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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 Ming Yuan Cloud Group Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, licensed securities dealer, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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明源雲

Ming Yuan Cloud Group Holdings Limited

明源雲集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 909)

PROPOSALS FOR

- (1) RE-ELECTION OF DIRECTORS;**
 - (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE ADOPTION OF THE THIRD AMENDED AND RESTATED ARTICLES OF ASSOCIATION;**
 - (3) PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME;**
 - (4) PROPOSED AMENDMENTS TO THE SHARE AWARD SCHEME;**
 - (5) PROPOSED AMENDMENTS TO THE SHARE INCENTIVE PLAN;**
 - (6) RE-APPOINTMENT OF AUDITOR;**
 - (7) GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES;**
 - (8) DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT;**
- AND**
- NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Ming Yuan Cloud Group Holdings Limited to be held at Room Taihu, 4/F, Tower A, Gemdale Viseen Tower, 16 Gaixin South 10th Road, Nanshan District, Shenzhen, PRC on Friday, 10 May 2024 at 10:00 a.m. is set out on pages 93 to 99 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.mingyuanyun.com). Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting if they so wish, and in such event, the relevant form of proxy shall be deemed to be revoked.

17 April 2024

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Room Taihu, 4/F, Tower A, Gemdale Viseen Tower, 16 Gaoxin South 10th Road, Nanshan District, Shenzhen, PRC on Friday, 10 May 2024 at 10:00 a.m., or any adjournment thereof and notice of which is set out on pages 93 to 99 of this circular
“Amended Share Award Scheme”	the amended and restated Share Award Scheme proposed by the Board to seek approval from the Shareholders at the AGM
“Amended Share Incentive Plan”	the amended and restated Share Incentive Plan proposed by the Board to seek approval from the Shareholders at the AGM
“Amended Share Option Scheme”	the amended and restated Share Option Scheme proposed by the Board to seek approval from the Shareholders at the AGM
“Amended Share Scheme(s)”	collectively, the Amended Share Option Scheme, the Amended Share Award Scheme and the Amened Share Incentive Plan
“Amendment Date”	the date on which the proposed amendments to the respective Share Schemes are approved by the Shareholders at the AGM
“Articles of Association”	the second amended and restated articles of association of the Company adopted by a special resolution passed on 27 May 2022, as may be amended and/or restated from time to time
“associates”	has the meaning ascribed thereto under the Listing Rules
“Award(s)”	an award granted by the Board to a selected participant, which may vest in the form of Award Shares or cash, as the Board may determine in accordance with the terms of the relevant scheme rules of the Amended Share Award Scheme

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“Award Letter”	the document in writing for each grant of Awards to an Eligible Person
“Award Shares”	the Shares granted to a selected participant in an Award
“Board”	the board of Directors
“Board Delegate(s)”	the delegate(s) of the Board having the authority therefrom to administer the Amended Share Option Scheme and the Amended Share Award Scheme in accordance with the respective terms thereto, which can include the Remuneration Committee, a member of the Remuneration Committee or other person(s), including the Company’s management team
“business day”	a day upon which the Stock Exchange is open for securities trading
“Companies Act”	the Companies Act (As Revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Ming Yuan Cloud Group Holdings Limited (明源雲集團控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
“Consolidated Affiliated Entity(ies)”	the entity(ies) that the Group controls through
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	with respect to the Amended Share Scheme(s), any individual, or a corporate entity (as the case may be), being any of (i) an Employee Participant; (ii) a Related Entity Participant; and (iii) a Service Provider

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“Employee Participant”	any director and employee (whether full-time or part-time employee) of any members of the Group, and including persons who are granted Options or Awards as an inducement to enter into employment contracts with any members of the Group (including nominees and/or trustees of any employee benefit trust established for them)
“Grant Letter”	the document in writing for each grant of Options to an Eligible Person
“Group”	the Company and its subsidiaries and Consolidated Affiliated Entity from time to time or, where the context so requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries and Consolidated Affiliated Entity, such subsidiaries and Consolidated Affiliated Entity as if they were subsidiaries and Consolidated Affiliated Entity of the Company at the relevant time
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue and deal with Shares up to a maximum of 20% of the total number of issued shares of the Company as at the date of passing of the relevant resolution
“Latest Practicable Date”	10 April 2024, being the latest practicable date
“Listing Date”	25 September 2020, being the date on which the Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Memorandum of Association”	the second amended and restated memorandum of association of the Company adopted by special resolution passed on 27 May 2022, as may be amended and restated from time to time

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“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“MYC”	MYC Marvellous Limited, a limited liability company incorporated in the British Virgin Islands and a special purpose vehicle wholly owned by TMF Trust, the trustee appointed by the Company for the administration of the Share Incentive Plan and any other relevant share schemes of the Company
“New Rules”	the amendments to the Listing Rules to implement the proposals of the “Consultation Conclusions on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers and Housekeeping Rule Amendment” published on 29 July 2022
“Nomination Committee”	the nomination committee of the Company
“Option(s)”	a right granted to subscribe for Shares pursuant to the scheme rules of the Amended Share Option Scheme
“PRC”	the People’s Republic of China, for the purpose of this circular only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Proposed Amendments”	the proposed amendments to the Articles of Association set out in Appendix III to this circular
“Record Date”	20 May 2024, being the record date for determining entitlements of the Shareholders to the Special Dividend
“Related Entity”	any of the holding companies, fellow subsidiaries (other than members of the Group) or associated companies of the Company
“Related Entity Participant”	any person who is an employee or a director of a Related Entity
“Remuneration Committee”	the remuneration committee of the Company

DEFINITIONS

“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the aggregate number of issued Shares as at the date of passing of the relevant resolution granting such general mandate
“RMB”	Renminbi Yuan, the lawful currency of the PRC
“RSU(s)”	a restricted unit share granted by the Board to a Selected Participant, which may vest in the form of RSU Shares or the Actual Selling Price of the RSU Shares in cash, as the Board may determine in accordance with the terms of the Share Incentive Plan
“RSU Letter”	the document in writing for each grant of RSUs to an Eligible Person
“RSU Shares”	the Shares granted to a Selected Participant in an RSU
“Scheme Limit”	the total number of Shares which may be issued in respect of all options, awards and RSUs to be granted under the Amended Share Scheme(s) (as the case may be) and, and any other schemes
“Selected Participant”	any Eligible Person approved for participation in the Amended Share Scheme(s) (as the case may be) and who has been granted any Award, Option or RSUs pursuant to the relevant scheme rules
“Service Provider”	any person or corporate entity (other than an employee or a director of any member of the Group) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements (including the hours, places and mode of services), and the business segments and focuses of the Group from time to time

