vii) the date on which the Grantee is declared bankrupt or becomes insolvent or makes any arrangements or composition with his/her creditors generally.

The Awards that have lapsed in accordance with the terms of the 2026 Share Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

Cessation of eligibility: Retirement: If a Grantee ceases to be an Eligible Participant by reason of his/her retirement: (i) any outstanding Awards not yet vested shall immediately lapse on the date of retirement; and (ii) any vested Share Option may be exercised within a period of twelve (12) months from the date of cessation of employment or engagement (or such longer period as the Board may determine), or within the Exercise Period, whichever is the shorter, failing which the Share Option shall lapse.

Voluntary resignation or dismissal: If a Grantee ceases to be an Eligible Participant by reason of his/her voluntary resignation from, or the dismissal or termination (whether by notice or by payment in lieu of notice) of his/her employment or engagement by, any member of the Group or Related Entity (other than a termination for cause):

(i) all outstanding Awards which have not yet vested as at the date of cessation (being the last working day of the Grantee's employment or engagement with the relevant member of the Group or Related Entity) (the "**Cessation Date**") shall automatically be forfeited and shall lapse on the Cessation Date without any claim or right of action against any member of the Group; and

(ii) in respect of Share Options which have vested but have not been exercised as at the Cessation Date, such Share Options shall automatically be forfeited and shall lapse on the Cessation Date, unless the Board in its absolute discretion permits the Grantee to exercise such vested Share Options within such period as the Board may specify (but in any event not exceeding the remaining Exercise Period), failing which such Share Options shall be forfeited and shall lapse.

Death or permanent incapacity: In the case of Share Options: any unvested Share Option shall immediately lapse unless otherwise determined by the Board, and any vested Share Option may be exercised by the Grantee's personal representatives within twelve (12) months from cessation (or such longer period as the Board may determine) or the Exercise Period, whichever is shorter. In the case of Share Awards: any outstanding unvested Share Awards shall immediately vest.

Bankruptcy or insolvency: All unvested Awards and unexercised Share Options shall immediately lapse. Other reasons: If a Grantee ceases to be an Eligible Participant for reasons other than those set out above, any outstanding Awards not yet vested shall immediately be forfeited and shall lapse on the date of such cessation (being the last working day of the Grantee's employment or engagement with the relevant member of the Group or Related Entity).

In respect of vested Share Options, a Grantee may, at the sole discretion of the Board, be permitted to exercise any vested Share Options within such period as the Board may specify (but in any event not exceeding the remaining Exercise Period), failing which the Share Option shall be forfeited and shall lapse.

For the avoidance of doubt, a Grantee shall not be treated as having ceased to be an Eligible Participant by reason of (a) any transfer of his/her employment or engagement between any members of the Group or any Related Entity; or (b) any period of leave of absence approved by the relevant member of the Group or Related Entity (including but not limited to maternity leave, paternity leave, sick leave or any other statutory or contractual leave). During any such transfer or approved leave, all outstanding Awards held by such Grantee shall continue in full force and effect in accordance with their terms.

For-cause termination: If a Grantee ceases to be an Eligible Participant on the grounds that he or she has been guilty of persistent or serious misconduct, or has been in breach of any material term of his or her contract of employment or engagement with any member of the Group or Related Entity, or has become bankrupt or insolvent, or has been convicted of any criminal offence involving his or her integrity or honesty, then all outstanding Awards (whether vested or unvested) held by such Grantee shall immediately lapse and determine on the date of such cessation or termination.

Cancellation of Awards: Awards may be cancelled by the Scheme Administrator or the Company (as applicable) in the following circumstances:

Any Awards granted but not exercised may be cancelled by the Scheme Administrator at any time with the prior consent of the Grantee. Issuance of new Awards to the same Grantee whose Awards have been cancelled may only be made if there are sufficient unissued Award Shares available under the Scheme Mandate Limit approved by the Shareholders, excluding the Award Shares underlying the Awards of the relevant Grantee cancelled. For the avoidance of doubt, the Award Shares underlying any Awards cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and shall not be available for re-grant.

For the avoidance of doubt, the cancellation of an Award under the above circumstances is distinct from a lapse of an Award. Awards that have lapsed in accordance with the terms of the 2026 Share Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit – whereas cancelled Awards shall be regarded as utilised and shall not be available for re-grant as described in the paragraph above.

