
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Jiading International Group Holdings Limited (“Company”), you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

This circular appears for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

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JIADING INTERNATIONAL GROUP HOLDINGS LIMITED

嘉鼎國際集團控股有限公司

(Formerly known as Farnova Group Holdings Limited 法諾集團控股有限公司)

(Incorporated in Bermuda with limited liability)

(Stock code: 08153)

**PROPOSAL FOR ADOPTION OF NEW SHARE OPTION SCHEME,
TERMINATION OF EXISTING SHARE OPTION SCHEME,
PROPOSED APPOINTMENT OF AUDITOR AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting of the Company (the “SGM”) to be held at 4:00 p.m. on Thursday, 6 April 2023 at Conference Room, Room 815–818, 8/F, China Insurance Group Building, No. 141 Des Voeux Road Central, Central, Hong Kong is set out on pages 22 to 24 of this circular. Whether or not you intend to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time scheduled for the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the SGM or any adjourned meeting thereof should you so wish.

This circular will remain on the Stock Exchange website at www.hkexnews.hk on the “Latest Listed Company Information” page and the Company’s website at www.jiadingint.com for at least 7 days from the date of its posting.

21 March 2023

CHARACTERISTICS OF GEM

Characteristics of GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day on which banks are open for business in Hong Kong (excluding Saturdays and Sundays)
“close associates”	has the meaning ascribed to it under the GEM Listing Rules
“Company”	Jiading International Group Holdings Limited, a company incorporated under the laws of Bermuda with limited liability, the Shares of which are listed on GEM (stock code: 8153)
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“core connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Share Option Scheme”	means the existing share option scheme adopted by the Company on 27 March 2020
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	17 March 2023, being the latest practicable date before the printing of this circular for the purpose of ascertaining certain information contained herein
“New Share Option Scheme or Scheme”	the new share option scheme proposed to be adopted by the Company at the SGM, a summary of the principal terms of which is set out in the Appendix to this circular
“Option”	a right granted to the Participant to subscribe for Shares pursuant to the terms of the Existing Share Option Scheme or New Share Option Scheme
“Participant(s)”	directors and employees of the Company or any of its subsidiaries (including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts with the Company or any of its subsidiaries)
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, to approve the adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme
“Share(s)”	ordinary shares of HK\$0.004 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent



JIADING INTERNATIONAL GROUP HOLDINGS LIMITED

嘉鼎國際集團控股有限公司

(Formerly known as Farnova Group Holdings Limited 法諾集團控股有限公司)

(Incorporated in Bermuda with limited liability)

(Stock code: 08153)

Executive Directors:

Mr. Mou Zhongwei (*Chairman*)
Ms. Liu Ching Man
Mr. Li Guangying
Ms. Cai Ying

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Ms. Wang Dongmei
Mr. Ye Wenxue
Ms. Liu Ying

*Head office and principal place
of business in Hong Kong:*

Room 1104A, 11/F,
Kai Tak Commercial Building,
317–319 Des Voeux Road Central,
Sheung Wan, Hong Kong

Independent Non-executive Directors:

Mr. Luo Ji
Mr. Lui Chi Kin
Ms. Sun Naimeng
Mr. Shin Ho Chuen

21 March 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSAL FOR ADOPTION OF NEW SHARE OPTION SCHEME,
TERMINATION OF EXISTING SHARE OPTION SCHEME,
PROPOSED APPOINTMENT OF AUDITOR AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information on the resolutions regarding (i) the proposed adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme and (ii) proposed appointment of auditor to be proposed at the SGM and to set out the notice of the SGM.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME

Existing Share Option Scheme

The Existing Share Option Scheme was adopted on 27 March 2020 and has a life span of 10 years from the date of adoption. As at the Latest Practicable Date, 71,414,239 Options were granted and outstanding under the Existing Share Option Scheme. It is proposed that the Existing Share Option Scheme shall be terminated upon adoption of the New Share Option Scheme. Termination of the Existing Share Option Scheme shall not affect the validity of the outstanding Options which shall continue to be enforceable according to the terms of the Existing Share Option Scheme. The Company has no other share schemes other than the Existing Share Option Scheme.

New Share Option Scheme

The Board proposed to adopt the New Share Option Scheme to align with the amendments to Chapter 23 of the GEM Listing Rule relating to share schemes which came into effect on 1 January 2023.

