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If you have sold or transferred all your shares in Futong Technology Development Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

**Futong Technology Development Holdings Limited****富通科技發展控股有限公司***(incorporated in the Cayman Islands with limited liability)***(Stock code: 465)**

**GENERAL MANDATES TO ISSUE NEW SHARES AND
TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS,
TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong at 3:00 p.m. on 16 May 2019 (Thursday) is set out on pages 26 to 30 of this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting (i.e. by 3:00 p.m. on 14 May 2019) or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting (as the case may be) should you so wish.

All times and dates specified herein refer to Hong Kong local times and dates.

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DEFINITIONS

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

“Adoption Date”	the date on which the New Share Option Scheme is to be conditionally adopted by ordinary resolution of the Shareholders
“AGM”	the annual general meeting of the Company to be held at 3:00 p.m. on 16 May 2019 (Thursday), the notice of which is set out on pages 26 to 30 of this circular, and any adjournment thereof
“Annual Report”	the annual report of the Company which comprises, inter alia, the Directors’ report, the auditor’s report and the financial statements of the Company for the year ended 31 December 2018
“Articles of Association” or “Article(s)”	the articles of association of the Company, as may be amended from time to time
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to it in the Listing Rules
“Company”	Futong Technology Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company on 11 November 2009
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the AGM and to extend the general mandate to allot and issue further Shares (if any) which may have been repurchased under the Repurchase Mandate
“Latest Practicable Date”	4 April 2019, the latest practicable date prior to the printing of this circular for inclusion of certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the share option scheme proposed to be adopted by the Shareholders at AGM
“Option(s)”	option(s) granted or to be granted under the Existing Share Option Scheme or the New Share Option Scheme
“PRC”	the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors which would empower the Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the aggregate number of Shares in issue as at the date of the AGM
“SFO”	Securities and Futures Ordinance (Cap.571) of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

LETTER FROM THE BOARD



Futong Technology Development Holdings Limited
富通科技發展控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock code: 465)

Executive Directors:

Mr. Chen Jian (*Chairman*)
Ms. Chen Jing

Independent Non-executive Directors:

Mr. Chow Siu Lui
Mr. Yuan Bo
Mr. Lo Kwok Kwei David
Mr. Yao Yun

Registered Office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Headquarter and principal place
of business in the PRC:*

Units B1901 on level 19 and B2001
on level 20 of Tower B
Chaowaimen Office Center
No. 26 Chaowai Street
Chaoyang District
Beijing, the PRC

*Principal place of business
in Hong Kong:*

Rooms 2406-2412, 24th Floor
Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

11 April 2019

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE NEW SHARES AND
TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS,
TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

This circular provides you with information relating to proposals for the grant of the Issue Mandate, Repurchase Mandate, the re-election of Directors, the termination of Existing Share Option Scheme and adoption of New Share Option Scheme and the AGM.

GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES

Pursuant to the resolutions passed by the Shareholders on 18 May 2018, general mandates were granted to the Directors to exercise the power of the Company to allot and issue further Shares and to repurchase Shares. Such mandates will lapse upon the conclusion of the AGM (unless previously revoked or varied by ordinary resolutions of the Shareholders). At the AGM, ordinary resolutions will be proposed to seek the approval of the Shareholders to grant to the Directors general mandates to:

- (i) allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of the AGM and to extend the general mandate to allot and issue further Shares up to the aggregate number of the Shares (if any) which may have been repurchased by the Company pursuant to the mandate referred to in (ii) below; and
- (ii) repurchase Shares not exceeding 10% of the aggregate number of Shares in issue as at the date of the AGM.

As at the Latest Practicable Date, a total of 311,250,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Issue Mandate to issue a maximum of 62,250,000 Shares.

An explanatory statement as required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

According to article 105 of the Articles of Association, not less than one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company. Any Director who retires under this article shall then be eligible for re-election as Director. Mr. Chow Siu Lui will retire as Director and, being eligible, offer himself for re-election as Director at the AGM. Mr. Yuan Bo will retire as Director and, although being eligible, will not offer himself for re-election as Director at the AGM.

LETTER FROM THE BOARD

According to article 109 of the Articles of Association, any Director appointed by the Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at such meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. Mr. Yao Yun (who was appointed as an independent non-executive Director by the Board with effect from 25 May 2018), will retire as Director and, being eligible, offer himself for re-election as Director at the AGM.

Pursuant to the Listing Rules, details of the aforesaid Directors are set out in Appendix II to this circular.

