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If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult a 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 Huazhang Technology Holding Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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HUAZHANG TECHNOLOGY HOLDING LIMITED
華章科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1673)

**(1) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME AND
TERMINATION OF 2013 SHARE OPTION SCHEME,
(2) PROPOSED RE-ELECTION OF DIRECTOR,
(3) PROPOSED REMOVAL OF AN EXECUTIVE DIRECTOR
AND
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

This circular together with a form of proxy will remain on the website of the Company at <http://hzeg.com>.

A notice convening the EGM to be held at Suite 901, 9/F, Ocean Centre, 5 Canton Road, Tsim Sha Tsui, Hong Kong on Thursday, 10 February 2022 at 9:30 a.m. is set out on pages 23 to 25 of this circular. Whether or not you are able to attend the EGM in person, you are requested to complete the form of proxy, in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

21 January 2022

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DEFINITIONS

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

“2013 Share Option Scheme”	the share option scheme adopted by the Company on 6 May 2013
“Adoption Date”	the date on which the New Share Option Scheme is adopted by an ordinary resolution to be passed by the Shareholders at the EGM
“Articles”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	Huazhang Technology Holding Limited, a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the main board of the Stock Exchange (stock code: 1673)
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at Suite 901, 9/F, Ocean Centre, 5 Canton Road, Tsim Sha Tsui, Hong Kong on Thursday, 10 February 2022 at 9:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 23 to 25 of this circular, or any adjournment thereof
“Florescent”	Florescent Holdings Limited (博榮控股有限公司), a company incorporated in British Virgin Islands with limited liability and the controlling shareholder of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	19 January 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Wang”	Mr. Wang Ai Yan
“Mr. Zhu”	Mr. Zhu Gen Rong
“New Share Option Scheme”	the share option scheme of the Company to be proposed for adoption by the Company at the EGM, the principal terms of which are set out in Appendix I
“Option(s)”	option(s) to subscribe for Shares granted or to be granted under the 2013 Share Option Scheme or the New Share Option Scheme, as the context requires
“Petition”	the winding up petition dated 28 December 2020 filed by Wealthy Land Investments Group Limited against Florescent in the High Court of Hong Kong
“Proposed Removal”	the proposed removal of Mr. Zhu as an executive Director
“Service Agreement”	the service agreement dated 6 May 2013 entered into between the Company and Mr. Zhu in relation to his appointment as an executive Director and chairman of the Board
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	shall have the meaning ascribed to it under the Listing Rules
“%”	per cent.

LETTER FROM THE BOARD



HUAZHANG TECHNOLOGY HOLDING LIMITED
華章科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1673)

Executive Directors:

Mr. Zhu Gen Rong
Mr. Wang Ai Yan (*chief executive officer*)
Mr. Fang Hui
Mr. Gan Jun

Non-executive Director:

Mr. Shi Chenghu

Independent Non-executive Directors:

Mr. Heng, Keith Kai Neng
Mr. Yao Yang Yang
Ms. Zhang Dong Fang

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Principal place of business
in Hong Kong:*

Suite 901, 9/F
Ocean Centre
5 Canton Road
Tsim Sha Tsui
Hong Kong

21 January 2022

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME AND
TERMINATION OF 2013 SHARE OPTION SCHEME,
(2) PROPOSED RE-ELECTION OF DIRECTOR,
(3) PROPOSED REMOVAL OF AN EXECUTIVE DIRECTOR
AND
(4) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in respect of, among other matters, (i) the proposed adoption of the New Share Option Scheme and termination of the 2013 Share Option Scheme; (ii) the proposed re-election of Director; and (iii) the Proposed Removal and give you notice of the EGM relating to these matters.

LETTER FROM THE BOARD

ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF 2013 SHARE OPTION SCHEME

2013 Share Option Scheme

The Company adopted the 2013 Share Option Scheme with a scheme mandate limit of 27,200,000 Shares on 6 May 2013 which became effective from 16 May 2013 when the listing of the Shares commenced on GEM of the Stock Exchange for a period of ten years from 16 May 2013. The 2013 Share Option Scheme enables the Company to grant Options to eligible persons as incentives or rewards for their contributions to the Group. The 2013 Share Option Scheme has remained effective following the transfer of listing of the Shares from GEM to the main board of the Stock Exchange in January 2015 and has been implemented in compliance with the requirements of the Listing Rules. Other than the 2013 Share Option Scheme, the Group has no other share option scheme. As at the Latest Practicable Date, (i) the Company had granted Options to subscribe for a total of 19,000,000 Shares under the 2013 Share Option Scheme; and (ii) the total number of Shares in respect of which Options had been granted and remained outstanding under the 2013 Share Option Scheme was 19,000,000 (representing approximately 2.14% of all the Shares in issue as at the Latest Practicable Date). The Board confirms that no further Options will be granted under the 2013 Share Option Scheme prior to the date of the EGM.