Clawback: In the event that:

(a) a Grantee ceases to be an Eligible Participant by reason of the termination of his/her employment or contractual engagement with the Group or Related Entity for cause or without notice or with payment in lieu of notice;

(b) a Grantee has been convicted of a criminal offence involving his/her integrity or honesty;

(c) in the reasonable opinion of the Board, a Grantee has engaged in serious misconduct or breaches the terms of the 2026 Share Scheme in any material respect; or

(d) in the event of fraud, serious misconduct, material misstatement in the Company's financial information, or any prescribed performance targets applicable to a Grantee having been assessed or calculated in a materially inaccurate manner,

then the Board may make a determination at its absolute discretion that: (A) any Awards issued to that Grantee but not yet exercised shall immediately lapse, regardless of whether such Awards have vested or not, and/or (B) with respect to any Award Shares issued or transferred to that Grantee, the Grantee shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a combination of (1) and (2) provided that any acquisition by the Company of its own Shares pursuant to this paragraph shall be subject to and effected in accordance with the Companies Act (including sections 42A and 42B thereof) and the Bye-Laws.

"serious misconduct" includes (without limitation): (i) gross insubordination or wilful refusal to follow reasonable and lawful instructions; (ii) deliberate breach of any material policy of the Group; (iii) conduct which brings or is reasonably likely to bring any member of the Group into serious disrepute; (iv) wilful destruction of any property of any member of the Group; or (v) any act or omission which causes or is reasonably likely to cause material financial loss or reputational harm to any member of the Group. The Board's determination as to whether conduct constitutes serious misconduct shall, in the absence of manifest error, be final and conclusive.

For the avoidance of doubt, the power of the Board under the clawback mechanism may be exercised regardless of whether the relevant events or conduct giving rise to a clawback determination are discovered before or after the Grantee has ceased to be an Eligible Participant, provided that the relevant conduct occurred during the period of the Grantee's employment or engagement with any member of the Group or Related Entity. The Award Letter may cross-reference any applicable non-compete, non-solicitation or other restrictive covenant agreement entered into between the Grantee and any member of the Group.

Note:

The Directors are of the view that the above clawback mechanism enables the Company to clawback Awards (or the Award Shares underlying such Awards) received by those Grantees whose conduct falls within the categories of serious misconduct as defined in the 2026 Share Scheme, including gross insubordination, deliberate breach of any material policy of the Group, conduct bringing any member of the Group into serious disrepute, wilful destruction of property, or acts causing material financial loss or reputational damage to the Group. In these circumstances, the Company would not consider it in the Company or Shareholders' best interests to incentivise them with proprietary interests of the Company under the 2026 Share Scheme, nor would the Company consider such Grantees benefiting under the 2026 Share Scheme to align with the purpose of the 2026 Share Scheme. As such, the Company considers this clawback mechanism appropriate and reasonable.

The Company shall bear the costs of establishing and administering the 2026 Share Scheme, including but not limited to the costs of setting up the 2026 Share Scheme, administrative and management expenses, professional advisory fees, and any transaction levies, trading fees and other regulatory compliance costs incurred in connection with the operation of the 2026 Share Scheme.

The Company shall (a) make a timely announcement in respect of each grant of Awards in accordance with the requirements of the Listing Rules, (b) disclose the Issue Price and/or Exercise Price (as applicable) and such other information as may be required under Chapter 17 of the Listing Rules in its annual report and interim report, and (c) disclose in its corporate governance report such information relating to the review and recommendations of the remuneration committee of the Board in respect of the 2026 Share Scheme as may be required under the Listing Rules.

Term of the 2026 Share Scheme: 10 years commencing on the Adoption Date unless terminated earlier.

Termination:

Subject to the Scheme Rules, the 2026 Share Scheme shall terminate on the earlier of (a) the 10th anniversary of the Adoption Date; and (b) such date of early termination as determined by the Company by resolution of the Shareholders in general meeting or by resolution of the Board, provided that notwithstanding such termination, the 2026 Share Scheme and the Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting and exercise of any Awards granted prior to the termination of the 2026 Share Scheme and such termination shall not affect any subsisting rights already granted to any Grantee thereunder. For the avoidance of doubt, the 2026 Share Scheme shall not be automatically renewed upon the expiry of the scheme period. If the Company wishes to continue to grant Awards after the expiry of the scheme period, a new share scheme must be adopted with the approval of the Shareholders in general meeting and in compliance with the requirements of the Listing Rules.