DEFINITIONS

“Service Provider Sublimit”	the total number of new Shares which may be issued pursuant to Awards, Options and/or RSUs granted and to be granted under the relevant Amended Share Scheme(s) to Service Providers, which must not exceed 0.5% of the total number of issued Shares as at the date of the Shareholders’ approval of the Service Provider Sublimit
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of HK\$0.0001 each
“Share Award Scheme”	the post-IPO share award scheme of the Company approved and adopted by the Board on 11 June 2021
“Share Incentive Plan”	the share incentive plan of the Company approved and adopted by the Board on 29 March 2020
“Share Option Scheme”	the post-IPO share option scheme approved by an ordinary resolution passed by the Shareholders at the annual general meeting of the Company held on 11 June 2021
“Share Premium Account”	the share premium account of the Group, the amount standing to the credit of which was approximately RMB7,408,985,000 as at 31 December 2023 based in the audited consolidated financial statements of the Company as at that date
“Share Scheme(s)”	collectively, the Share Award Scheme, the Share Option Scheme and the Share Incentive Plan
“Shareholder(s)”	the holder(s) of the Share(s)
“Special Dividend”	the proposed special dividend of HK\$0.1 (equivalent to RMB0.091) per Share as recommended by the Board to be declared and paid out of the Share Premium Account to Shareholders whose names appear on the register of members of the Company on the Record Date
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“substantial shareholder(s)”	has the meaning ascribed thereto in the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
“Third Amended and Restated Articles of Association”	the third amended and restated articles of association of the Company incorporating and consolidating all the Proposed Amendments
“TMF”	TMF (Cayman) Ltd.
“TMF Trust”	TMF Trust (HK) Limited
“Trust”	the trust or any other entity(ies) established by the Trustee and constituted by the Trust Deed (if any) to service the Amended Share Scheme(s)
“Trustee”	the trustee appointed by the Company for the purpose of administering the Trust or entity(ies) controlled by such trustee
“Trust Deed”	the trust deed entered or to be entered into between the Company and the Trustee in the context of establishment of the Trust (as may be restated, supplemented and amended from time to time)
“%”	per cent

LETTER FROM THE BOARD

明源雲

Ming Yuan Cloud Group Holdings Limited

明源雲集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 909)

Executive Directors:

Mr. Gao Yu (*Chairman*)
Mr. Jiang Haiyang (*Chief Executive Officer*)
Mr. Chen Xiaohui (*Vice President*)

Registered office:

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

Non-executive Director:

Mr. Liang Guozhi

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

801, Tower A, Gemdale Viseen Tower
16 Gaoxin South 10th Road
Gaoxin Community, Yuehai Subdistrict
Nanshan District, Shenzhen, the PRC

Independent non-executive Directors:

Mr. Li Hanhui
Mr. Zhao Liang
Ms. Tong Naqiong

Principal place of business

in Hong Kong:

Room 1901, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

17 April 2024

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR

- (1) RE-ELECTION OF DIRECTORS;**
 - (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE ADOPTION OF THE THIRD AMENDED AND RESTATED ARTICLES OF ASSOCIATION;**
 - (3) PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME;**
 - (4) PROPOSED AMENDMENTS TO THE SHARE AWARD SCHEME;**
 - (5) PROPOSED AMENDMENTS TO THE SHARE INCENTIVE PLAN;**
 - (6) RE-APPOINTMENT OF AUDITOR;**
 - (7) GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES;**
 - (8) DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT;**
- AND**
- NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding certain resolutions to be proposed at the Annual General Meeting. These resolutions include, among others, (i) the re-election of the Directors; (ii) the Proposed Amendments to the Articles of Association referred to Appendix III to this circular and the adoption of the Third Amended and Restated Articles of Association; (iii) the proposed amendments to the Share Option Scheme; (iv) the proposed amendments to the Share Award Scheme; (v) the proposed amendments to the Share Incentive Plan; (vi) the proposed adoption of the Scheme Limit; (vii) the proposed adoption of the Service Provider Sublimit; (viii) the proposed re-appointment of auditor; (ix) the granting to the Directors of the Issue Mandate and the Repurchase Mandate; and (x) the proposed payment of Special Dividend out of Share Premium Account. The resolutions will be proposed at the Annual General Meeting and are set out in the notice of the Annual General Meeting as contained in this circular.

2. RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. In this connection, Mr. Jiang Haiyang, Mr. Chen Xiaohui and Mr. Zhao Liang shall retire by rotation at the Annual General Meeting and they being eligible, offer themselves for re-election. Each of the executive Directors has entered into a service contract with the Company for a term of three years and an independent non-executive Director has entered into a letter of appointment with the Company for a term of one year.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on the re-election of all the retiring Directors.

Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that all the retiring Directors, namely Mr. Jiang Haiyang, Mr. Chen Xiaohui and Mr. Zhao Liang stand for re-election as Directors at the Annual General Meeting.

Biographical details of Mr. Jiang Haiyang, Mr. Chen Xiaohui and Mr. Zhao Liang are set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE ADOPTION OF THE THIRD AMENDED AND RESTATED ARTICLES OF ASSOCIATION

The Board proposes to (i) make certain amendments to the Articles of Association, for the purposes of, among others, bringing the existing Articles of Association in line with certain amendments to the Listing Rules regarding electronic dissemination of corporate communications by listed issuers which took effect from 31 December 2023 and other house-keeping amendments that are consistent with such amendments and the applicable laws and the Listing Rules; and (ii) adopt the Third Amended and Restated Articles of Association incorporating and consolidating all the Proposed Amendments.

Details of the Proposed Amendments are set out in Appendix III to this circular.

The legal advisers to the Company as to Hong Kong laws and the Cayman Islands laws have respectively confirmed the Proposed Amendments comply with the applicable requirements of the Listing Rules and do not violate the laws of the Cayman Islands. The Company also confirms that there is nothing unusual in the Proposed Amendments from the perspective of a Cayman Islands company listed on the Stock Exchange.