ADOPTION OF NEW SHARE OPTION SCHEME

As the Existing Share Option Scheme will soon be expired, the Board proposes the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme for the approval by the Shareholders at the AGM.

Existing Share Option Scheme

The Existing Share Option Scheme was adopted by the Company on 11 November 2009 for a term of 10 years and will be expired on 10 November 2019. Since the adoption of the Existing Share Option Scheme and up to the Latest Practicable Date, 13,900,000 Options have been granted, 2,900,000 Options have been lapsed and none of Options have been cancelled and exercised under the Existing Share Option Scheme. As at the Latest Practicable Date, the Company had 11,000,000 outstanding Options under the Existing Share Option Scheme.

Under the terms of the Existing Share Option Scheme, the Company may at any time by ordinary resolution in general meeting terminate the operation of the Existing Share Option Scheme. It is proposed that the Existing Share Option Scheme is to be terminated with effect from the close of business of the day on which the resolution is passed by the Shareholders at the AGM. Upon termination of the Existing Share Option Scheme, no further options may be offered thereunder. However, the outstanding Options under the Existing Share Option Scheme shall continue to be valid and exercisable during the prescribed exercisable period in accordance with the Existing Share Option Scheme.

New Share Option Scheme

An ordinary resolution will be proposed at the AGM for the approval of the adoption of the New Share Option Scheme with effect from the close of business of the day on which the resolution is passed by the Shareholders at the AGM. A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. A copy of the New Share Option Scheme will be available for inspection at the Company's principal place of business in Hong Kong at Rooms 2406-2412, 24th Floor, Sun Hung Centre, 30 Harbour Road, Wanchai, Hong Kong during normal business hours from the date of this circular up to and including the date of the AGM.

LETTER FROM THE BOARD

The purpose of the New Share Option Scheme is to grant options to selected participants as incentives or rewards for their contribution to the Group. It will enable the Group to reward the employees, the directors and other selected participants for their contributions to the Group and to motivate them to contribute to the development of the Group. Furthermore, the Board believes that the authority given to the Board under the New Share Option Scheme to specify terms and conditions, including the minimum holding period, performance targets and subscription price, in any Option to be granted and to select the appropriate participants, will serve to protect the value of the Company as well as to achieve these purposes of retaining and motivating the participants to contribute to the Group. Accordingly, the Directors consider that it is in the interest of the Company to adopt the New Share Option Scheme.

The New Share Option Scheme will be administered by the Board. None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in such trustee (if any). With respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

Assuming that there is no further change in the issued share capital between the period from the Latest Practicable Date to the Adoption Date, based on the issued share capital of the Company of 311,250,000 Shares as at the Latest Practicable Date, the number of Shares issuable pursuant to the New Share Option Scheme on the Adoption Date will be 31,125,000 Shares, representing approximately 10% of the issued share capital of the Company on the Adoption Date. Subject to the obtaining of Shareholders' approval with respect to the adoption of the New Share Option Scheme at the AGM, the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other schemes must not in aggregate exceed 10% of the total issued capital of the Company as at the Adoption Date unless the Company obtains a fresh approval from Shareholders to refresh the 10% limit provided that, inter alia, the maximum number of Shares in respect of which Options may be granted under the New Share Option Scheme together with any options outstanding and yet to be exercised under the New Share Option Scheme and any other schemes must not exceed 30% of the issued share capital of the Company from time to time.

Value of the Options

The Directors consider it inappropriate to disclose the value of options which may be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions including, the exercise price, the exercise period, interest rate, expected volatility and other variables. The Directors believe that any calculation of the value of options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to investors.

LETTER FROM THE BOARD

Conditions precedent of the New Share Option Scheme

The adoption of the New Share Option Scheme is conditional upon:

- (a) the passing of an ordinary resolution to approve and adopt the New Share Option Scheme by the Shareholders in general meeting; and
- (b) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of Options in accordance with the terms of the New Share Option Scheme.

Application for listing

Application has been made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

AGM

At the AGM, ordinary resolutions will be proposed for the Shareholders to consider and, if thought fit, approve, among other matters, the granting of the Issue Mandate, the Repurchase Mandate, the re-election of Directors and the termination of Existing Share Option Scheme and adoption of New Share Option Scheme.