The 2013 Share Option Scheme is due to expire on 5 May 2023, being the tenth anniversary of the date on which it was adopted. According to the terms of the 2013 Share Option Scheme, the Company may, by ordinary resolution in general meeting, at any time terminate the operation of the 2013 Share Option Scheme before the end of its life and in such event no further Options will be offered but the provisions of the 2013 Share Option Scheme will remain in all other respects in full force and effect in respect of Options granted thereunder prior thereto but not yet exercised at the time of the termination, which will continue to be exercisable in accordance with their terms of grant. Subject to the approval of the adoption of the New Share Option Scheme as an ordinary resolution by Shareholders at the EGM, it is proposed that the 2013 Share Option Scheme be terminated with effect from the Adoption Date.

New Share Option Scheme

The Board now proposes the adoption of the New Share Option Scheme for approval by the Shareholders. The purpose of the New Share Option Scheme is to continue to provide incentives and rewards to eligible persons for their contribution to, and continuing efforts to promote the interests of, the Group. In addition, the New Share Option Scheme will allow the Board to retain the flexibility to grant Options to eligible persons in lieu of cash payment, thus incentivising these eligible persons to contribute in a way that enhances the value of the Shares while preserving cash and liquidity for the Group.

The 2013 Share Option Scheme will expire on 5 May 2023 and the scheme mandate limit of the 2013 Share Option Scheme is 27,200,000 Shares, out of which the Company has already granted Options to subscribe for a total of 19,000,000 Shares. As the Company has utilised approximately 70% of the existing scheme mandate limit, the Board considered that it would

LETTER FROM THE BOARD

be appropriate to increase the number of Shares available for subscription because this would provide greater flexibility to the Company in granting more Options to eligible persons as incentives and rewards for their contributions to the Group.

In addition, if the Company were to refresh the scheme mandate limit of the 2013 Share Option Scheme, a shareholders' meeting would need to be convened and held to approve the same. Considering the 2013 Share Option Scheme would expire in less than one and a half year, the Company was of the view that it would save time and cost to adopt the New Share Option Scheme in the forthcoming EGM instead of refreshing the scheme mandate limit of the 2013 Share Option Scheme in 2022 and subsequently adopting a new share option scheme in 2023.

Based on the above, the Board considers that adopting the New Share Option Scheme at this point of time is in the best interests of the Company and the Shareholders as a whole. The Board also considers that it is appropriate to adopt the New Share Option Scheme as the New Share Option Scheme, which will be valid for ten years from the Adoption Date, will provide the Company with more flexibility in long term planning of granting of the Options to eligible persons for a longer period in the future.

As at the Latest Practicable Date, the Company has no current plan or intention to grant Options to any eligible persons (in particular, any independent non-executive Directors) upon adoption of the New Share Option Scheme.

Principal terms of the New Share Option Scheme

There is no material difference between the terms of the 2013 Share Option Scheme and the terms of the New Share Option Scheme. A summary of the rules of the New Share Option Scheme is set out in Appendix I to this circular. A copy of the terms of the New Share Option Scheme is available for inspection at the principal place of business in Hong Kong of the Company at Suite 901, 9/F, Ocean Centre, 5 Canton Road, Tsim Sha Tsui, Hong Kong during normal business hours for a 14-day period immediately preceding the EGM and at the venue of the EGM during the EGM. None of the Directors is appointed as trustees of the New Share Option Scheme or has a direct or indirect interest in the trustees of the New Share Option Scheme, if any. The Board confirms that all terms under the New Share Option Scheme comply with Chapter 17 of the Listing Rules.

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

- (a) the passing of an ordinary resolution at the EGM approving the adoption of the New Share Option Scheme, and authorising the Directors to grant Options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of any Option; and
- (b) the Listing Committee granting approval for the listing of, and permission to deal in, any new Shares which may be allotted and issued upon the exercise of Options.

LETTER FROM THE BOARD

The classes of eligible persons under the New Share Option Scheme are materially the same as those of the 2013 Share Option Scheme, namely, any full-time or part-time employee of the Company or any member of the Group, including any executive Directors, non-executive Directors and independent non-executive Directors. The basis of eligibility of any class of eligible persons to the grant of any Option will be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.

The New Share Option Scheme does not stipulate either a minimum period for which an Option must be held or any performance target a grantee is required to achieve before an Option may be exercised. However, under the New Share Option Scheme (as in the case of the 2013 Share Option Scheme), the Board may at its discretion specify any condition which must be satisfied before the Option may be exercised in the offer letter whereby the Option is offered. The New Share Option Scheme also provides that, the Board may, with respect to each grant of Options, determine the exercise price (being not less than the minimum price specified in the Listing Rules) of the Options. The Board believes that the above terms will provide the Board with more flexibility in setting the terms and conditions of the Options under particular circumstances of each grant and facilitate the Board's aim to offer meaningful incentive to attract and retain quality personnel that are valuable to the growth and development of the Group.

Subject to obtaining approval from the Shareholders with respect to the adoption of the New Share Option Scheme, 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 scheme must not in aggregate exceed 10% of the Shares in issue as at the Adoption Date. Options lapsed in accordance with the terms of the New Share Option Scheme and any other share option schemes of the Company will not be counted for the purpose of calculating such 10% scheme mandate limit. The maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme of the Company must not exceed 30% of the total number of Shares in issue from time to time.