The Proposed Amendments as well as the adoption of the Third Amended and Restated Articles of Association are subject to the Shareholders' approval by way of special resolution at the Annual General Meeting.

4. PROPOSED AMENDMENTS TO THE SHARE SCHEMES

The Company currently has a total of three share schemes, namely (i) the Share Option Scheme, (ii) the Share Award Scheme and (iii) the Share Incentive Plan. The Share Option Scheme was conditionally approved and adopted by the Shareholders on 11 June 2021 and has taken effect since 11 June 2021; the Share Award Scheme was approved and adopted by the Board on 11 June 2021; and the Share Incentive Plan was approved and adopted by the Board on 29 March 2020.

Following the adoption of the Share Schemes, in July 2022, the Stock Exchange published the New Rules, pursuant to which, inter alia, certain amendments to Chapter 17 of the Listing Rules were adopted with effect from 1 January 2023.

As a result of the aforesaid amendments to Chapter 17 of the Listing Rules, the existing terms of each of the Share Schemes no longer comply with new Listing Rules. Coupled with the observance of other applicable requirements under the Listing Rules, the Directors consider that it would be in the best interests of the Company and its Shareholders to amend each of the Share Schemes to comply with the New Rules, and to adopt the Scheme Limit and the Service Provider Sublimit. As the proposed amendments to the Share Schemes are considered to be material in nature, such amendments will be subject to approval by the Shareholders at the AGM.

LETTER FROM THE BOARD

The key changes entailed by the proposed amendments to the Share Schemes are summarized as follows:

- (a) to bring the definition of “Eligible Person(s)” in line with the New Rules;
- (b) to amend and align the purposes of the Share Schemes;
- (c) to adopt the basis for determination of eligibility for the Related Entity Participants;
- (d) to identify each category of Service Providers and the criteria for determining a person’s eligibility under each category as described below;
- (e) to adopt the aggregate Scheme Limit of 10% of the total issued Shares as at the date of the Shareholders’ approval of the Amended Share Schemes (excluding any options, RSUs or awards lapsed in accordance with the terms of the respective share schemes) and to clarify the requirement for refreshment of the Scheme Limit. In this connection, for the avoidance of doubt, and for the purpose of complying with the New Rules, all Shares (i) remain to be issued pursuant to grants to be made under the respective Share Scheme as of the Latest Practicable Date, being (a) 56,857,499 Shares under the Share Option Scheme; and (b) 37,311,875 Shares under the Share Award Scheme; and (ii) already issued to and currently held by the relevant trustee for future grants pursuant to the Share Incentive Plan, being 14,843,636 Shares, will be treated as new Shares and accordingly will be counted towards the Scheme Limit of the Amended Share Schemes;
- (f) to adopt the Service Provider Sublimit being 0.5% of the issued Shares of the Company as at the date of Shareholders’ approval of the Amended Share Schemes, and to provide further that, subject to relevant restrictions, grants can also be made to Employee Participants by utilizing the Service Provider Sublimit;
- (g) to provide that the Scheme Limit and the Service Provider Sublimit may be refreshed in accordance with the respective scheme rules and the Listing Rules, as further approved by Shareholders at general meetings;
- (h) to adopt a minimum vesting period of 12 months save where the grant of Options, Awards, and/or RSUs to certain Employee Participants are subject to a shorter vesting period under specific circumstances;
- (i) to adopt exceptions of transferability of Options, Awards and RSUs and to clarify the determination of existence of a sale or transfer of Options, Awards and RSUs where the Selected Participant is a corporate entity;
- (j) to streamline and specify the approval authority and the respective manner of approval thereof in case of further amendments of the terms of the Amended Share Schemes;

LETTER FROM THE BOARD

- (k) to adopt a clawback mechanism for the Company to withhold or recover any Options, Awards and/or RSUs granted to the relevant Selected Participant; and
- (l) to include other amendments for house-keeping purposes and to better align the wordings with those of the Listing Rules.

In addition, having considered that equity-based remuneration continues to be an important means of ensuring alignment between the interests of the Shareholders and all members of the Board, including the independent non-executive Directors, the Board believes the inclusion of independent non-executive Directors as Eligible Persons, if any, under each of the Amended Share Schemes will allow the Company to keep its remuneration package competitive, and that any potential grant of the Options, Awards and/or RSUs under each of the Share Schemes to the independent non-executive Directors will not lead to bias in their decision-making or impair their independence and objectivity due to the following reasons:

- (a) the Company does not anticipate attaching any performance-related elements to potential grants of Options, Awards and/or RSUs to independent non-executive Directors in the future, with the Board being mindful of the Recommended Best Practice E.1.9 of Appendix C1 to the Listing Rules which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors;
- (b) the independent non-executive Directors will, and should, continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; and
- (c) any Options, Awards and RSUs to be granted under all Amended Share Schemes of the Company to an independent non-executive Director or any of their respective associates would not result in the Shares issued and to be issued in respect of all Options, Awards and RSUs granted (excluding any Options, Awards and RSUs lapsed in accordance with the terms of the relevant Share Scheme(s)) to such person in the 12-month period up to and including the date of the grant representing in aggregate over 0.1% (the “**INED Limit**”) of the total number of issued Shares as at the date of grant, and any further grants to be made in excess of the INED Limit shall require approval by Shareholders in general meeting, which serves as an additional safeguard against possible compromise of their independence.

The proposed amendments to the terms of the respective Share Schemes are set forth in this Letter from the Board to this circular, respectively. The ordinary resolutions in relation to the proposed amendments to the Share Schemes will be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

4A. PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

A summary of the principal terms of the Amended Share Option Scheme is set out below.

Purpose

The purposes of the Amended Share Option Scheme are to (i) align the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group.

Participants of The Amended Share Option Scheme and The Basis of Determining the Eligibility of Participants

The Eligible Persons who may be selected to become a participant of the Amended Share Option Scheme are any individual, or a corporate entity (as the case may be), being any of (i) an Employee Participant; (ii) a Related Entity Participant, and (iii) a Service Provider, who the Board or the Board Delegate(s) considers, in their sole discretion, to have contributed or will contribute to the Group or any Related Entity; however, no individual who is resident in a place where the grant, acceptance or vesting of an Option pursuant to the Amended Share Option Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or the Board Delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Amended Share Option Scheme and such individual shall therefore be excluded from the term Eligible Person.