Adoption of the New Share Option Scheme is conditional upon (i) the passing of the ordinary resolution by the Shareholders at the SGM to approve and adopt the New Share Option Scheme and to authorise the Board to grant Options under the New Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Options; and (ii) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options.

As at the Latest Practicable Date, the total number of Shares in issue was 1,528,456,305. Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, 152,845,630 new Shares which may fall to be issued pursuant to the exercise of any Options, being 10% of the total number of Shares in issue as at the date of the SGM for the adoption of the New Share Option Scheme assuming that there being no change in the total number of issued Shares up to the date of the SGM.

As at the Latest Practicable Date, the Company had no intention to grant any Options to any of the Participants upon the New Share Option Scheme taking effect.

The New Share Option Scheme has no trustees and it will be subject to the administration of the Directors.

LETTER FROM THE BOARD

Purpose

The purpose of the New Share Option Scheme is to enable the Company to grant Options to the Participants as incentives or rewards for their contributions to the Group. The New Share Option Scheme will give the Participants an opportunity to have a personal stake in the Company and will help motivate the Participants to optimise their performance and efficiency and attract and retain or otherwise maintain a long term relationship with the Participants whose contributions are or will be in line with the business objectives of the Group.

The Board considers that based on the category of Participants, criteria for determining their eligibility, the minimum value of the exercise price and the minimum length of vesting period specified in the New Share Option Scheme, together with the authority given to the Directors under the New Share Option Scheme to select the appropriate Participants and to impose any additional conditions, restrictions or limitations attached to the Options including any performance targets and/or clawback mechanism, the New Share Option Scheme will align with the purposes of the New Share Option Scheme and serve to promote the interest and development of the Group. The category of Participants, criteria for determining their eligibility, the minimum length of vesting period and the Directors' authority to impose performance targets and/or clawback mechanism are further explained below.

Eligible Participants

Eligible Participants include directors and employees of the Company or any of its subsidiaries.

The basis of eligibility of any Participant to the grant of any Option shall be determined by the Board (or as the case may be, the independent non-executive directors) from time to time on the basis of the Participant's contribution or potential contribution to the development and growth of the Group after taking into account of, among others, the Participant's qualification and experience, performance, time commitment, responsibilities, length of engagement with the Group and actual or potential contribution to the business objectives of the Group.

Vesting period

The vesting period for the Options under the New Share Option Scheme shall not be less than 12 months. A shorter vesting period may be granted to the Participants at the discretion of the Board in any of the following circumstances:

- (a) grants of "make-whole" Options to new joiners to replace the share awards or options they forfeited when leaving the previous employer;

LETTER FROM THE BOARD

- (b) grants to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;
- (d) grants with a mixed or accelerated vesting schedule such as where the Option may vest evenly over a period of 12 months;
- (e) grants with performance-based vesting conditions in lieu of time-based vesting criteria; and
- (f) the Remuneration Committee is of the view that a shorter vesting period is appropriate and serves the purpose of the New Share Option Scheme.

In respect of any grant of Options to Directors or senior managers with a shorter vesting period due to any of the above circumstances, the remuneration committee of the Company shall also consider and explain why such circumstances for a shorter vesting period is appropriate. In respect of (a) above, the “make-whole” Options may vested in less than 12 months in order to compensate the new joiners for their forfeited benefits. In respect of (b) above, termination of employment may result in earlier lapse of the Options. In respect of (c) above, grants of Options in batches may result in some of the Options being vested earlier to reflect the otherwise earlier time of grant. In respect of (d) above, grants with mixed or accelerated vesting schedule may result in Options being vested earlier upon occurrence of the triggering events. In respect of (e) above, performance based vesting conditions may be satisfied within 12 months from grant.

Performance targets and clawback mechanism

Save as determined by the Board in its absolute discretion when making the offer of the grant of the Options and other provisions of the New Share Option Scheme relating to lapse of the Options, there is no performance targets or clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted to any grantee) to any Participants in the event of serious misconduct, a material misstatement in the Company’s financial statements or other circumstances.

LETTER FROM THE BOARD

There are provisions in the New Share Option Scheme which provides for circumstances under which the Options shall lapse automatically in the event that the grantees cease to be directors or employees of the Group or commit a breach of the New Share Option Scheme.