As at the Latest Practicable Date, there were 886,741,378 Shares in issue. Assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the Adoption Date, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme (i.e., the scheme mandate limit) will be 88,674,137, representing 10% of Shares in issue as at the Adoption Date.

On the basis of 886,741,378 Shares in issue as at the Latest Practicable Date, the 30% limit allows there to be outstanding options granted and yet to be exercised under the 2013 Share Option Scheme and any other share option scheme of the Company amounting to 266,022,413 Shares. Accordingly, assuming that none of the outstanding options under the 2013 Share Option Scheme to subscribe for 19,000,000 Shares (representing approximately 2.14% of the all the Shares in issued as at the Latest Practicable Date) is exercised, even if the scheme mandate limit under the New Share Option Scheme (being Options to subscribe for up to 88,674,378 Shares) is to be utilised in full in granting Options, the total number of Shares that will be subject to all such Options will be within the 30% limit.

LETTER FROM THE BOARD

The Company is not required under the rules of the New Share Option Scheme to appoint any trustee for the purpose of administering the New Share Option Scheme. The New Share Option Scheme will be subject to administration of the Board. None of the Directors is or will be a trustee of the New Share Option Scheme or has a direct or indirect interest in the trustees of the New Share Option Scheme, if any.

Value of Options

The Board considers that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such Options cannot be determined. These variables include without limitation, the exercise price, whether or not Options will be granted under the New Share Option Scheme and the timing of the granting of such Options, the period during which the subscription rights may be exercised, the discretion of the Board to impose any performance target that has to be achieved before the subscription rights attaching to the Options can be exercised and any other conditions that the Board may impose with respect to the Options and whether or not such Options, if granted, will be exercised. The exercise price of the Options depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme and, if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the exercise price given the volatility to which the price of Shares may be subject to during the ten-year life span of the New Share Option Scheme.

The Board is of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Board believes that any calculation of the value of the Options will not be meaningful and may be misleading to Shareholders in the circumstances.

Application for listing

An application will be made to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of any Options.

RE-ELECTION OF DIRECTOR

As disclosed in the Company's announcement dated 7 December 2021, Mr. Wang has been appointed as an executive Director of the Company by the Board with effect from 7 December 2021. Since Mr. Wang was appointed to fill a casual vacancy on the Board, he is subject to re-election at the EGM, being the first general meeting of the Company subsequent to his appointment, according to article 83(3) of the Articles.

Brief biographical details of Mr. Wang are set out in Appendix II to this circular.

LETTER FROM THE BOARD

PROPOSED REMOVAL OF AN EXECUTIVE DIRECTOR

Mr. Zhu was appointed as an executive Director and chairman of the Board under the Service Agreement for an initial term of three years commencing from 16 May 2013, when the listing of the Shares commenced on GEM of the Stock Exchange, and had continued thereafter until terminated in accordance with its terms. He was responsible for the overall strategic planning, development and management of the Group.

The Service Agreement stipulates that the Company may forthwith terminate the appointment of Mr. Zhu under the Service Agreement prior to the expiry of its term by serving a notice in writing to such effect to Mr. Zhu if any company (other than a member of the Group) in which Mr. Zhu is a director or a direct or indirect shareholder goes into liquidation or becomes insolvent or suffers the presentation of a winding up petition or analogous proceedings brought against it.

As disclosed in the announcement of the Company dated 10 January 2021, the Company was informed on 9 January 2021 by Florescent, a controlling shareholder of the Company, which was owned as to 77.90% by Lian Shun Limited, and in turn was owned as to 61.31% by Mr. Zhu, that a petitioner had filed a Petition for an order that Florescent be wound up by the High Court of Hong Kong under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32, Laws of Hong Kong) on the ground that Florescent is unable to repay an outstanding secured loan in the principal sum of HK\$200,000,000 together with interest accrued thereon advanced to Florescent under a loan agreement dated 21 December 2017 (as supplemented). The Petition was fixed to be heard before the High Court at 9:30 a.m. on 24 March 2021. The Company further announced on 17 December 2021 that the hearing for the Petition had been adjourned to be heard on 10 February 2022.

Since Mr. Zhu is an indirect shareholder of Florescent, which is suffering from the presentation of the Petition, the Board (including all independent non-executive Directors) resolved to terminate Mr. Zhu's appointment under the Service Agreement as chairman and executive Director. On 7 January 2022, the Company served upon Mr. Zhu a written notice to terminate the Service Agreement, with immediate effect from the date of such notice, in accordance with the terms of the Service Agreement.

In light of the above, the Board resolved to propose an ordinary resolution in respect of the Proposed Removal.

Pursuant to article 83(5) of the Articles, Shareholders may, at any general meeting convened and held in accordance with the Articles, by ordinary resolution remove a Director at any time before the expiration of his or her period of office notwithstanding anything to the contrary in the Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).

The resolution regarding the Proposed Removal will be presented at the EGM in accordance with the Articles.

LETTER FROM THE BOARD

EGM

The EGM will be convened and held for the purposes of considering and, if thought fit, approving, inter alia, the adoption of the New Share Option Scheme and termination of the 2013 Share Option Scheme, the re-election of Director and the Proposed Removal.