(i) Employee Participant and the Basis of Eligibility

Employee Participant is any person who is an employee (whether full-time or part-time employee) or a director (including any executive director, non-executive director or independent non-executive director) of any member of the Group, including persons who are granted Options under the Amended Share Option Scheme as an inducement to enter into employment contract with any member of the Group and, for the avoidance of doubt, a Selected Participant shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) a transfer of employment amongst the members of the Group; and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment.

In assessing the eligibility of Employee Participants, the Board or the Board Delegate(s) will consider their contribution to the Group's growth.

LETTER FROM THE BOARD

(ii) Related Entity Participant and the Basis of Eligibility

Related Entity Participant is any person who is an employee or a director of a Related Entity.

In assessing the eligibility of Related Entity Participants, the Board or the Board Delegate(s) will consider, among others, the contributions to the returns and benefits of the Group’s investment and/or interest in such Related Entity, the business synergy and industry opportunities brought by them to the Group and/or the Related Entity, and whether they should be rewarded to further motivate their performances for the benefit of the Group and/or the Related Entity.

Set out below are the detailed description of the type of Related Entity Participants and the specific criteria for determining the eligibility thereof under the Amended Share Option Scheme:

Type of the Related Entity Participants	Contributions of the Related Entity Participants	Criteria for determining eligibility under the Amended Share Option Scheme
Employees or directors of certain investees of the Company (“ Investee Participants ”)	Related Entity Participants under this category are mainly Investee Participants who are employees and/or directors of companies that are part of the Company’s real estate value ecosystem. These companies bring new perspectives and possibilities to the Company’s business development, supplement and enrich the Company’s solutions and products, thereby enhancing the competitiveness of the Company’s solutions and product services.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such investee, including but not limited to:</p> <ul style="list-style-type: none"> (1) value of the relevant investee’s own business; (2) potential synergies and efficacy to the Company’s business and solutions package; and (3) performance of the relevant investee.

LETTER FROM THE BOARD

The Board (including the independent non-executive Directors) is of the view that the Related Entity Participants are valuable human resources to the Group as they bring about business synergy and industry opportunities to the Group and/or the Related Entity by often engaging in projects or other business collaborations in connection with the Group's business, which have contributed and are expected to continue to contribute to the development and growth of the Group's businesses.

Therefore, the Board (including the independent non-executive Directors) considers that the inclusion of the Related Entity Participants as Eligible Persons of the Amended Share Option Scheme is in line with the Company's business needs, the purposes of the Amended Share Option Scheme, and the long-term interests of the Company and the Shareholders.

(iii) Service Provider Participant and the Basis of Eligibility

Service Provider is any person or corporate entity (other than an employee or a director of any member of the Group) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements (including the hours, places and mode of services), and the business segments and focuses of the Group from time to time.

In assessing a Service Provider's eligibility as a Selected Participant, the Board or the Board Delegate(s) will take into account a range of factors, including: (i) the scale of their business dealings with the Group (in terms of fees payable to them, where applicable); (ii) the length of business relationships between them and the Group; (iii) the performance of the relevant person or entity as a Service Provider, including the quality of their services previously provided to the Group; (iv) their contributions to the profits and/or business development of the Group and potential contributions to be made to the Group in light of their experience, qualifications, know-how and/or network, market conditions of the services that they provide to the Group; (v) the scarcity of their services which may therefore justify compensation in the long run; (vi) the possibility of developing a long-term business relationship with such person as a Service Provider, to secure the supply of quality services for the Group, which may avoid replacement cost and reduce transaction cost in the long run; and (vii) the positive impact they have brought to the Group's business development.

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Set out below are the detailed description of the types of Service Providers and the specific criteria for determining the eligibilities thereof under the Amended Share Option Scheme:

Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Option Scheme
Independent exclusive regional channel partners	Service Providers under this category are mainly independent exclusive long-term and stable regional channel partners who/which collectively form an extensive sales and service network across China and (i) contribute a significant portion of the Group's revenue; and (ii) help the Company expand its market coverage beyond first-tier cities by forming an important part of the sales network and expanding the Company's influence and popularity outside those cities.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such regional channel partner, including but not limited to:</p> <ol style="list-style-type: none"> <li data-bbox="959 761 1351 1034">(1) the periodic assessment of the performance of the relevant regional channel partners based on the value of products they acquired from Company for distribution within the assessed time period; <li data-bbox="959 1087 1351 1193">(2) the aggregate value of contracts that they sign with end customers over a period of time; <li data-bbox="959 1247 1351 1353">(3) the value of the products distributed by the relevant regional channel partner; <li data-bbox="959 1406 1351 1513">(4) the distribution network of the relevant regional channel partner; <li data-bbox="959 1566 1351 1672">(5) the frequency of collaboration and length of business relationship with the Group;

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Option Scheme
		<p>(6) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties);</p> <p>(7) the background, reputation and track record of the relevant regional channel partner;</p> <p>(8) the replacement cost of such regional channel partner and/or the products or materials (including continuity and stability of distribution of such products or materials); and</p> <p>(9) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such regional channel partner could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the sales of products attributable to the distribution of products by the relevant regional channel partner.</p>

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Option Scheme
Suppliers	<p>Service Providers under this category are mainly suppliers who/which support the Group's businesses of (i) intelligent hardware that provides essential hardware assistance and groundwork for the Group's CRM Cloud business; (ii) cloud infrastructure and resources that furnish fundamental environment for the Group's SaaS operations and ensure stable and secure functioning of the Group's products and services, which include (a) cloud servers, cloud storage, databases and big data analysis that empowers the Group to attain adaptable IT infrastructure and efficient resource allocation as well as circumvent hefty investments in building and upkeeping the Group's own servers or data centers, (b) security services in high levels of reliability such as robust security protocols and data backup mechanisms that effectively mitigates diverse security threats and risks of data loss the Group may encounter in conducting its business, and (c) comprehensive cloud computing services and security solutions that facilitate the digital transformation and innovative development of the Group's enterprise customers as well as amplify the Group's operational efficiency and competitive edge; (iii) outsourced human resources services that complement and reinforce the Group's R&D capabilities in a more cost-efficient manner; and (iv) marketing and advertising services that endorse the Group's brand and help attract new customers during the Group's business expansion progress.</p>	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such supplier, including but not limited to:</p> <ol style="list-style-type: none"> (1) the nature, reliability and quality of the goods or services supplied; (2) the value of the goods or services provided by the relevant supplier; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant supplier; (6) the replacement cost of such supplier and/or the goods or services (including continuity and stability of supply or provision of such goods or services); and (7) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such supplier could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the goods or services supplied and/or provided by such supplier.