If any performance targets are imposed, the Board may assess such performance targets against key performance indicators for the Company, its subsidiaries, operating units, projects, geographical divisions or individuals, which may include cash flow; earnings; earnings per share; market value added or economic value added; profits; return on assets; return on equity; return on investment; sales; revenue; Share price; total Shareholder return; and such other goals as the Board may determine from time to time, and subject to such conditions as the Board may think fit.

If a clawback mechanism is imposed, the Board will take into account individual circumstances when devising such mechanism such as the role of the grantee, the purpose of the grant (for example whether as recognition of past contribution or as incentive to motivate such grantee to contribute to the Group in the future on an ongoing basis), whether it would be particularly burdensome and complicated to implement the clawback mechanism, whether there are any tax implications etc.

As at the Latest Practicable Date, the total number of Shares in issue was 1,528,456,305. Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, 152,845,630 new Shares which may fall to be issued pursuant to the exercise of any Options to be granted under the New Share Option Scheme, being 10% of the total number of Shares in issue as at the date of the SGM assuming there is no change in the number of Shares in issue.

A summary of the principal terms of the New Share Option Scheme is set out in the Appendix to this circular.

PROPOSED APPOINTMENT OF AUDITOR

On 17 March 2023, the Board announced that Mazars CPA Limited (“**Mazars**”) has resigned as the auditor of the Company with effect from 17 March 2023. Mazars stated in their letter of resignation that in arriving at the conclusion of resignation, they have taken into account many factors including the professional risk associated with the audit, the level of audit fees and their available internal resources in the light of current tight work flows and the scope of their audit work in relation to the assessment of the appropriateness of management’s decision to prepare the Company’s consolidated financial statements for the year ending 31 March 2023 under going concern basis.

LETTER FROM THE BOARD

Mazars confirmed that, saved as disclosed above, there are no other matters in relation to their resignation that need to be brought to the attention of the shareholders of the Company. The Board and the audit committee of the Company (the “**Audit Committee**”) also confirmed that there are no disagreements or unresolved matters in connection with the resignation of Mazars as the auditor of the Company that need to be brought to the attention of the shareholders of the Company.

The Board further confirmed that Mazars has not yet commenced any audit work on the consolidated financial statements of the group for the year ending 31 March 2023. The Board believes that the change of auditor will not have any impact on the annual audit of the Company for the year ending 31 March 2023.

The Board proposes, with the recommendation of the Audit Committee, to appoint ZHONGHUI ANDA CPA Limited as the auditor of the Company to fill the casual vacancy following the resignation of Mazars, which is subject to the passing of the relevant resolution at the SGM.

SGM

The SGM will be convened and held at 4:00 p.m. on Thursday, 6 April 2023 at Conference Room, Room 815-818, 8/F, China Insurance Group Building, No. 141 Des Voeux Road Central, Central, Hong Kong, for the purpose of considering and, if thought fit, approving, the adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme and appointment of auditor. In compliance with the GEM Listing Rules, the resolutions will be voted on by way of poll at the SGM. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolutions to be proposed at the SGM.

The notice convening the SGM is set out on pages 22 to 24 of this circular. A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong as soon as possible but in an event not less than 48 hours before the time scheduled for the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending or voting in person at the SGM or any adjourned meeting should you so wish, and in such case, the form of proxy submitted by you shall be deemed to be revoked.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme and appointment of auditor are in the interests of the Company and the Shareholders as a whole, and accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions at the SGM.

DOCUMENTS ON DISPLAY

A copy of the rules of the New Share Option Scheme will be published on the websites of the Company (<http://www.jiadingint.com/>) and the Stock Exchange (www.hkex.hk) for a period of 14 days before the date of the SGM and will be available for inspection at the SGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. 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

By Order of the Board of

Jiading International Group Holdings Limited

Mou Zhongwei

Chairman

The following is a summary of the principal terms of the New Share Option Scheme to be approved at the SGM:

(i) Purpose of the New Share Option Scheme

The purpose of the New Share Option Scheme is to enable the Company to grant Options to the Participants as incentives or rewards for their contributions to the Group. The New Share Option Scheme will give the Participants an opportunity to have a personal stake in the Company and will help achieve the following objectives:

- (a) motivate the Participants to optimise their performance and efficiency; and
- (b) attract and retain or otherwise maintain a long term relationship with the Participants whose contributions are or will be in line with the business objectives of the Group.