A notice of convening the EGM to be held at the Suite 901, 9/F, Ocean Centre, 5 Canton Road, Tsim Sha Tsui, Hong Kong on Thursday, 10 February 2022 at 9:30 a.m. is set out on pages 23 to 25 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time of the EGM or any adjourned meeting thereof (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 EGM or any adjourned meeting thereof (as the case may be) should you so wish.

Pursuant to the Listing Rules and the Articles, any vote of Shareholders at EGM 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. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting at the EGM or any adjournment thereof in respect of the resolutions regarding the proposed adoption of the New Share Option Scheme and termination of the 2013 Share Option Scheme and the proposed re-election of Director. As at the Latest Practicable Date, Mr. Zhu holds 2,044,000 Shares representing approximately 0.23% of the issued share capital of the Company, he will abstain from voting at the EGM or any adjournment thereof in respect of the resolution regarding the Proposed Removal. Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder is required to abstain from voting at the EGM in respect of the resolution regarding the Proposed Removal.

RECOMMENDATION

The Directors are of the opinion that the proposed ordinary resolutions for (i) the adoption of the New Share Option Scheme and termination of the 2013 Share Option Scheme; (ii) the re-election of Director; and (iii) the Proposed Removal are fair and reasonable and are in the best 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 be proposed at the EGM.

LETTER FROM THE BOARD

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.

Yours faithfully,
For and on behalf of the Board
HUAZHANG TECHNOLOGY HOLDING LIMITED
Fang Hui
Executive Director

The following is a summary of the principal terms of the New Share Option Scheme proposed to be approved and adopted at the EGM:

For the purpose of this section, unless the context otherwise requires:

“Board”	means our board of directors from time to time or a duly authorised committee thereof
“Eligible Person(s)”	means any full-time or part-time employee of the Company or any member of the Group, including any executive director, non-executive director and independent non-executive director
“Further Grant”	has the meaning ascribed to it in sub-paragraph (d) below
“Offer Date”	means the date on which an Option is offered to an Eligible Person
“Option”	means an option to subscribe for Shares granted pursuant to the New Share Option Scheme
“Option Period”	means in respect of any particular Option, the period to be determined and notified by the Board to each Participant
“Other Schemes”	means any other share option schemes adopted by the Group from time to time pursuant to which options to subscribe for Shares may be granted
“Participant(s)”	means any Eligible Person who accepts or is deemed to have accepted the offer of any Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Participant
“Scheme Mandate Limit”	has the meaning ascribed to it in sub-paragraph (f) below
“Shareholder(s)”	means shareholders of the Company from time to time
“Subsidiary(ies)”	means a company which is for the time being and from time to time a subsidiary (within the meaning of section 15 of the Companies Ordinance) of the Company, whether incorporated in Hong Kong or elsewhere
“Trading Day”	means a day on which trading of Shares take place on the Stock Exchange

(a) Purpose

The purpose of the New Share Option Scheme enables the Company to grant Options to Eligible Persons as incentives or rewards for their contributions to the Group.

(b) Who may join

The Board may, at its absolute discretion, invite any Eligible Person to take up Options at a price calculated in accordance with sub-paragraph (e) below. Upon acceptance of the Option, the Eligible Person shall pay HK\$1.00 to the Company by way of consideration for the grant. The Option will be offered for acceptance for a period of 28 days from the date on which the Option is granted.

An “Eligible Person” will include any full-time or part-time employee of the Company or any member of the Group, including any executive Director, non-executive Director and independent non-executive Director.

The Board will consider the eligibility of each Eligible Person from time to time on the basis of his or her contribution to the development and growth of the Group. Generally, the Board will consider the following:

- (i) *Employees of the Company and members of the Group (including the executive Directors)* — The Board will assess, among others, (i) his/her responsibilities and contributions made to the Group; and (ii) his/her ability to further promote the development of the Group.
- (ii) *Non-executive Directors and independent non-executive Directors* — The Board will assess, among others, (i) his/her expertise; (ii) his/her years of service; (iii) his/her contributions made to the Group; and (iv) his/her professional qualifications and knowledge in the industry.

(c) Grant of Option

The Company may not grant any Option after inside information has come to the Company’s knowledge until the Company have announced the information. In particular, the Company may not grant any Option during the period commencing one month immediately preceding the earlier of:

- (i) 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
- (ii) the deadline for the Company to publish an announcement of the results for any year or half-year under the Listing Rules, or quarterly or any interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. The period during which no Option may be granted will cover any period of delay in the publication of results announcement. The Board may not grant any Option to an Eligible Person who is a Director during the periods or times in which directors of the listed issuer are prohibited from dealing in shares pursuant to Appendix 10 of the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(d) Maximum number of Options to any one individual

The total number of Shares issued and to be issued upon exercise of the Options granted to a Participant under the New Share Option Scheme and Other Schemes (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the Shares in issue from time to time. Where any further grant of Options to a Participant (the “**Further Grant**”) would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted under the New Share Option Scheme and Other Schemes to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the Shares in issue from time to time, the Further Grant must be separately approved by the Shareholders in general meeting with such Participant and his close associates (as defined in the Listing Rules) (or his associates (as defined in the Listing Rules) if the Participant is a connected person) abstaining from voting.