The notice convening the AGM to be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong at 3:00 p.m. on 16 May 2019 (Thursday) is set out on pages 26 to 30 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM (i.e. by 3:00 p.m. on 14 May 2019) or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting (as the case may be) should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, a resolution put to the vote of a general meeting shall be decided by poll. An announcement on the results of the poll will be published on the websites of the Company and the Stock Exchange after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

No Shareholder is required to abstain from voting with respect to each of the resolutions put to vote at the AGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the proposals for the grant of the Issue Mandate, the Repurchase Mandate, the re-election of Directors and the termination of Existing Share Option Scheme and adoption of New Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to approve the above matters to be proposed at the AGM.

CLOSURE OF REGISTER OF MEMBERS

The Company's register of members will be closed during the following periods:

To determine the identity of Shareholders who are entitled to attend and vote at the AGM

Latest time for lodging transfers : 4:30 p.m. on Thursday, 9 May 2019
Closure of register of members : Friday, 10 May 2019 to Thursday, 16 May 2019
(both dates inclusive)
Record date : Thursday, 16 May 2019
Date of the AGM : Thursday, 16 May 2019

To determine the shareholders' entitlement to the proposed final dividend

Latest time for lodging transfers : 4:30 pm on Wednesday, 22 May 2019
Closure of register of members : Thursday, 23 May 2019 to Monday, 27 May 2019
(both dates inclusive)
Record date : Monday, 27 May 2019
Payment date for final dividend : On or about Monday, 17 June 2019

No transfer of Shares will be registered during the above periods when the Company's register of members is closed.

In order to be eligible for attending and voting at the AGM and for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than the latest time for lodging transfers as stated above.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board of
Futong Technology Development Holdings Limited
Chen Jian
Chairman

This appendix serves as an explanatory statement as required by the Listing Rules to provide the requisite information to you for your consideration of the proposal to permit the granting to the Directors of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the number of the issue shares of the Company was 311,250,000 Shares. Subject to the passing of the relevant ordinary resolution at the AGM and assuming that no further Shares are issued and repurchased by the Company prior to date of the AGM, the Directors will be authorised to repurchase up to 31,125,000 Shares pursuant to the Repurchase Mandate.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association and all applicable laws. It is envisaged that the funds required for any repurchases would be derived from the distributable profits of the Company.

The Repurchase Mandate, if exercised in full, may have a material adverse effect on the working capital or gearing position of the Company as compared with the position disclosed in the Company's most recent published audited accounts. The Directors, however, do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing position of the Company which in the opinion of the Directors is from time to time appropriate for the Company.

4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates currently intends to sell any Shares to the Company under the Repurchase Mandate in the event that it is granted by the Shareholders at the AGM.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company, or that he/she/it has undertaken not to sell any Shares held by him/her/it to the Company, in the event that the Repurchase Mandate is granted by the Shareholders at the AGM.

The Company has not repurchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

5. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the twelve calendar months immediately preceding the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2018	1.03	0.90
May 2018	0.95	0.90
June 2018	0.95	0.79
July 2018	0.95	0.84
August 2018	0.90	0.73
September 2018	0.84	0.63
October 2018	0.79	0.58
November 2018	0.84	0.62
December 2018	0.70	0.69
January 2019	0.70	0.69
February 2019	0.87	0.70
March 2019	0.82	0.75
April 2019 (up to and including the Latest Practicable Date)	0.81	0.81

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association so far as the same may be applicable.

7. EFFECT OF THE TAKEOVERS CODE

If, on the exercise of the power to repurchase the Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following persons were interested in 5% or more of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the interest of such persons will be increased to approximately the percentage set out in the last column as follows:

Name	Capacity/nature of interest	Number of issued Shares held	Approximate percentage of the Company's issued share (%)	Approximate percentage of the Company's issued share if Repurchase Mandate is exercised in full (%) (Note 1)
Mr. Chen Jian (Notes 2, 3, 5, 6 and 7)	Interest in controlled corporation/ beneficial owner	215,708,000	69.30	77.00
Ms. Zhang Xin (Note 4)	Interest of spouse	215,708,000	69.30	77.00
China Group Associates Limited (Note 5)	Beneficial owner	153,947,250	49.46	54.96
Rich China Investments And Trading Ltd. (Note 6)	Beneficial owner	28,421,100	9.13	10.15
Li Xiaoyong	Beneficial owner	26,440,000	8.49	9.44
Rich World Development Ltd. (Note 7)	Beneficial owner	21,435,100	6.89	7.65

Notes:

1. Assuming no repurchase of any of the Shares held by the abovementioned Shareholders.
2. 153,947,250 of these Shares are held by China Group Associates Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the Shares held by China Group Associates Limited. 28,421,100 of these Shares are held by Rich China Investments And Trading Ltd., the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the Shares held by Rich China Investments And Trading Ltd.. 21,435,100 of these Shares are held by Rich World Development Ltd., the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the Shares held by Rich World Development Ltd.. 10,710,550 of these Shares are held by Long Joy Group Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chen Jian. By virtue of the SFO, Mr. Chen Jian is deemed to be interested in the shares held by Long Joy Group Limited.
3. 1,194,000 shares of the Company are held by Mr. Chen Jian in his personal interest.
4. Ms. Zhang Xin is the spouse of Mr. Chen Jian. Under the SFO, Ms. Zhang Xin is taken to be interested in the same number of Shares in which Mr. Chen Jian is interested.
5. China Group Associates Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of China Group Associates Limited.
6. Rich China Investments And Trading Ltd. is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of Rich China Investments And Trading Ltd..
7. Rich World Development Ltd. is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Chen Jian. Mr. Chen Jian is the sole director of Rich World Development Ltd..

Based on the foregoing, the Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate. The Directors have no present intention to exercise the power to repurchase Shares to the extent that the aggregate amount of the share capital of the Company in public hands would be reduced to less than 25%.

The biographical details of the Directors proposed to be re-elected at the AGM are set out below:

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chow Siu Lui, aged 59, was appointed as an independent non-executive Director on 1 December 2016. He is a partner of VMS Investment Group, which is a multi-strategies investment house. Mr. Chow was formerly the chairman of the Mainland Development Strategies Advisory Panel of the Hong Kong Institute of Certified Public Accountants and the Investment Advisory Committee of the Hong Kong Institute of Chartered Secretaries. Previously, he was a member of both of the Listing Committee of the Stock Exchange and the Dual Filing Advisory Group of the Securities and Futures Commission. Mr. Chow is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Chow had been working with one of the four largest certified public accounting firms in the world as a partner for many years. He has an in-depth knowledge on the accounting standards and business regulations in Hong Kong. Mr. Chow has been serving as an independent non-executive director of Fullshare Holdings Limited (stock code: 00607), Genertec Universal Medical Group Company Limited (stock code: 02666), China Everbright Greentech Limited (stock code: 01257) and Shanghai Dazhong Public Utilities (Group) Co., Ltd. (stock code: 01635), the shares of which are listed on the Stock Exchange. He was an independent non-executive director of Sinco Pharmaceuticals Holdings Limited (stock code: 06833) from 1 February 2016 to 8 November 2018, Shi Shi Services Limited (stock code: 08181) from February 2015 to October 2015 and NWS Holdings Limited (stock code: 00659) from March 2012 to June 2012.

Pursuant to the terms of appointment, Mr. Chow is appointed for an initial term of one year with effect from 1 December 2016 and the appointment was subject to retirement by rotation and/or re-election at the Company's annual general meeting held on 19 May 2017 in accordance with the Articles of Association. Mr. Chow is entitled to an annual Director's fee of HK\$288,000 which is determined by the Board with reference to his duties and responsibilities, prevailing market practice and contributions to the Company.

As at the Latest Practicable Date, Mr. Chow had no interest in Shares of the Company within the meaning of Part XV of the SFO.

Mr. Chow (i) has no relationship with any Director, senior management or substantial or controlling Shareholder of the Company; and (ii) save as disclosed above, has not held any position with the Company or any of its subsidiaries or any directorship in other listed public companies in the last three years; and there is no other information that should be disclosed under Rule 13.51(2) of the Listing Rules, nor any other matter that needs to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Yao Yun, aged 52, was appointed as an independent non-executive Director on 25 May 2018. He holds the Graduate Diploma of Management from the Central Queensland University, Australia. Mr. Yao has in depth knowledge in machinery equipment, intelligence devices and IDC centers operations. He has over 20 years' experience in the role of executive directors in various companies. Mr. Yao is currently the executive director of 先控捷聯電氣股份有限公司 (stock code: 833426), a company listed on the National Equities Exchange and Quotations system in the People's Republic of China.

Pursuant to the terms of appointment, Mr. Yao is appointed for an initial term of one year with effect from 25 May 2018 renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of the appointment unless terminated by not less than three months' notice in writing served by either party expiring at the end of the initial term or at any time thereafter and the appointment is subject to retirement by rotation and/or reelection at the Company's annual general meeting in accordance with the Articles of Association. Mr. Yao is entitled to an annual Director's fee of HK\$288,000 which is determined by the Board with reference to his duties and responsibilities, prevailing market practice and contributions to the Company.