(ii) Who may join and basis of eligibility

The Board may, at its absolute discretion and on such terms as it may think fit, grant to any directors and employees of the Company or any of its subsidiaries (including persons who are granted Options under the Scheme as an inducement to enter into employment contracts with the Company or any of its subsidiaries), Options to subscribe at a price calculated in accordance with paragraph (iii) below for such number of Shares as it may determine in accordance with the terms of the New Share Option Scheme.

The basis of eligibility of any Participant to the grant of any Option shall be determined by the Board (or as the case may be, the independent non-executive directors) from time to time on the basis of the Participant's contribution or potential contribution to the development and growth of the Group after taking into account of, among others, the Participant's qualification and experience, performance, time commitment, responsibilities, length of engagement with the Group and actual or potential contribution to the business objectives of the Group.

(iii) Exercise Price

The exercise price of an Option granted under the New Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of offer of the Option, which must be a business day; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of offer; and (iii) the nominal value of a Share on the date of offer.

(iv) Grant of options and acceptance of offers

An offer for the grant of options must be accepted within 21 days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.00.

(v) Maximum number of Shares

- (aa) The maximum number of Shares which may be issued in respect of all Options or awards to be granted under the Scheme and any other schemes of the Group shall not in aggregate exceed 152,845,630 Shares, being 10% of the Shares in issue as at the date of adoption of the Scheme (the “**Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- (bb) If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Options or awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.
- (cc) The Company may seek approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit under the Scheme after three years from the date of Shareholders’ approval for the last refreshment (or the adoption of the New Share Option Scheme).
- (dd) Any refreshment within any three year period must be approved by Shareholders of the Company subject to the following provisions:
 - (i) any controlling Shareholders and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 17.47(6), 17.47(7) and 17.47A, 17.47B and 17.47C of the GEM Listing Rules or such other provisions as required under Rule 23.03(C) of the GEM Listing Rules.

The requirements under paragraphs (i) and (ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 17.41(1) of the GEM Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

- (ee) The total number of Shares which may be issued in respect of all Options or awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit. The Company must send a circular to the Shareholders containing the number of Options that were already granted under the existing Scheme Mandate Limit, and the reason for the refreshment.
- (ff) The Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided the Options in excess of the limit are granted only to Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Participants who may be granted such Options, the number and terms of the Options to be granted to each Participants, and the purpose of granting Options to the specified Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Participants must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the exercise price under the GEM Listing Rules.

(vi) Maximum entitlement of each participant

Subject to (vii) below, the total number of Shares issued and to be issued upon exercise of the Options and awards granted to each Participant or grantee (including exercised and outstanding Options but excluding any Options and awards lapsed in accordance with the terms of such schemes) in any twelve (12)-month period up to the date of grant shall not exceed 1% of the number of the total issued Shares at the date of grant (the "**Individual Limit**"). Where any grant of Options to a Participant would result in the Shares issued and to be issued in respect of all Options granted to such person (excluding any Options lapsed in accordance with the terms of the New Share Option Scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares of the Company in issue, such grant must be separately approved by Shareholders of the Company in general meeting with such Participant and

his/her close associates (or associates if the Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders. The circular must disclose the identity of the Participant, the number and terms of the Options to be granted (and those previously granted to such Participant in the 12-month period), the purpose of granting Options to the Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to such Participant must be fixed before Shareholders' approval. In respect of any Options to be granted, 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 the GEM Listing Rules.

(vii) Grant of options to certain connected persons

- (aa) any grant of Options to any director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive directors of the Company (excluding any independent non-executive director who is an offeree of an Option) and shall comply with the relevant provisions of Chapter 23 of the GEM Listing Rules.
- (bb) Where any grant of Options to independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Options granted (excluding any Options lapsed in accordance with the terms of the New Share Option Scheme to such person in the 12-month period up to and including the date of such grant) representing in aggregate over 0.1% of the relevant class of shares in issue, such further grant of Options must be approved by Shareholders of the Company in general meeting. The Company must send a circular to the Shareholders. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the requirements under Rule 23.04 of the GEM Listing Rules.
- (cc) Any change in the terms of Options granted to a grantee who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by Shareholders for the Company in the manner as set out in Rule 23.04 of the GEM Listing Rule if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the New Share Option Scheme).