In relation to the Further Grant, the Company must send a circular to the Shareholders and the circular must disclose the identity of the relevant Participant, the number and the terms of the Options to be granted (and Options previously granted to such Participant under the New Share Option Scheme and Other Schemes) and the information required under the Listing Rules. The number and terms (including the exercise price) of Options to be granted to such participant must be fixed before Shareholders’ approval and the date of meeting of the Board for proposing the Further Grant should be taken as the Offer Date for the purpose of calculating the relevant exercise price.

(e) Price of Shares

The exercise price for the Shares subject to Options will be a price determined by the Board and notified to each Participant and must be at least the highest of (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the Options, which must be a Trading Day; and (ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five Trading Days immediately preceding the date of grant of the Options.

(f) Maximum number of Shares

- (i) The total number of Shares which may be issued upon the exercise of all Options to be granted under the New Share Option Scheme and Other Schemes must not, in aggregate, exceed 10% of the Shares in issue as of the Adoption Date (the “**Scheme Mandate Limit**”). Option lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 886,741,378 Shares in issue on the date of adoption of the New Share Option Scheme, the Scheme Mandate Limit will be equivalent to 88,674,137 Shares, representing 10% of the Shares in issue as at the date of adoption of the New Share Option Scheme.
- (ii) Subject to the approval of Shareholders in general meeting, the Company may “refresh” the Scheme Mandate Limit to the extent that the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share

Option Scheme and Other Schemes under the Scheme Mandate Limit as “refreshed” must not exceed 10% of the Shares in issue as at the date of such Shareholders’ approval. Options previously granted under the New Share Option Scheme and Other Schemes (including those outstanding, cancelled, lapsed in accordance with the terms thereof or exercised Options) will not be counted for the purpose of calculating the Scheme Mandate Limit as “refreshed”. In relation to the Shareholders’ approval referred to in this paragraph (ii), the Company must send a circular to the Shareholders containing the information required by the Listing Rules.

- (iii) Subject to the approval of Shareholders in general meeting, the Company may also grant Options beyond the Scheme Mandate Limit provided that Options in excess of the Scheme Mandate Limit are granted only to the Eligible Persons specifically identified by the Company before such Shareholders’ approval is sought. In relation to the Shareholders’ approval referred to in this paragraph (iii), the Company must send a circular to its Shareholders containing a generic description of the specified Eligible Persons, the number and terms of the Options to be granted, the purpose of granting Options to the specified Eligible Persons with an explanation as to how the terms of the Options serve such purpose and such other information required by the Listing Rules.
- (iv) Notwithstanding the foregoing, the Company may not grant any Options if the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and Other Schemes exceeds 30% of the Shares in issue from time to time.

(g) Time of exercise of 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 Board to each Participant provided that the period within which the Option must be exercised shall not be more than ten years from the date of the grant of Option. The exercise of an Option may be subject to the achievement of performance target and/or any other conditions to be notified by the Board to each Participant, which the Board may in its absolute discretion determine.

(h) Rights are personal to grantee

An Option shall be personal to the Participant and shall not be assignable or transferable and no Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest whether legal or beneficial in favour of any third party over or in relation to any Option. Any breach of the foregoing by the Participant shall entitle the Company to cancel any Option or any part thereof granted to such Participant (to the extent not already exercised) without incurring any liability on the Company.

(i) Rights on death, retirement and cessation of employment

If a Participant dies before exercising the Options in full, his or her personal representative(s) may exercise the Options in full (to the extent that it has become exercisable on the date of death and not already exercised) within a period of 12 months from the date of death, failing which such Options will lapse.

In the event that a Participant retires in accordance with his or her contract of employment or upon expiration of his or her contract of employment or term of directorship before exercising his or her options in full, such Options will lapse on the date he or she retires or the date of expiration of his or her contract of employment or term of directorship.

(j) Changes in capital structure

In the event of any alteration in the capital structure of the Company while an Option remains exercisable, and such event arises from a capitalisation of profits or reserves, rights issue, consolidation, reclassification, subdivision or reduction of the share capital of the Company, such corresponding alterations (if any) shall be made in the number of Shares (without fractional entitlements) subject to the Options so far as unexercised, and/or the exercise price, and/or the method of the Options, and/or the maximum number of Shares subject to the New Share Option Scheme.

Any adjustments required under this sub-paragraph must give a Participant the same proportion of the equity capital as that to which that Participant was previously entitled and shall be made on the basis that the aggregate exercise price payable by a Participant on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, unless with the prior approval of the Shareholders in general meeting, no such adjustments may be made to the advantage of the Participant. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, the independent financial adviser of the Company or the auditors of the Company must confirm to the Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules and the supplementary guidance set out in the letter issued by the Stock Exchange dated 5 September 2005 and any further guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

(k) Rights on take-over

If a general offer (whether by way of takeover offer, repurchase offer or scheme of arrangement or otherwise in like manner) has been made to all the Shareholders (other than the offeror and/or any persons acting in concert with the offeror), to acquire all or part of the issued Shares, and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Participant shall be entitled to exercise his or her outstanding Option in full or any part thereof within 14 days after the date on which such offer becomes or is declared unconditional. For the purposes of this sub-paragraph, “acting in concert” shall have the meaning ascribed to it under the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong as amended from time to time.