Amendment of the 2026 Share Scheme or Awards:

The Board may amend any of the provisions of the 2026 Share Scheme or any Awards granted under the 2026 Share Scheme at any time and in any respect; provided that:

(i) the terms of the 2026 Share Scheme or Awards so altered must comply with the relevant requirements of Chapter 17 of the Listing Rules;

(ii) the approval of the Shareholders in general meeting is required for:

(a) any amendment or alteration to the terms of the 2026 Share Scheme which are of a material nature or to those provisions of the 2026 Share Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules (including, without limitation, the definitions of ''Eligible Participant'', ''Exercise Period'', ''Scheme Period'', the basis of determining the Exercise Price, the maximum number of Shares subject to the 2026 Share Scheme, the provisions relating to the transferability of Awards, the provisions relating to alterations in share capital, and the provisions relating to the rights on cessation of employment or engagement) to the extent that such alteration or amendment operates to the advantage of Eligible Participants; or

(b) any change to the authority of the Board or the Scheme Administrator to alter the terms of the 2026 Share Scheme;

(iii) any amendment or alteration to the terms of any Award the grant of which was subject to the approval of a particular body shall be subject to approval by that same body; provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of the 2026 Share Scheme; and

(iv) no amendment or alteration shall be made to any provisions of the 2026 Share Scheme or any Awards granted under the 2026 Share Scheme to the extent that such amendment or alteration has a material adverse effect on any subsisting rights of any Grantee at that date in respect of Awards already granted to that Grantee and to the extent that such Awards have not vested or lapsed or been forfeited, without such Grantee's consent; provided that no such consent shall be required if the Scheme Administrator determines in its sole discretion that such amendment or alteration either: is necessary or advisable in order for the Company, the 2026 Share Scheme or the Award to satisfy any applicable law or Listing Rules or to meet the requirements of, or avoid adverse consequences under, any accounting standard; or is not reasonably likely to diminish materially the benefits provided under such Award, or that any such diminishment has been adequately compensated.

Alterations in Share Capital:

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, subdivision or consolidation of Shares or reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the Adoption Date, the Scheme Administrator shall make such corresponding adjustments, if any, as the Scheme Administrator in its discretion may deem appropriate to reflect such change with respect to:

(i) the number of Shares constituting the Scheme Mandate Limit, provided that in the event of any Share subdivision or consolidation, the Scheme Mandate Limit as a percentage of the total issued Shares of the Company at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision;

(ii) the number of Shares in each Award to the extent any Award has not been exercised;

(iii) the Exercise Price of any Share Option or Issue Price of any Share Award,

or any combination thereof, as the auditors or a financial advisor engaged by the Company for such purpose have certified satisfy the relevant requirements of the Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular Grantee, provided always that (i) any such adjustments should give each Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Grantee was previously entitled prior to such adjustments, and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. In respect of any such adjustments, other than any made on a capitalization issue, an independent financial advisor or the auditors shall confirm to the Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules. The capacity of the auditors or financial advisor (as the case may be) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees.

To the extent not otherwise determined by the Scheme Administrator in accordance with the above, the default method of adjustment for various alterations in share capital events are set out below:

Capitalization issue

Adjustment of number of Award Shares underlying outstanding Awards

$$Q = Q_0 \times (1 + n)$$

Where: Q_0 represents the number of outstanding Award Shares prior to adjustment; n represents the rate of increase per Share resulting from the capitalization issue; Q represents the number of outstanding Award Shares after adjustment.

Adjustment of Exercise Price or Issue Price of outstanding Awards

$$P = P_0 \div (1 + n)$$

Where: P_0 represents the Exercise Price or Issue Price before the adjustment; n represents the rate of increase per Share resulting from the capitalization issue; P represents the Exercise Price or Issue Price after the adjustment.

Rights issue

Adjustment of number of Award Shares underlying outstanding Awards

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: Q_0 represents the number of outstanding Award Shares prior to adjustment; P_1 represents the closing price of Shares on the record date; P_2 represents the subscription price of the rights issue of Shares; n represents the ratio of the rights issue allotment; Q represents the number of outstanding Award Shares after adjustment.