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Option Scheme
Agents and contractors	Service Providers under this category are mainly agents and contractors who/which provide intermediary and other professional/consultancy services to the (i) traffic channeling towards Group's operations to expand the Group's customer soliciting abilities, broaden the Group's business horizontal coverage and bolster the Group's efficacy and revenues; (ii) strategic planning of the Group's business through providing strategic consultations for new media that mutually propel business developments of both parties; and (iii) Group's operation procedure adjustments and strategic blueprints to furnish scientifically grounded guidance to enhance the Group's performance.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such agent and contractor, including but not limited to:</p> <ol style="list-style-type: none"> (1) individual performance of the relevant contractor, agent, consultant and/or adviser; (2) their knowledge, experience and network in the relevant industry; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant agent and contractor;

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Option Scheme
		<p>(6) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such agent and contractor could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by services provided by such agent and contractor;</p> <p>(7) the replacement cost of such agent and contractor (including continuity and stability of provision of the necessary services); and</p> <p>(8) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant contractor, agent, consultant and/or adviser, and/or the synergy between the relevant agent and contractor and the Group.</p>

For the avoidance of doubt, Service Providers should exclude (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service provider such as auditors or valuers who provide assurance or are required to perform their services with impartially and objectively.

Further, the Board (including the independent non-executive Directors) also considers that it is beneficial to reward and further incentivize such Service Providers with vested ownership under the Amended Share Option Scheme since a sustainable and stable relationship with them is essential to the business development of the Group. The proposed categories of the Service Providers are and will be needed for the operation and development of the Company's focused businesses. Accordingly, the Board (including the independent non-executive Directors) considers that the inclusion of the Service Providers as Eligible Persons of the Amended Share Option Scheme is also in line with the Company's business needs, the purposes of the Amended Share Option Scheme, and the long-term interests of the Company and the Shareholders.

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Scheme Limit

Unless subsequently refreshed in accordance with the respective scheme rules and the Listing Rules, as further approved by Shareholders at general meeting, the total number of Shares which may be issued upon exercise of all Options/vesting of all other awards or RSUs that may be granted under the Amended Share Option Scheme and any other share scheme involving the issue or grant of options or awards over Shares by the Company or any of its subsidiaries shall not in aggregate exceed 10% of the issued share capital of the Company as of the Amendment Date. Options lapsed in accordance with the terms of the Amended Share Option Scheme or any other scheme shall not be counted as utilized for the purpose of calculating the Scheme Limit. As at the Latest Practicable Date, the Company had 1,942,315,754 issued Shares, subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Scheme Limit will be 194,231,575 Shares.

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the vesting of any awards and/or exercise of options of up to 10% of the total number of issued Shares as at the date of the AGM.

Service Provider Sublimit

As the scope of eligible participants under the Amended Share Option Scheme shall be expanded to include Service Providers, the Board considers that it is appropriate to adopt a "service provider sublimit" within and subject to the Scheme Limit in accordance with Rule 17.03B(2) of the Listing Rules.

Unless subsequently refreshed in accordance with the respective scheme rules and the Listing Rules, as further approved by Shareholders at general meeting, the total number of new Shares which may be issued pursuant to Options or other awards (if applicable) granted and to be granted to Service Providers after the Amendment Date under the Amended Share Option Scheme and any other share scheme shall not exceed 0.5% of the issued Shares in issue as at the Amendment Date. As at the Latest Practicable Date, the Company has 1,942,315,754 issued Shares, subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Service Provider Sublimit will be 9,711,578 Shares. Subject to the foregoing, the Individual Limit (as defined below), and other applicable restrictions set out in the Amended Share Option Scheme, at the sole discretion of the Board or the Board Delegate(s), grants can also be made to Employee Participants by utilizing the Service Provider Sublimit.

The basis of determination of the Service Provider Sublimit included the potential dilution effect on the Shares arising from grants to the Service Providers, the importance of striking a balance between achieving the purpose of the Amended Share Option Scheme, and protecting Shareholders from the dilution effect from making grants to the Service Providers, the actual or expected increase in the Group's revenue or profits which shall be attributable to the Service Providers and the extent of use of the Service Provider in the Group's business, as

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well as ensuring sufficient amount of awards/options would be available to be granted to the Employee Participants. The Group also values long-standing relationships with its Service Providers such as independent exclusive regional channel partners, consultants, suppliers, agents, contractors and other business associates, who are key to the Group's success. The Group believes that, through engaging, collaborating, and cultivating strong relationships with the Service Providers, the Group can strive to achieve corporate sustainability, deliver high quality products and services to its potential customers and develop mutual trust and enhance communication and commitment between the Group and its suppliers to maintain sustainable growth.

Taking into account that (i) due to the hiring practice, organizational structures and business models of the Group, certain Service Providers, in particular, the independent contractors and agents, which provide services akin to those of employees of the Group, may not be able to serve as fulltime or part-time employees of the Group. For example, these Service Providers may have stepped down from position of the Group, or they may be seasoned professionals in their own fields with considerable own business connections whom the Group may not be able to recruit as employees, or they may prefer to be employed on self-employed basis, and the Board considers that it is in line with industry norm to co-operate with such former employees or former management or seasoned professionals by engaging them as service providers instead of employing them as full-time or part-time employees. As these Service Providers are either former management or former employees of the Group, or are personnel who have worked for the Group where the continuity and frequency of their services were akin to those of employees, the Group values their familiarity with the businesses and operation of the Group and the industry in general and their deep understanding of the Group, and considers that their contribution to the Group is similar to those of the employees of the Group; (ii) the benefit to and needs of the Group to provide long-term equity incentives to maintain the recurring and continuing contributions of the Service Providers in relation to day-to-day operations and core business functions of the Group; (iii) the minimal potential dilution to the shareholding of public Shareholders following the exercise of the options and/or awards to be granted to Service Providers under the Service Provider Sublimit because such sublimit is much lower than the Individual Limit (as defined below); (iv) all Amended Share Schemes will collectively share the Service Provider Sublimit of 0.5%; (v) the Service Provider Sublimit can also be utilized for making grants to Employee Participants and thereby further reducing the impact of any excessive dilution of public Shareholders' shareholding; and (vi) the Service Providers have contributed to the long-term growth of the Company's business, and that the Amended Share Option Scheme could incentivize Service Providers who/which supply reliable and high-quality services to the Group on a long-term basis, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable.