(l) Rights on a compromise or arrangement

If an application is made to the court (otherwise than where the Company is being voluntarily wound up) in connection with a proposed compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its Shareholders (or any class of them), a Participant may by notice in writing to the Company, within a period of 21 days after the date of such application, exercise his or her outstanding Options in full or to the extent specified in such note. Upon the compromise or arrangement becoming effective, all Options shall lapse except insofar as exercised. Notice of the application referred to herein and the effect thereof shall be given by the Company to all Participants as soon as practicable.

(m) Rights on winding-up

In the event of a notice being given by the Company to the Shareholders to convene a general meeting for the purpose of approving a resolution to voluntarily wind up the Company when the Company is solvent, the Company shall on the day of such notice to each Shareholder or as soon as practicable, give notice thereof to all Participants. Thereupon each Participant shall be entitled to exercise all or any of his or her outstanding Options at any time no later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the Participant credited as fully paid.

(n) Lapse of Option

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

- (i) the date of expiry of the Option as may be determined by the Board;
- (ii) subject to sub-paragraphs (f) and (p), the expiry of the Option Period;
- (iii) the first anniversary of the death of the Participant;
- (iv) in the event that the Participant was an employee or director of any member of the Group on the date of grant of Option to him or her, the date on which such member of the Group terminates the Participant's employment or removes the Participant from his or her office on the ground that the Participant has been guilty of misconduct, has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offense involving his or her integrity or honesty. A resolution of the Board or the board of directors of the relevant member of the Group to the effect that such employment or office has or has not been terminated or removed on one or more grounds specified in this sub-paragraph shall be conclusive;

- (v) in the event that the Participant was an employee or director of any member of the Group on the date of grant of Option to him or her the date of the Participant ceasing to be an employee or director of such member of the Group by reason of:
- (1) his or her retirement on or after attaining normal retirement age or, with the express consent of the Board in writing for the purpose of this sub-paragraph, at a younger age;
 - (2) ill health or disability recognised as such expressly by the Board in writing for the purpose of this sub-paragraph;
 - (3) the company by which he or she is employed and/or of which he or she is a director (if not the Company) ceasing to be a subsidiary of the Company;
 - (4) expiry of his or her employment contract or vacation of his or her office with such member of the Group such contract or office is not immediately extended or renewed; or
 - (5) at the discretion of the Board, any reason other than death or the reasons described in sub-paragraph (iv) or (v)(1) to (4);
- (vi) the expiry of any period referred to in sub-paragraphs (k) and (l) above, provided that in the case of sub-paragraph (l), all Options granted shall lapse upon the proposed compromise or arrangement becoming effective; or
- (vii) the date the Participant commits any breach of the provisions of sub-paragraph (h).

(o) Ranking of Shares

Shares allotted and issued upon the exercise of an Option will be subject to the Articles as amended from time to time and will rank *pari passu* in all respects with the fully paid or credited as fully paid Shares in issue on the date of such allotment or issue and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue 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 date of allotment or issue.

(p) Cancellation of Options granted

Any cancellation of Options granted in accordance with the New Share Option Scheme but not exercised must be approved by the grantee concerned in writing. In the event that the Board elects to cancel any Options and issue new ones to the same grantee, the issue of such new Options may only be made with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit.

(q) Period of New Share Option Scheme

The New Share Option Scheme will be valid and effective for a period of ten years commencing on the Adoption Date, after which period no further Options may be granted but the provisions of the New Share Option Scheme shall remain in full force and effect in all other respects and Options granted during the life of the New Share Option Scheme may continue to be exercisable in accordance with their terms of issue.

(r) Alteration to and termination of New Share Option Scheme

The New Share Option Scheme may be altered in any respect by resolution of the Board except that, (i) any alteration to the advantage of the Participants or the Eligible Persons (as the case may be) relating to matters contained in Chapter 17 of the Listing Rules; (ii) any alteration to the terms and conditions of the New Share Option Scheme which is of material nature or any change to the terms of Options granted, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme; and (iii) any change to the authority of the Board or scheme administration in relation to any alteration to the terms of the New Share Option Scheme, must first be approved by the Shareholders in general meeting (with the Eligible Persons, the Participants and their associates abstaining from voting) provided that the amended terms of the New Share Option Scheme or Options granted must still comply with the requirements of Chapter 17 of the Listing Rules.

Any alterations to the terms and conditions of New Share Option Scheme, which are of material nature, shall first be approved by the Stock Exchange, except where such alterations take effect automatically under the existing terms of the New Share Option Scheme.

The Company may, by ordinary resolution in general meeting, at any time terminate the operation of the New Share Option Scheme before the end of its life and in such event no further Options will be offered but the provisions of the New Share Option Scheme shall remain in all other respects in full force and effect in respect of Options granted prior thereto but not yet exercised at the time of termination, which shall continue to be exercisable in accordance with their terms of grant. Details of the Options granted, including Options exercised or outstanding, under the New Share Option Scheme, and (if applicable) Options that become void or non-exercisable as a result of termination must be disclosed in the circular to the Shareholders seeking approval for the new scheme to be established after such termination.