As at the Latest Practicable Date, Mr. Yao had no interest in Shares of the Company within the meaning of Part XV of the SFO.

Mr. Yao (i) has no relationship with any Director, senior management or substantial or controlling Shareholder of the Company; and (ii) save as disclosed above, has not held any directorship in other listed public companies in Hong Kong or overseas in the last three years; and there is no other information that should be disclosed under Rule 13.51(2) of the Listing Rules, nor any other matter that needs to be brought to the attention of the Shareholders.

This Appendix summaries the principal terms of the New Share Option Scheme and does not form, nor is intended to be, part of the New Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the New Share Option Scheme.

NEW SHARE OPTION SCHEME

The following is a summary of the principal terms of the New Share Option Scheme proposed to be approved and adopted by ordinary resolution of the Shareholders at the AGM.

(i) Purposes of the scheme

The purpose of the New Share Option Scheme is to enable the Group to grant Options to selected participants as incentives or rewards for their contribution to the Group. The Directors consider the New Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine any performance targets to be achieved as well as the minimum period that an Option must be held before an Option can be exercised on a case by case basis, and that the exercise price of an Option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an Option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the Options granted.

(ii) Who may join

The Directors may, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up Options to subscribe for Shares:

- (aa) any employee (whether full-time or part-time, including any executive director but excluding any non-executive director) of the Company or any of its subsidiaries (“**Eligible Employee**”);
- (bb) any non-executive directors (including independent non-executive directors) of the Company or any of its subsidiaries; and
- (cc) any adviser (professional or otherwise) or consultant of the Group who render services that contribute to the success and growth of the Group or that reasonably may be anticipated to contribute to the further success and growth of the Group.

and, for the purposes of the New Share Option Scheme, the offer for the grant of Option may be made to any company wholly owned by one or more persons belonging to any of the above classes of participants which allows the participants more flexibility in accepting and holding of the Option. For avoidance of doubt, the grant of any Options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of Option under the New Share Option Scheme.

The eligibility of any of the above class of participants to an offer for the grant of any Option shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group.

The Directors are of the view that each of the above classes of participants continuously contribute to the business operation and development of the Group. The inclusion these classes of participants provide incentive and rewards for their contribution that serves the purpose of the New Share Option Scheme.

(iii) The maximum number of Shares

- (aa) The maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme adopted by the Group must not in aggregate exceed 30% of the share capital of the Company in issue from time to time.
- (bb) The total number of the Shares which may be allotted and issued upon the exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Share Option Scheme and any other share option scheme of the Group) to be granted under the New Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 31,125,000 Shares, representing 10% of the Shares in issue as at the Latest Practicable Date (“**General Scheme Limit**”).
- (cc) Subject to (aa) above but without prejudice to (dd) below, the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Group must not exceed 10% of the Shares in issue as at the date of approval of the limit and, for the purpose of calculating the limit, Options (including those outstanding, cancelled, lapsed or exercised in accordance with the New Share Option Scheme and any other share option scheme of the Group) previously granted under the New Share Option Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to the Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.
- (dd) Subject to (aa) above and without prejudice to (cc) above, the Company may seek separate Shareholders' approval in general meeting to grant Options beyond the General Scheme Limit or, if applicable, the extended limit referred to in (cc) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified participants, the number and terms of Options to be granted, the purpose of granting Options to the specified participants with an explanation as to how the terms of the Options serve such purpose and such other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

- (ee) Subject to (aa) above and without prejudice to (cc) and (dd) above, if the Group conducts a share consolidation or subdivision after the adoption of the New Share Option Scheme has been approved by the Shareholders at the AGM, the maximum number of Shares that may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Group pursuant to the New Share Option Scheme as a percentage of the total number of Shares in issue at the date immediately before and after such consolidation or subdivision shall be the same.

(iv) Maximum entitlement of each participant

The total number of Shares issued and which may fall to be issued upon the exercise of the Options granted under the New Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding Options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (“**Individual Limit**”). Any further grant of Options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the Shareholders in general meeting of the Company with such grantee and his associates abstaining from voting. The number and terms (including the exercise price) of Options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

(v) Grant of Options to the Directors, chief executive or substantial shareholders of the Company or their respective associates

- (aa) Any grant of Options under the New Share Option Scheme to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by independent non-executive Directors (excluding independent non-executive Director who or whose associates is the proposed grantee of the Options).
- (bb) Where any grant of Options to a substantial shareholder or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
- (i) representing in aggregate over 0.1% of the Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares at the date of each offer for the grant, in excess of HK\$5 million;

such further grant of Options must be approved by Shareholders in general meeting. The Company must send a circular to the Shareholders. All connected persons of the Company must abstain from voting in favour at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll. Any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director or any of their respective associates must be approved by the Shareholders in general meeting.