(viii) Restrictions on the times of grant of options

A grant of Options may not be made after inside information has come to the Company's knowledge until it has announced the information. In particular, during the period commencing one month immediately before the earlier of:

- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the GEM 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 GEM Listing Rules); and
- (b) the deadline for the Company to publish an announcement for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules),

and ending on the date of the results announcement, no Option may be granted. No Option may be granted during any period of delay in publishing a results announcement.

(ix) 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 as the Board may determine which shall not exceed ten years from the date of offer of the Options subject to the terms of the New Share Option Scheme.

The vesting period of the Options shall be between 12 to 36 months as the Board may determine. Save for the circumstances prescribed below, an Option must be held by the grantee for at least twelve (12) months before the Option can be exercised. A shorter vesting period may be granted to the Participants at the discretion of the Board in any of the following circumstances:

- (aa) grants of "make-whole" Options to new joiners to replace the share awards or options they forfeited when leaving the previous employer;
- (bb) grants to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (cc) grants that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;

- (dd) grants with a mixed or accelerated vesting schedule such as where the Option may vest evenly over a period of 12 months;
- (ee) grants with performance-based vesting conditions in lieu of time-based vesting criteria; and
- (ff) the Remuneration Committee is of the view that a shorter vesting period is appropriate and serves the purpose of the New Share Option Scheme.

(x) Performance targets and clawback mechanism

Save as determined by the Board in its absolute discretion when making the offer of the grant of the Options and other provisions of the New Share Option Scheme relating to lapse of the Options, there is no performance targets or clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted to any grantee) to any Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances.

(xi) Ranking of Shares

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the bye-laws 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 of allotment and accordingly will entitle the holders to the same rights on voting, transfer and other rights, including those arising on a liquidation of the Company and to participate in all dividends or other distributions paid or made after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment, save that the Shares allotted upon the exercise of any Option shall not carry any voting rights until the name of the grantee has been duly entered on the register of members of the Company as the holder thereof.

(xii) Rights are personal to grantee

An Option shall not be transferable or assignable and shall be personal to the grantee of the Option. Subject to the Stock Exchange granting the necessary waiver, a grantee may transfer any Options to a vehicle (such as a trust or a private company) for the benefit of the grantee and any family members of such grantee including but not limited to for estate planning and/or tax planning purposes that would continue to meet the purpose of the New Share Option Scheme and comply with other requirements of Chapter 23 of the GEM Listing Rules. In the event of any such transfer, the Company shall disclose the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle.

(xiii) Rights on cessation of employment by death

In the event of the death of the grantee (provided that none of the events which would be a ground for termination of employment referred to in (xiv) below arises within a period of 3 years prior to the death, in the case the grantee is an employee at the date of grant), the legal personal representative(s) of the grantee may exercise the option up to the grantee's entitlement (to the extent which has become exercisable and not already exercised) within a period of 12 months following his death provided that where any of the events referred to in (xvii), (xviii) and (xix) occurs prior to his death or within such period of 6 months following his death, then his personal representative(s) may so exercise the option within such of the various periods respectively set out therein.

(xiv) Rights on cessation of employment by dismissal

In the event that the grantee is an employee of the Group when an offer is made to him and he subsequently ceases to be an employee of the Group on any one or more of the grounds that he has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, his Option shall lapse on the date of cessation of his employment with the Group.

(xv) Rights on cessation of employment for other reasons

In the event that the grantee is an employee of the Group at the date of grant and he subsequently ceases to be an employee of the Group for any reason other than his death or the termination of his employment on one or more of the grounds specified in (xiv) above, the option (to the extent not already exercised) shall lapse on the expiry of 3 months after the date of cessation of such employment (which date will be the last actual working day with the Company or the relevant member of the Group whether salary is paid in lieu of notice or not).

(xvi) Effects of alterations to share capital

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is party), such corresponding adjustments (if any) shall be made in (a) the number of Shares subject to the Option so far as unexercised and/or (b) the exercise prices, provided that any alteration shall give a grantee the same proportion of the issued share capital of the Company as that to which he was previously entitled, rounded to the

nearest whole Share, but no adjustment shall be made to the effect of which would be to enable a Share to be issued at less than its nominal value. In respect of any such adjustments (other than any made on a capitalisation issue), the auditors or the financial adviser (as the case may be) appointed by the Company must confirm in writing to the Board that the adjustments satisfy the requirements set out in the note to Rule 23.03(13) of the GEM Listing Rules.