(s) Granting of Options to a Director, chief executive or substantial shareholder of the Company or any of their associates

Where Options are proposed to be granted to a director, chief executive of the Company or substantial shareholder or any of their respective associates, the proposed grant must be approved by all independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).

If a grant of Options to a substantial shareholder or an independent non-executive Director, or any of their respective associates will result in the total number of the Shares issued and to be issued upon exercise of the Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person under the New Share

Option Scheme or Other Schemes in any 12-month period up to and including the date of the grant (i) representing in aggregate 0.1% (or such other percentage as may from time to time specified by the Stock Exchange) of the Shares in issue from time to time; and (ii) having an aggregate value, based on the closing price of the Shares at the date of the grant, in excess of HK\$5 million, then the proposed grant of Options must be approved by the Shareholders. The Company must send a circular to the Shareholders which must contain the information required under the Listing Rules. The grantee, his associates and all core connected persons of the Company must abstain from voting at such general meeting.

In addition, Shareholders' approval as described above will also be required for any change in terms of the Options granted to an Eligible Person who is a substantial shareholder, an independent non-executive Director or any of their respective associates.

The circular must contain the following:

- (i) details of the number and terms (including the exercise price) of the Options to be granted to each Eligible Person, which must be fixed before the relevant shareholders' meeting, and the date of Board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the exercise price;
- (ii) a recommendation from an independent non-executive Directors (excluding any independent non-executive Director who is a proposed grantee of the Options in question) to independent Shareholders as to voting;
- (iii) the information required under Rules 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (iv) all other information as required by the Listing Rules (including Rule 2.17 of the Listing Rules).

For the avoidance of doubt, the requirements for the granting of Options to a Director or chief executive (as defined in the Listing Rules) set out in this sub-paragraph (s) do not apply where the Eligible Person is only a proposed Director or proposed chief executive.

(t) Conditions of New Share Option Scheme

The New Share Option Scheme is conditional on (i) the passing of a resolution to adopt the New Share Option Scheme by the Shareholders in general meeting; and (ii) the Stock Exchange granting approval for the listing of and permission to deal in the Shares which may be issued pursuant to the exercise of Options.

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

(u) Administration of the New Share Option Scheme

The New Share Option Scheme will be administered by the Board whose decision (save as otherwise provided therein) shall be final and binding on all parties.

(v) Present status of the New Share Option Scheme

As at the Latest Practicable Date, no Option had been granted or agreed to be granted by the Company under the New Share Option Scheme.

(w) Disclosure in annual and interim reports

The Company will disclose all information in relation to the New Share Option Scheme in its annual and interim reports in accordance with the Listing Rules.

For your further information, we set out below the relevant details of the Director proposed to be re-elected at the forthcoming EGM:

Mr. Wang Ai Yan

Mr. Wang, aged 55, appointed by the Board as an executive Director with effect from 7 December 2021. He obtained a bachelor's degree in electrical automation and an EMBA degree from Zhejiang University (浙江大學) in 1992 and 2014, respectively. Mr. Wang has over 20 years of experience in the mechanical and engineering industry, he worked as an assistant engineer at the Hangzhou Project and Research Institute of Electro-mechanic in Light Industry (輕工業部杭州機電設計研究所) from 1987 to 1993. From 1993 to 1996, Mr. Wang worked as the vice general manager at Hangzhou Huazhang Microelectronics Company Limited (杭州華章微電子公司). He worked as the vice general manager at Hangzhou Yiyi Corporate Management Consultation Limited (杭州意義諮詢有限公司) (then known as Hangzhou Huazhang Electric Engineering Company Limited (杭州華章電氣工程有限公司)) from December 1996 to August 2006. Mr. Wang worked as a director and general manager at Zhejiang Huazhang Automation Equipment Company Limited from September 2006 to September 2014. Mr. Wang had been an executive Director from 1 October 2014 until 24 November 2021 when he was not re-elected as an executive Director and retired from the Board. Mr. Wang has been the chief executive officer of the Group since 1 October 2014, who is responsible to oversee the Group's daily operation and accounting and financial matters with the assistance of the chief financial officer of the Group. Mr. Wang is also a director of certain subsidiaries of the Company.

As at the Latest Practicable Date, Florescent was owned as to 94.48% by Lian Shun Limited, which in turn was owned as to 17.10% by Mr. Wang who is also a director of Florescent. As Mr. Wang is one of the parties acting in concert with Mr. Zhu, Mr. Liu Chuan Jiang and Ms. Zhu Ling Yun, Mr. Wang is deemed to be interested in the 33.59% issued share capital (that is 297,834,000 shares) of the Company including interests which are held by Florescent, Mr. Zhu and himself.

Based on the information provided by Florescent, it has been served a winding up petition. For further information, please refer to the Company's announcements dated 10 January 2021 and 17 December 2021. Mr. Wang entered into a service contract with the Company pursuant to which Mr. Wang is appointed as an executive Director for a specific term of three years and is subject to retirement and re-election at the general meeting of the Company in accordance with the Articles. Mr. Wang is entitled to a total remuneration of HK\$1,000,000 per annum for his appointment as an executive Director. In addition, performance-based bonus(es) (in addition to any discretionary bonus) may be payable to Mr. Wang from time to time as determined or to be determined by the Board in recognition of his contribution to the Company. The remuneration was determined by the Board based on the recommendation of the remuneration committee of the Company with reference to Mr. Wang's experience, duties, responsibilities and the prevailing market conditions as well as the remuneration package offered to the other executive Directors.