The Service Provider Sublimit is subject to separate approval by the Shareholders at the AGM.

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Individual Limit

Where any grant of Options and other awards to a grantee would result in the Shares issued and to be issued in respect of all Options, awards and RSUs granted or to be granted to such grantee under the Amended Share Option Scheme and other share schemes of the Company (excluding Options and such other awards lapsed in accordance with relevant schemes), in the 12-month period up to and including the grant date of such new grant exceeding 1% in aggregate of the issued share capital of the Company as at the date of the Grant Letter (the “**Grant Date**”) of such new grant (the “**Individual Limit**”), such grant must be separately approved by Shareholders in general meeting with such grantee and his close associates (or associates if the grantee is a connected person of the Company) abstain from voting.

Granting Options to a Director, Chief Executive, Substantial Shareholder

Each Option, Award, and RSU granted to a Director, chief executive or substantial shareholder of the Company or any of their respective associates shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive director who is a proposed grantee of such Options).

In addition, subject always to the Individual Limit, where any grant of Options, any other awards or RSUs pursuant to the Amended Share Option Scheme or any other concurrent share schemes to a substantial shareholder or an independent non-executive Director of the Company or any of their respective associates which would result in the Shares in issue and to be issued to such grantee under the Amended Share Option Scheme and any other schemes in the 12-month period up to and include the Grant Date, representing in aggregate over 0.1% of the total number of issued Shares on the Grant Date, such grant shall be subject to prior approval of the independent Shareholders in general meeting with the grantees, their associates and all core connected persons (as defined under the Listing Rules) of the Company abstaining from voting in favour.

Grant Letter

Grant Letter shall specify the number of shares under the Options, the vesting date, the Exercise Price (as defined below), the Exercise Period (as defined below), and any conditions in respect of which an offer of the Options is made as well as any performance targets that must be achieved before the Options can be exercised, and require the Eligible Person to undertake to hold the Options on the terms on which it is to be granted and to be bound by the provisions thereof.

An amount of RMB1.00 is payable by the grantee to the Company upon acceptance of the offer of Options.

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Exercise Period, Exercise Price, and Lapse of Options Granted

Any Option granted may be exercised during a period specified by the Board or the Board Delegate(s) in the Grant Letter and shall not expire later than ten years from the Grant Date (the “**Exercise Period**”).

The amount payable for each Share to be subscribed for under an Option (the “**Exercise Price**”) shall be determined by the Board or the Board Delegate(s) and notified to grantees, but shall be the highest of:

- (a) the closing price of a Share as stated in the Stock Exchange’s daily quotations sheet on the Grant Date of the relevant Options, which must be a business day;
- (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange’s daily quotation sheets for the five (5) business days immediately preceding the Grant Date of the relevant Options; and
- (c) the nominal value per Share on the Grant Date.

The basis for determining the Exercise Price under the Amended Share Option Scheme is also specified precisely in the scheme rules thereunder. The Board considers that such basis will serve to preserve the value of the Company, encourage the eligible persons to acquire proprietary interests in the Company, and that such limits imposed on the Exercise Price are adequate given that they are in line with that as required by the Listing Rules, at the same time minimizing dilution to existing Shareholders, while providing the Company with sufficient flexibility to determine the Exercise Price that can provide incentive to the grantees to achieve the purpose of the Amended Share Option Scheme.

Without prejudice to the authority of the Board or the Board Delegate(s) to provide additional situations when an Option shall lapse in the terms of any offer, any Option shall lapse automatically on the earliest of:

- (a) the expiry of the tenth (10th) anniversary date of the Grant Date;
- (b) the expiry of the period for accepting the Options in the manner indicated in the Grant Letter;
- (c) the expiry of the exercise period provided in the Grant Letter;
- (d) the expiry of any of the periods for exercising the Options as referred to in the terms of the Amended Share Option Scheme;
- (e) the date on which there is an actual or purported breach of terms in connection with the transferability of the Options by the Selected Participant as determined by the Board or the Board Delegate(s);

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- (f) the date of the commencement of the voluntary winding-up of the Company;
- (g) seven (7) business days after the date of the commencement of the mandatory winding-up of the Company;
- (h) the date on which the Selected Participant ceases to be an Eligible Person (as determined by the Board or the Board Delegate(s)) on or prior to the relevant vesting date;
- (i) the date on which the Selected Participant commits a breach of any terms or conditions (if any) attached to the grant of the Option, unless otherwise resolved to the contrary by the Board or the Board Delegate(s); and
- (j) the date on which the Board or the Board Delegate(s) makes a determination to claw back the Options pursuant to the terms of the Amended Share Option Scheme.

For the avoidance of doubt, any Options lapsed will not be regarded as utilized for the purpose of calculating the Scheme Limit.

Vesting of Option

Unless otherwise determined by the Board or the Board Delegate(s), the Options granted under the Amended Share Option Scheme shall vest 25% per year within four (4) anniversary years, and the vesting period shall commence on the Grant Date and shall last for no less than twelve (12) months, except that any Options granted to a Selected Participant who is an Employee Participant may be subject to a shorter vesting period, which may be permitted in circumstances set out below:

- (a) grants of “make whole” Options to a new Employee Participant upon joining the Group to replace the options such Selected Participant forfeited when leaving his/her previous employer;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;
- (c) grants of Options which are subject to the fulfilment of performance targets as determined in the conditions of his/her grant;
- (d) grants of Options the timing of which is set due to administrative and/or compliance reasons unrelated to the performance of the Employee Participant, in which case the vesting date may be adjusted to take account of the time from which the Option would have been granted if not for such administrative and/or compliance reasons;
- (e) grants of Options with a mixed vesting schedule such that the Options may vest evenly over a period of 12 months; or

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- (f) grants of Options with a total vesting and holding period of more than 12 months, such as where the Options may vest by several batches with the first batch to vest within 12 months of the Grant Date and the last batch to vest 12 months after the Grant Date.