(vi) Time of acceptance and exercise of Option

An Option may be accepted by a participant within 21 days from the date of the offer of grant of the Option.

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date of the offer for the grant of Options is made, but shall end in any event not later than 10 years from the date of grant of the Option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer for the grant of Options to a grantee, there is no minimum period required under the New Share Option Scheme for the holding of an Option before it can be exercised.

(vii) Performance targets

Unless the Directors otherwise determined and stated in the offer for the grant of Options to a grantee, a grantee is not required to achieve any performance targets before any Options granted under the New Share Option Scheme can be exercised.

(viii) Subscription price for the Shares and consideration for the Option

The subscription price for the Shares under the New Share Option Scheme shall be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an Option.

(ix) Ranking of the Shares

- (aa) The Shares allotted and issued upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank pari passu in all respects with the fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the “**Exercise Date**”) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the grantee has been entered on the register of members of the Company as the holder thereof.
- (bb) Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary equity share capital of the Company of such nominal amount as shall result from a subdivision, consolidation, re-classification or reconstruction of the share capital of the Company from time to time.

(x) Restrictions on the time of the offer for the grant of Options

No offer for grant of Options shall be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been published. In particular, during the period commencing one month immediately preceding the earlier of (aa) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and (bb) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement, no offer for the grant of Options may be made.

The Directors may not make any offer for the grant of Option to a participant who is a Director during the periods or times in which Directors are prohibited from dealing in shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(xi) Period of the New Share Option Scheme

The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme is adopted.

(xii) Rights on ceasing employment

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds referred to in sub-paragraph (xiv) below before exercising his Option in full, the Option (to the extent not already exercised) will lapse on the date of cessation and shall not be exercisable unless the Directors otherwise determine in which event the grantee may exercise the Option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation, which will be taken to be the last day on which the grantee was actually at work with the Group whether salary is paid in lieu of notice or not.

(xiii) Rights on death, ill-health or retirement

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his personal representative(s), or, as appropriate, the grantee may exercise the Option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation of employment which date shall be the last day on which the grantee was at work with the Group whether salary is paid in lieu of notice or not, or such longer period as the Directors may determine.

(xiv) Rights on dismissal

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group into disrepute), his Option (to the extent not already exercised) will lapse automatically on the date of cessation to be an Eligible Employee.

(xv) Rights on breach of contract

If the Directors shall at their absolute discretion determine that (aa) (1) the grantee of any Option (other than an Eligible Employee) or his associate has committed any breach of any contract entered into between the grantee or his associate on the one part and the Group on the other part; or (2) the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (3) the grantee could no longer make any contribution to the growth and development of the Group by reason of the cessation of its relations with the Group or by other reason whatsoever; and (bb) the Option granted to the grantee under the New Share Option Scheme shall lapse as a result of any event specified in sub-paragraph (1), (2) or (3) above, his Option will lapse automatically on the date on which the Directors have so determined.

(xvi) Rights on a general offer, a compromise or arrangement

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional, a grantee shall be entitled to exercise his Option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his Option at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, an Option will lapse automatically (to the extent not exercised) on the date which such offer (or, as the case may be, revised offer) closed or the relevant date for entitlements under such scheme of arrangement, as the case may be.

(xvii) Rights on winding up

In the event of a resolution being proposed for the voluntary winding-up of the Company during the Option period, the grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two business days before the date on which such resolution is to be considered and/or passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the New Share Option Scheme and the Company shall allot and issue to the grantee the Shares in respect of which such grantee has exercised his Option not less than one business day before the date on which such resolutions to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up of the Company.