Save as disclosed above, as at the Latest Practicable Date, Mr. Wang (i) did not have, and was not deemed to have, any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong; (ii) had not previously held and was not holding any position with the Company and/or its subsidiaries; (iii) did not have any relationship with any director, senior management, substantial shareholder or controlling shareholder of the Company; and (iv) had not held any directorship in other listed public companies, the securities of which were listed on any securities market in Hong Kong or overseas in the last three years nor had he held any other major appointment and qualifications.

Save as disclosed above, the Board is not aware of any other matters or information that need to be brought to the attention of shareholders of the Company or to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules in relation to the proposed re-election of the aforesaid director.

NOTICE OF EGM



HUAZHANG TECHNOLOGY HOLDING LIMITED 華章科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1673)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Huazhang Technology Holding Limited (the “**Company**”) will be held at Suite 901, 9/F, Ocean Centre, 5 Canton Road, Tsim Sha Tsui, Hong Kong on Thursday, 10 February 2022 at 9:30 a.m. for the following purposes:

AS ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for the listing of, and permission to deal in, the shares of the Company to be issued and allotted pursuant to the exercise of options granted under the new share option scheme of the Company (the “**New Share Option Scheme**”), the rules of which are contained in the document marked “A” produced to the meeting and for the purposes of identification signed by the chairman thereof, the New Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to do all acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including without limitation:
 - (i) administering the New Share Option Scheme and granting options under the New Share Option Scheme;
 - (ii) modifying and/or amending the rules of the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange;

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- (iii) allotting and issuing from time to time such number of shares in the capital of the Company (the “**Shares**”) as may be required to be issued pursuant to the exercise of the options granted under the New Share Option Scheme;
 - (iv) making application at appropriate time or times to the Stock Exchange for the listing of and permission to deal in, any Shares or any part thereof that may from time to time be issued and allotted pursuant to the exercise of the options granted under the New Share Option Scheme; and
- (b) subject to and conditional upon the New Share Option Scheme becoming unconditional, the existing share option scheme of the Company which was adopted by the Company on 6 May 2013 (the “**2013 Share Option Scheme**”) is hereby terminated except that the provisions of the 2013 Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior to its termination, or otherwise as may be required in accordance with the rules of the 2013 Share Option Scheme.”
- 2. To consider and approve to re-elect Mr. Wang Ai Yan as an executive director of the Company.
 - 3. To remove Mr. Zhu Gen Rong as an executive director of the Company.

Yours faithfully,
For and on behalf of the Board
HUAZHANG TECHNOLOGY HOLDING LIMITED
Fang Hui
Executive Director

Hong Kong, 21 January 2022

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

*Principal place of business
in Hong Kong:*
Suite 901, 9/F
Ocean Centre
5 Canton Road
Tsim Sha Tsui
Hong Kong

Notes:

- 1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if such member is the holder of two or more shares) to attend and to vote instead of them. A proxy need not be a member of the Company.
- 2. Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.

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3. A form of proxy for use at the meeting is enclosed.
4. 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 such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or adjourned meeting.
5. The record date for determining the entitlement of the shareholders of the Company to attend and vote at the EGM will be close of business on 9 February 2022 (Wednesday). In order to be eligible to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on 9 February 2022 (Wednesday).
6. According to Rule 13.39(4) of the Listing Rules, the voting at the EGM will be taken by poll.
7. Taking into account of the recent development of the epidemic caused by Novel Coronavirus ("COVID-19"), the Company will implement the following prevention and control measures at the meeting against the epidemic to protect the members from the risk of infection:
 - (i) compulsory body temperature check will be conducted for every member or proxy at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius will not be admitted to the venue;
 - (ii) every member or proxy is required to wear surgical facial mask throughout the meeting;
 - (iii) member or proxy may be asked if (i) he/she has travelled outside of Hong Kong within 14 days immediately before the EGM; (ii) he/she is subject to any Hong Kong Government prescribed quarantine requirement; and (iii) he/she has any flu-like symptoms or has been in close contact with any person under quarantine or with recent travel history. Any person who responds positively to any of these questions will be denied entry into the EGM venue and will not be allowed to attend the EGM; and
 - (iv) No refreshment will be served.

Furthermore, the Company wishes to advise the members, particularly the members who are subject to quarantine in relation to COVID-19, that they may appoint any person or the chairman of the meeting as a proxy to vote on the resolutions, instead of attending the meeting in person.

As at the date of this notice, the executive Directors are Mr. Zhu Gen Rong, Mr. Fang Hui, Mr. Wang Ai Yan and Mr. Gan Jun, the non-executive Director is Mr. Shi Chenghu and the independent non-executive Directors are Mr. Heng, Keith Kai Neng, Mr. Yao Yang Yang and Ms. Zhang Dong Fang.