Adjustment of Exercise Price or Issue Price of outstanding Awards

$$P = P_0 \times (P_1 + P_2 \times n) \div (P_1 \times (1 + n))$$

Where: P_0 represents the Exercise Price or Issue Price before the adjustment; P_1 represents the closing price as at the record date; P_2 represents the subscription price of the rights issue of Shares; n represents the ratio of allotment; P represents the Exercise Price or Issue Price after the adjustment.

Share consolidation, share subdivision or reduction of share capital

Adjustment of number of Award Shares underlying outstanding Awards

$$Q = Q_0 \times n$$

Where: Q_0 represents the number of outstanding Award Shares prior to adjustment; n represents the ratio of share consolidation, share subdivision or reduction of share capital; Q represents the number of outstanding Award Shares after adjustment.

Adjustment of Exercise Price or Issue Price of outstanding Awards

$$P = P_0 \div n$$

Where: P_0 represents the Exercise Price or Issue Price before the adjustment; n represents the ratio of share consolidation, share subdivision or reduction of share capital; P represents the Exercise Price or Issue Price after the adjustment.

Such adjustments will be made in accordance with the requirements under Appendix 1 to Frequently Asked Questions FAQ13 – No. 16 published by the Stock Exchange.

General:

All allotments and issuances of Shares pursuant to the 2026 Share Scheme shall be subject to all necessary consents under any relevant legislation and the Listing Rules in force in Hong Kong and Bermuda. Each Grantee shall be solely responsible for ensuring compliance with all applicable laws and for obtaining any governmental or regulatory consents required in connection with the acceptance and exercise of any Award, and shall indemnify each member of the Group against all claims, liabilities, costs and expenses arising from any failure to do so.

Each provision of the Scheme Rules shall be severable and enforceable independently. Any provision that is or becomes unenforceable shall be deemed deleted without affecting the enforceability of the remaining provisions.

The 2026 Share Scheme shall operate subject to the Bye-Laws and all applicable laws, rules and regulations (including the Listing Rules).

Any notice or other communication between the Company and any Eligible Participant or Grantee may be given by prepaid post, personal delivery or electronic means as the Scheme Administrator considers appropriate, addressed to the Company's principal place of business in Hong Kong (or such other address as notified) or to the Eligible Participant's or Grantee's address as notified to the Company. Each Grantee shall be entitled to receive copies of all notices, documents and other communications sent by the Company to the Shareholders generally at the same time as, or within a reasonable time after, the Shareholders receive the same; publication on the websites of the Company and the Stock Exchange shall constitute effective delivery. Notices served by post shall be deemed served 24 hours after posting; notices served by electronic means shall be deemed received on the day following dispatch; and notices served by personal delivery shall be deemed received when delivered. Any notice sent by a Grantee shall be irrevocable and shall not be effective until actually received by the Company.

Governing law and third party rights:

The Scheme Rules and all Awards granted under the 2026 Share Scheme shall be governed by and construed in accordance with the laws of Hong Kong. Save as otherwise expressly provided in the Scheme Rules, no third party (being any person other than the Company and Grantees) shall have the right to enforce any of the terms of the 2026 Share Scheme or the Scheme Rules or otherwise enjoy any benefits under the 2026 Share Scheme pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) or otherwise. Alteration of the 2026 Share Scheme or the Scheme Rules may be effected in accordance with the Scheme Rules without requiring the consent of any third party.

CHINA HUAJUN GROUP LIMITED
中國華君集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 377)

NOTICE OF SPECIAL GENERAL MEETING

Notice is hereby given that a special general meeting (the "**Special General Meeting**") of China Huajun Group Limited ("**Company**") will be held at Unit 4811, 48/F, COSCO Tower, No.183 Queen's Road Central, Hong Kong on Friday, 4 December 2026 at 3:00 p.m. for the purpose of considering, and if thought fit, passing (in the case of the ordinary resolution, with or without modifications) the resolutions set out below, including (i) an ordinary resolution to approve the adoption of the 2026 Share Scheme; (ii) an ordinary resolution to approve the termination of the 2017 Share Option Scheme; and (iii) a special resolution to approve the Capital Reorganisation.