(xviii) Grantee being a company wholly owned by eligible participants

If the grantee is a company wholly owned by one or more eligible participants:

- (aa) sub-paragraphs (xii), (xiii), (xiv) and (xv) shall apply to the grantee and to the Options to such grantee, *mutatis mutandis*, as if such Options had been granted to the relevant eligible participant, and such Options shall accordingly lapse or fall to be exercisable after the event(s) referred to in sub-paragraphs (xii), (xiii), (xiv) and (xv) shall occur with respect to the relevant eligible participant; and
- (bb) the Options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly owned by the relevant eligible participant provided that the Directors may in their absolute discretion decide that such Options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

(xix) Adjustments to the subscription price

In the event of a capitalization of profits or reserves, rights issue, subdivision or consolidation of Shares or reduction of the share capital of the Company whilst an Option remains exercisable or the New Share Option Scheme remains in effect, such corresponding alterations (if any) certified by the auditors for the time being of or an independent financial adviser to the Company as fair and reasonable will be made to the number or nominal amount of Shares and/or the subscription price of the Option concerned and/or the number of Shares comprised in an Option or which remains comprised in an Option, provided that (i) any adjustments shall give a grantee the same proportion of the issued share capital to which he would have been entitled to subscribe had he exercised all the Options held by him immediately prior to such alteration; (ii) the issue of Shares or other securities of the Group as consideration in a transaction may not be regarded as a circumstance requiring adjustment; (iii) no alteration shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and (iv) any adjustment must be made in compliance with the Listing Rules and such rules, codes, guidance notes and/or interpretation of the Listing Rules promulgated by the Stock Exchange from time to time. In addition, in respect of any such adjustments, other than any adjustment made on a capitalization issue, such auditors or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

(xx) Cancellation of Options

Any cancellation of Options granted but not exercised must be subject to the prior written consent of the relevant grantee and the approval of the Directors.

When the Company cancels any Option granted to a grantee but not exercised and issues new Option(s) to the same grantee, the issue of such new Option(s) may only be made with available unissued Options (excluding the Options so cancelled) within the General Scheme Limit or the new limits approved by the Shareholders pursuant to sub-paragraphs (iii) (cc) and (dd) above.

(xxi) Termination of the New Share Option Scheme

The Company may by resolution in general meeting at any time terminate the New Share Option Scheme and in such event no further Options shall be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

(xxii) Rights are personal to the grantee

An Option is personal to the grantee and shall not be transferable or assignable.

(xxiii) Lapse of Option

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (aa) the expiry of the Option period in respect of such Option;
- (bb) the expiry of the periods or dates referred to in paragraph (xii), (xiii), (xiv), (xv), (xvi), (xvii) and (xviii); and
- (cc) the date on which the Directors exercise the Company's right to cancel the Option by reason of a breach of paragraph (xxii) above by the grantee.

(xxiv) Miscellaneous

- (aa) The New Share Option Scheme is conditional on the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares to be allotted and issued pursuant to the exercise of any Options which may be granted under the New Share Option Scheme, such number being not less than that of the General Scheme Limit.
- (bb) The terms and conditions of the New Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of grantees of the Options except with the approval of the Shareholders in general meeting.
- (cc) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted to any grantee who is a substantial Shareholder or an independent non-executive Director or any of their respective associates must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.

- (dd) The amended terms of the New Share Option Scheme or the Options shall comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (ee) Any change to the authority of the Directors or the scheme administrators in relation to any alteration to the terms of the New Share Option Scheme shall be approved by the shareholders of the Company in general meeting.

NOTICE OF AGM



Futong Technology Development Holdings Limited

富通科技發展控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 465)

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of Futong Technology Development Holdings Limited (the “**Company**”) will be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong at 3:00 p.m. on 16 May 2019 (Thursday), for the following purposes:

1. To receive, consider and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of directors and auditors for the year ended 31 December 2018.
2. To approve the recommended final dividend of HK2.2 cents per share for the year ended 31 December 2018.
3. To consider the re-election of the retiring Directors, each as separate resolution, and to authorise the board (“**Board**”) of Directors to fix the remuneration of the Directors.
4. To re-appoint BDO Limited as the Company’s auditors and authorise the Board to fix their remuneration.

As special business, to consider and, if thought fit, to pass with or without amendments the following ordinary resolutions:

ORDINARY RESOLUTIONS

5. “**THAT**
 - (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company (the “**Shares**”) and to make or grant offers, agreements, options and warrants which might require the exercise of such power be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) of this resolution number 5 set out in this notice of annual general meeting (“**Resolution 5**”) shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options and warrants which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF AGM

- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution 5, otherwise than pursuant to, (i) a Rights Issue (as hereinafter defined), (ii) any option scheme or similar arrangement for the time being adopted for grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of the Shares or rights to acquire the Shares, or (iii) any scrip dividend or similar arrangement providing for the allotment of the Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed twenty per cent (20%) of the aggregate number of Shares in issue at the date of passing this Resolution 5, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution 5:

“**Relevant Period**” means the period from the passing of this Resolution 5 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by any applicable law(s) to be held; or
- (iii) the revocation or variation of the authority given to the Directors under this Resolution 5 by the passing of an ordinary resolution by the shareholders in general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of the Shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such Shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

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6. “**THAT**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed ten per cent (10%) of the aggregate number of Shares in issue at the date of passing this resolution number 6 set out in this notice of annual general meeting (“**Resolution 6**”) and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution 6:

“**Relevant Period**” means the period from the passing of this Resolution 6 until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by any applicable law(s) to be held; or
- (iii) the revocation or variation of the authority given to the Directors under this Resolution 6 by the passing of an ordinary resolution by the shareholders in general meeting.”

NOTICE OF AGM

7. “**THAT** subject to the passing of Resolution 5 and Resolution 6, the general mandate referred to in Resolution 5 above be and is hereby extended by the addition to the aggregate number of Shares which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate an amount representing the aggregate number of Shares repurchased by the Company pursuant to the general mandate referred to in Resolution 6 above provided that such number of Shares shall not exceed ten per cent (10%) of the number of Shares in issue at the date of passing this resolution number 7.”
8. “**THAT** with effect from the close of business of the day on which this resolution is passed, the existing share option scheme adopted by the Company on 11 November 2009 be and is hereby terminated and cease to have any further effect and the rules of the new share option scheme (“**New Share Option Scheme**”), a copy of which having been produced to the meeting marked “A” and signed by the Chairman for the purpose of identification, be and are hereby approved and adopted to be the share option scheme of the Company and that the directors of the Company be and are hereby authorised to approve any amendments to the rules of the New Share Option Scheme as may be acceptable or not objected to by the Stock Exchange, and at their absolute discretion to grant options to subscribe for shares of the Company thereunder and to allot, issue and deal with shares of the Company pursuant to the exercise of options granted under the New Share Option Scheme and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give effect to the New Share Option Scheme.”

By order of the Board
Futong Technology Development Holdings Limited
Chen Jian
Chairman

Hong Kong, 11 April 2019

Principal place of business in Hong Kong:
Rooms 2406-2412, 24th Floor
Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

NOTICE OF AGM

Notes:

- (1) Any member of the Company entitled to attend and vote at the AGM of the Company shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more Shares may appoint more than one proxy to represent and vote on his/her behalf at the AGM of the Company or at a class meeting. A proxy need not be a member of the Company. On poll, votes may be given either personally or by proxy.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointer, or of his/her attorney duly authorized in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer or attorney duly authorized.
- (3) The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be delivered to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM (i.e. by 3:00 p.m. on 14 May 2019) or adjourned meeting (as the case may be).
- (4) Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the AGM convened, and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (5) A form of proxy for use at the AGM is enclosed.
- (6) Where there are joint registered holders of any Share in the Company, any one of such holders may vote at the AGM either personally or by proxy in respect of such Shares as if he/she were solely entitled thereto; but if more than one such joint holders be present at the AGM or any adjournment thereof personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
- (7) The voting on the above resolutions at the AGM will be conducted by way of poll.
- (8) For the purpose of determining members who are qualified for the proposed final dividend, conditional on the passing of resolution number 2 above, the register of members of the Company will be closed from Thursday, 23 May 2019 to Monday, 27 May 2019, both dates inclusive, during which no transfer of share will be effected. In order to qualify for the proposed final dividend, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong at the address stated in note (3) above not later than 4:30p.m. on Wednesday, 22 May 2019 for registration.
- (9) With reference to resolution number 3 above, Mr. Chow Siu Lui, Mr. Yuan Bo and Mr. Yao Yun will retire. Mr. Chow Siu Lui and Mr. Yao Yun will retire and, being eligible, offer themselves for re-election at the AGM. Details of the above-mentioned Directors are set out in the circular of the Company dated 11 April 2019.
- (10) With reference to Resolution 5, Resolution 6 and resolution number 7 above, the Directors wish to state that they have no immediate plans to issue any new Shares or warrants or to repurchase any existing Shares pursuant to the relevant mandates.

As at the date of this Notice, the executive Directors are Mr. Chen Jian and Ms. Chen Jing; and the independent non-executive Directors are Mr. Chow Siu Lui, Mr. Yuan Bo, Mr. Lo Kwok Kwei David and Mr. Yao Yun.