(xvii) Rights on a general offer

In the event of a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all the Shareholders (or all such holders other than the offeror and/or any persons controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becoming or being declared unconditional, the grantee (or, as the case may be, his legal personal representative(s)) shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 1 month after the date on which the offer becomes or is declared unconditional.

(xviii) Rights on winding-up

In the event a notice is given by the Company to the members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all grantees and thereupon, each grantee (or, as the case may be, his legal personal representative(s)) shall be entitled to exercise all or any of his options at any time not later than 2 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 the relevant Shares to the grantee credited as fully paid.

(xix) Rights on compromise or arrangement

In the event of a compromise or arrangement between the Company and the Shareholders or the creditors of the Company being proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies pursuant to the Companies Law, the Company shall give notice thereof to all the grantees (or, as the case may be, their legal personal representatives) on the same day as it gives notice of the meeting to the Shareholders or the creditors to consider such a compromise or arrangement and the options (to the extent not already exercised) shall become exercisable in whole or in part on such date not later than 2 business days prior to the date of the general meeting directed to be convened by the court for the purposes of considering such compromise or arrangement (“**Suspension Date**”), 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 practicable and, in any event, no later than 3:00 p.m. on the business day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the grantee credited as fully paid. With effect from the Suspension Date, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavour to procure that the Shares issued as a result of the exercise of options hereunder shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court), the rights of grantees to exercise their respective options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the New Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of such proposal, unless any such loss or damage shall have been caused by the act, neglect, fraud or willful default on the part of the Company or any of its officers.

(xx) Lapse of options

An option shall lapse automatically on the earliest of:

- (aa) the expiry of the period referred to in paragraph (ix) above;
- (bb) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraphs (xiii), (xv), (xvii), (xviii) or (xix) above;
- (cc) subject to paragraph (xviii) above, the date of the commencement of the winding-up of the Company;
- (dd) in the event that the Grantee is an employee of the Group when an Offer is made to him and he subsequently ceases to be an employee of the Group on any one or more of the grounds that he has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, the date of cessation of his employment with the Group;

(ee) the occurrence of any act of bankruptcy, insolvency or entering into of any arrangements or compositions with his creditors generally by the grantee, or conviction of the grantee of any criminal offence involving his integrity or honesty; or

(ff) the date on which the grantee commits a breach of paragraph (xii).

(xxi) Cancellation of options granted but not yet exercised

Any cancellation of Options granted but not exercised may be effected on such terms as may be agreed with the relevant Participant, as the Board may in its absolute discretion sees fit and in manner that complies with all applicable legal requirements for such cancellation. Where the Company cancels Options and issues new ones to the same Option holder, such new grant may only be made under the New Share Option Scheme with available Scheme Mandate Limit approved by Shareholders in accordance with Chapter 23 of the GEM Listing Rules. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

(xxii) Period of the New Share Option Scheme

The New Share Option Scheme will remain in force for a period of ten years commencing from the date of its adoption and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier pursuant to the terms of the New Share Option Scheme.

(xxiii) Alteration to the New Share Option Scheme

The New Share Option Scheme may be altered in any respect by a resolution of the Board subject to the followings:

(aa) any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 23.03 of the GEM Listing Rules to the advantage of the grantee must be approved by the Shareholders of the Company in general meeting;

(bb) any change to the terms of Options granted to a grantee must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company, (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the New Share Option Scheme;

- (cc) the amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 23 of the GEM Listing Rules; and
- (dd) any change to the authority of the Directors or scheme administrators to alter the terms of the New Share Option Scheme must be approved by Shareholders of the Company in general meeting.

(xxiv) Termination to the New Share Option Scheme

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but Options granted prior to such termination but not yet exercised or in respect of which Shares are not yet issued to the grantees shall continue to be valid and exercisable in accordance with provisions of the New Share Option Scheme.

(xxv) Conditions of the New Share Option Scheme

The New Share Option Scheme shall take effect subject to the passing of the necessary resolution to adopt the same by the Shareholders in general meeting and is conditional upon the Listing Committee of the Stock Exchange granting approval of the New Share Option Scheme and any Options which may be granted thereunder and the listing of and permission to deal in any Shares to be issued pursuant to the exercise of any Options which may be granted thereunder.