To ensure the practicability in fully attaining the purpose of the Amended Share Option Scheme, the Board and the Remuneration Committee are of the view that the vesting period (including the circumstances under which a shorter vesting period may apply), as detailed in the terms of the Amended Share Option Scheme, enables the Company to offer competitive remuneration and reward packages to the participants, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules and market practice. In particular, the Board considers that such discretion gives the Company more flexibility to (i) provide higher incentives when attracting talents; and (ii) reward exceptional performers with accelerated vesting schedule.

Moreover, the Board or the Board Delegates has the authority to establish performance targets in relation to the grants. The Directors are of the view that the flexibility in relation to the vesting period and performance targets will place the Group in a better position to reward its employees and retain human resources that are valuable to the growth and development of the Group as a whole.

Accordingly, the above vesting period under such exceptional circumstances where justified and is considered appropriate and that such aligns with the purposes of the Amended Share Option Scheme.

Performance Target

The Amended Share Option Scheme does not stipulate that specific performance target an Eligible Person is required to be achieved. However, under the Amended Share Option Scheme, the Board or the Board Delegate(s) may still at its discretion set performance targets for each grantee in the Grant Letter which must be achieved before the Options can vest, and the Board believes that retaining discretion on whether to attach performance objectives to Options can provide the Board with more flexibility in setting the terms and conditions of the Options on a case-by-case basis, and tailor the terms and conditions of the grant to cater to specific circumstances of each grantee. In addition, the Board considers that such flexibility under the Amended Share Option Scheme can also facilitate the ultimate goal of the Company in offering meaningful incentives to remunerate and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole. If performance targets are imposed upon making any grant, the Board or the Board Delegates will have regard to the purpose of the relevant Amended Share Scheme in assessing such performance targets, with reference to factors including but not limited to, as and when appropriate, a mixture of attaining satisfactory key performance indicators (including the performance targets of the Group and/or individual performance based on the period performance assessment and annual review results) such as sales performance (e.g. revenue), operating performance (e.g. profits, operation efficiency in term of cost control), financial

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performance (e.g. profits, cash flow, earnings, market capitalization, return on equity) of the Group, corporate sustainability parameter (e.g. timeliness and accuracy in handling customer feedback, team work capabilities, adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal business procedures), the level of satisfaction of which shall be assessed and determined by the Board or the Board Delegates at its sole discretion.

To the extent where grants are offered under the Amended Share Option Scheme without any performance target attached, the Board and Remuneration Committee consider that such incentives remain to be market competitive because, each such grant, on its own, represents a recognition of the grantees' past contribution to the Group, a means of direct encouragement and forms part of the remuneration package. The time-based nature of the Options (for example, a minimum vesting period) will ensure that the long-term interests of the grantees and the Group are aligned.

Therefore, the Board is of the view that no general requirement for any performance target in the Amended Share Option Scheme is in line with the scheme purposes.

Transferability, Cancellation and Status of Options

Any Options shall be personal to the grantee and shall not be assignable or transferable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise create any interest whether legal or beneficial in favour of any third party over or in relation to any Options, except for when (i) a waiver is obtained from the Stock Exchange and express written consent is obtained from the Board or the Board Delegate(s), or (ii) the transmission of an Option on the death of the grantee to their personal representative(s) according to the relevant scheme rules, and in each case, subject to compliance of the Listing Rules.

All or part of Options granted but not yet vested or exercised may be cancelled by the Board or the Board Delegate(s) in the event of any serious misconduct of the Selected Participant or in other specific circumstances as the Board or the Board Delegate(s) deems appropriate. The Options so cancelled will be regarded as utilized for the purpose of calculating the relevant Scheme Limit and the Service Provider Sublimit.

Shares to be allotted and issued on the exercise of any Options will be subject to all provisions of the Articles of Association and will rank *pari passu* with the fully paid Shares then in issue and accordingly will be entitled to dividends and other distributions paid or made on or after the date of the allotment, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date therefore falls before the date of the allotment.

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Changes in Capital Structure of the Company

If there is any alteration in the capital structure of the Company while any Option remains exercisable, whether by way of capitalisation issue, rights issue, sub-division or consolidation of the Shares 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 a party), corresponding changes will be made to the number and Exercise Price of any unvested and/or unexercised Options (together with any outstanding Options subject thereunder) that have been granted provided that:

- (a) any such adjustments must be made so that each Selected Participant is given the same portion of the share capital of the Company, rounded to the nearest whole share, as that to which they were previously entitled;
- (b) all fractional shares (if any) arising out of such consolidation or sub-division in respect of the Options of a Selected Participant shall not be transferred to the relevant Selected Participant on the relevant vesting date;
- (c) no such adjustments shall be made which would result in the Exercise Price (if applicable) for a Share being less than its nominal value, provided that in such circumstances the Exercise Price shall be reduced to the nominal value;
- (d) any such adjustments shall be made on the basis that the aggregate Exercise Price (if applicable) payable by a Selected Participant for the exercise of the Options granted thereto shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; and
- (e) any adjustments to be made will comply with the Listing Rules and any guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time.

Clawback Mechanism

In the event that:

- (a) the Selected Participant commits a breach of confidentiality obligations as set out in the Amended Share Option Scheme and/or the respective Grant Letter (if applicable);
- (b) the Selected Participant secures a part-time job in an industry or field that competes or is likely to compete, directly or indirectly, with the business of the Group;
- (c) the Selected Participant ceases to be an Eligible Person by reason of the termination of his/her/its employment or contractual engagement with any member of the Group or a Related Entity for misconduct or without notice or with payment in lieu of notice;

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- (d) the Selected Participant has contravened the relevant laws and regulations of the People's Republic of China, Hong Kong and/or any other jurisdiction to which such Selected Participant is subject and thereby has been convicted of any criminal offence;
- (e) the Selected Participant has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of any trade or technical secrets, or conducted any connected transactions or other unlawful acts or misconduct which, in the reasonable opinion of the Board or the Board Delegate(s), prejudiced the interest or reputation of or caused significant negative impact to the Group;
- (f) in the reasonable opinion of the Board or the Board Delegate(s), the Selected Participant has failed to discharge, or failed to discharge properly, his/her/its duties and thereby resulting in serious and adverse consequences, directly or indirectly, to the Group's interest or reputation; or
- (g) in the reasonable opinion of the Board or the Board Delegate(s), the Selected Participant has engaged in any serious misconduct or breach of the terms of the Amended Share Option Scheme or any terms or conditions attached to the grant of the Option in any material respect,

the Board or the Board Delegate(s) may make a determination at its sole and absolute discretion that (1) any Options issued to that Selected Participant but not yet exercised shall immediately lapse, regardless of whether such Options have vested or not; and (2) with respect to any Shares issued and/or transferred to that Selected Participant, the Selected Participant shall be required to transfer back, in whole or in part as determined by the Board or the Board Delegate(s), to the Company or its nominee(s): (A) the equivalent number of Shares so issued and/or transferred to such Selected Participant, (B) an amount in cash equal to the market value of such Shares, or (C) a combination of (A) and (B).