ORDINARY RESOLUTIONS

1. "**THAT**, the 2026 Share Scheme proposed by the board ("**Board**") of directors of the Company ("**Directors**"), a copy of which is produced to this meeting marked "A" and signed by the Chairman of the meeting for the purpose of identification, with the Scheme Mandate Limit (as defined in the 2026 Share Scheme) of 10% of the total issued and outstanding Shares (excluding any treasury Shares) as at the date of the Shareholders' approval of the 2026 Share Scheme, be and is hereby approved and adopted, and the Scheme Administrator (as defined in the 2026 Share Scheme) be and are hereby authorized to grant the awards pursuant to the 2026 Share Scheme ("**Awards**"), and do all such acts and execute all such documents as the Scheme Administrator may consider necessary or expedient in order to give full effect to the 2026 Share Scheme."

2. "**THAT**, conditional upon resolution no. 1 above being passed, the 2017 Share Option Scheme which was adopted by the Company on 25 October 2017 be and is hereby terminated with effect from the adoption of the 2026 Share Scheme."

SPECIAL RESOLUTION

3. "**THAT**, subject to and conditional upon the satisfaction of all the conditions set out in the paragraph headed "Conditions of the Capital Reorganisation" in the letter from the Board contained in the circular of the Company dated Wednesday, 11 November 2026 (the "**Circular**"), with effect from Tuesday, 8 December 2026 (the "**Effective Date**") or when such conditions are fulfilled (whichever is later):

   a the par value of each issued Share be reduced from HK$1.00 to HK$0.001 by cancelling the paid-up capital to the extent of HK$0.999 on each issued Share (the "**Capital Reduction**"), such that immediately following the Capital Reduction, the par value of each issued Share will be HK$0.001 and the number of issued Shares will remain unchanged;

   b immediately following the Capital Reduction becoming effective, each authorised but unissued Share of HK$1.00 be subdivided into 1,000 Shares of HK$0.001 each (the "**Share Subdivision**", together with the Capital Reduction, the "**Capital Reorganisation**");

   c the credit arising from the Capital Reduction be transferred to the contributed surplus account of the Company and may be applied by the Board in any manner permitted by or consistent with all applicable laws, the Bye-Laws and the Memorandum;

   d any one Director be and is hereby authorised to do all such acts and things and execute all such documents which he/she may consider necessary, desirable or expedient to implement and give effect to the Capital Reorganisation and the transactions contemplated thereunder, with such modifications (if any) as he/she may consider necessary, desirable or expedient."

Unless indicated otherwise, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated Wednesday, 11 November 2026 in relation to, among others, the Capital Reorganisation, the proposed adoption of the 2026 Share Scheme and the termination of the 2017 Share Option Scheme.

Yours faithfully
By Order of the Board
China Huajun Group Limited
Li Gang
Chairman, Co-Chief Executive Officer and Executive Director

Hong Kong, Wednesday, 11 November 2026

As at the date of this notice, the Board comprises Mr. Li Gang as executive Director; Ms. Tan Yanzi and Ms. Chen Yun as non-executive Directors and Mr. Mok Yi Kwo, Ms. Shen Shujiang and Dr. Gao Xiang as independent non-executive Directors.

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of that shareholder and a shareholder who is the holder of two or more shares may appoint more than one proxy. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. On a poll, every shareholder present in person or by proxy shall be entitled to one vote for each fully paid share held by that shareholder.

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for the Special General Meeting or the adjourned meeting (as the case may be). To be effective, all proxy appointments must be lodged with Union Registrars Limited before the deadline. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 1 December 2026 to Friday, 4 December 2026, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Monday, 30 November 2026.

5. In the case of joint holders of Shares, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of vote(s) of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.

6. A circular containing further details concerning the proposed resolutions set out in this notice will be sent to all Shareholders together with this notice.

7. References to time and dates in this notice are to Hong Kong time and dates.

8. In the event that a tropical cyclone warning signal no. 8 or above, or "black" rainstorm warning signal or "extreme conditions after super typhoons" announced by the Hong Kong government is hoisted any time after 12:00 noon on the day of the Special General Meeting, the Special General Meeting may be postponed to a later date and/or time as determined by the Company. The Company will publish an announcement on the website of the Company at http://www.chinahuajungroup.com and on the HKExnews website of the Stock Exchange at http://www.hkexnews.hk to notify Shareholders of the date, time and venue of the rescheduled meeting.

9. For the avoidance of doubt, holders of treasury shares of the Company (if any) are not entitled to vote at the special general meeting.