JIADING INTERNATIONAL GROUP HOLDINGS LIMITED

嘉鼎國際集團控股有限公司

(Formerly known as Farnova Group Holdings Limited 法諾集團控股有限公司)

(Incorporated in Bermuda with limited liability)

(Stock code: 08153)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (“SGM”) of Jiading International Group Holdings Limited (“Company”) will be held at 4:00 p.m. on Thursday, 6 April 2023 at Conference Room, Room 815–818, 8/F, China Insurance Group Building, No. 141 Des Voeux Road Central, Central, Hong Kong for the purposes of considering and, if thought fit, passing (with or without amendments) the following resolutions of the Company as ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT** subject to and conditional upon the granting by the Listing Committee of the Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) of the listing of and permission to deal in the shares of the Company (“**Shares**”) to be issued and allotted by the Company under the proposed share option scheme of the Company (the “**New Share Option Scheme**”, a copy of which has been produced to the meeting marked ‘A’ and initialled by the chairman of the meeting for the purpose of identification):
 - (a) the New Share Option Scheme be and is hereby approved and adopted as the Company’s share option scheme and the directors of the Company be and are hereby authorized to do all such acts and to take all such steps as they may deem necessary, desirable or expedient to carry into effect, waive or amend the New Share Option Scheme subject to the terms of the New Share Option Scheme and the Rules Governing the Listing of Securities on GEM of the Stock Exchange (as amended from time to time);
 - (b) the directors of the Company be and are hereby authorised to grant options to subscribe for shares in accordance with the rules of the New Share Option Scheme up to a maximum of 10% of the Shares in issue as at the date of passing of this resolution, to issue and allot Shares pursuant to the exercise of the options so granted, to administer the New Share Option Scheme in accordance with its terms and to take all necessary actions incidental thereto as the Directors of the Company deem fit; and

NOTICE OF SGM

- (c) subject to paragraph (a) and (b) hereinabove, the share option scheme adopted by the Company on 27 March 2020 be and is hereby terminated (save with respect to any outstanding, issued and unexercised options thereof) with effect from the adoption of the New Share Option Scheme.”
2. “**THAT** ZHONGHUI ANDA CPA Limited be and is hereby appointed as auditor of the Company and its subsidiaries to fill the vacancy following the resignation of Mazars CPA Limited and to hold office until the conclusion of the next annual general meeting of the Company, and that the board of directors of the Company be and is authorized to fix their remuneration.”

By Order of the Board
Jiading International Group Holdings Limited
Mou Zhongwei
Chairman

Hong Kong, 21 March 2023

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*
Room 1104A, 11/F,
Kai Tak Commercial Building,
317–319 Des Voeux Road Central,
Sheung Wan, Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at the SGM shall be entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A shareholder who is the holder of two or more shares may appoint more than one proxy(ies) to represent him/her/it and vote on his/her/its behalf. A proxy need not to be a shareholder of the Company.
2. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be deposited at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the SGM (or any adjournment thereof).
3. Completion and delivery of a form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the SGM, and in such event, such form of proxy shall be deemed to be revoked.

NOTICE OF SGM

4. Where there are joint holders of any shares, any one of such joint holder may vote, either in person or by proxy, in respect of such shares as if he/she/it was solely entitled thereto; but if more than one of such joint holders be present at the SGM, 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 of the Company in respect of such joint holding.
5. A form of proxy for use at the SGM is attached herewith.
6. Any voting at the SGM shall be taken by poll.
7. The form of proxy shall be signed by the shareholder of the Company or his/her attorney duly authorised in writing or, in the case of a corporation, must be either executed under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
8. The register of members of the Company will be closed from Friday, 31 March 2023 to Thursday, 6 April 2023, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the SGM, all share transfers accompanied by the relevant share certificate must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited at 17/F, Far East Finance Centre 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on 30 March 2023 for such purpose.

As of the date of this notice, the executive Directors are Mr. Mou Zhongwei, Ms. Liu Ching Man, Mr. Li Guangying and Ms. Cai Ying; the non-executive Directors are Ms. Wang Dongmei, Mr. Ye Wenxue and Ms. Liu Ying; and the independent non-executive Directors are Mr. Luo Ji, Mr. Lui Chi Kin, Ms. Sun Naimeng and Mr. Shin Ho Chuen.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 notice 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 notice misleading.

This notice will remain on the "Latest Listed Company Information" page of the Stock Exchange website <http://www.hkexnews.hk> for at least 7 days from the date of its publication. This notice will also be published on the Company's website at www.jiadingint.com.