If the Board or the Board Delegate(s) exercises its discretion to claw back the Options, it will give the relevant Selected Participant a notice of such determination and the determination shall be final, conclusive and binding on all parties.

The Board is of the view that such clawback mechanism provides an option for the Company to claw back the equity incentives granted to participants culpable of misconduct and is in line with the purpose of the Amended Share Option Scheme and the interests of Shareholders.

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Duration

The Amended Share Option Scheme shall be valid and effective for the period of ten years from 11 June 2021, but in all other respects the provisions of the Amended Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the rules of the Amended Share Option Scheme.

Alteration

Subject to the Listing Rules, the restrictions set out below, and in the terms of the Amended Share Option Scheme, the Board may amend any of the provisions of the Post-IPO Share Option Scheme (including, without limitation, amendments in order to comply with changes in legal or regulatory requirements from time to time) at any time (but not so as to affect adversely any rights which have accrued to any grantee at that date).

Approval of the Shareholders in general meeting (with Selected Participants and their respective associates abstaining from voting) is required for any amendment to the terms of the Amended Share Option Scheme which are of a material nature or to any provisions of the Amended Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the extent that such amendment operates to the advantage of Selected Participants.

Any change to the terms of any Options the grant of which was subject to the approval of a particular authority shall be subject to approval by that same authority, provided that this requirement does not apply where the relevant alteration takes effect automatically under the terms of the Amended Share Option Scheme.

Any change to the authority of the Board or the Board Delegate(s) in relation to any alteration to the terms of the Amended Share Option Scheme must be approved by the Shareholders in general meeting.

The amended terms of the Amended Share Option Scheme and the Options must comply with Chapter 17 of the Listing Rules.

Termination

The Board may at any time terminate the Amended Share Option Scheme and, in such event, no further Options will be offered but the provisions of this 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 Amended 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 first new scheme to be established after such termination.

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Trustee

The Amended Share Option Scheme does not have a trustee.

4B. PROPOSED AMENDMENTS TO THE SHARE AWARD SCHEME

A summary of the principal terms of the Amended Share Award Scheme is set out below.

Purpose

The purposes of the Amended Share Award Scheme are to (i) align the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group.

Participants of the Amended Share Award Scheme and the Basis of Determining the Eligibility of Participants

The Eligible Persons who may be selected to become a participant of the Amended Share Award Scheme are any individual, or a corporate entity (as the case may be), being any of (i) an Employee Participant; (ii) a Related Entity; and (iii) a Service Provider, who the Board or the Board Delegate(s) considers, in their sole discretion, to have contributed or will contribute to the Group or any Related Entity; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Amended Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or the Board Delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Amended Share Award Scheme and such individual shall therefore be excluded from the term Eligible Person.

(i) Employee Participant and the Basis of Eligibility

Employee Participant is any person who is an employee (whether full-time or part-time employee) or a director (including any executive director, non-executive director or independent non-executive director) of any member of the Group, including persons who are granted Options under the Amended Share Award Scheme as an inducement to enter into employment contract with any member of the Group and, for the avoidance of doubt, a Selected Participant shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) a transfer of employment amongst the members of the Group; and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment.

In assessing the eligibility of Employee Participants, the Board or the Board Delegate(s) will consider their contribution to the Group's growth.

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(ii) Related Entity Participant and the Basis of Eligibility

Related Entity Participant is any person who is an employee or a director of a Related Entity.

In assessing the eligibility of Related Entity Participants, the Board or the Board Delegate(s) will consider, among others, the contributions to the returns and benefits of the Group’s investment and/or interest in such Related Entity, the business synergy and industry opportunities brought by them to the Group and/or the Related Entity, and whether they should be rewarded to further motivate their performances for the benefit of the Group and/or the Related Entity.

Set out below are the detailed description of the type of Related Entity Participants and the specific criteria for determining the eligibility thereof under the Amended Share Award Scheme:

Type of the Related Entity Participants	Contributions of the Related Entity Participants	Criteria for determining eligibility under the Amended Share Award Scheme
Employees or directors of certain investees of the Company (“ Investee Participants ”)	Related Entity Participants under this category are mainly Investee Participants who are employees and/or directors of companies that are part of the Company’s real estate value ecosystem. These companies bring new perspectives and possibilities to the Company’s business development, supplement and enrich the Company’s solutions and products, thereby enhancing the competitiveness of the Company’s solutions and product services.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such investee, including but not limited to:</p> <ol style="list-style-type: none"> (1) value of the relevant investee’s own business; (2) potential synergies and efficacy to the Company’s business and solutions package; and (3) performance of the relevant investee.

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The Board (including the independent non-executive Directors) is of the view that the Related Entity Participants are valuable human resources to the Group as they bring about business synergy and industry opportunities to the Group and/or the Related Entity by often engaging in projects or other business collaborations in connection with the Group's business, which have contributed and are expected to continue to contribute to the development and growth of the Group's businesses.

Therefore, the Board (including the independent non-executive Directors) considers that the inclusion of the Related Entity Participants as Eligible Persons of the Amended Share Award Scheme is in line with the Company's business needs, the purposes of the Amended Share Award Scheme, and the long-term interests of the Company and the Shareholders.

(iii) Service Provider Participant and the Basis of Eligibility

Service Provider is any person or corporate entity (other than an employee or a director of any member of the Group) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements (including the hours, places and mode of services), and the business segments and focuses of the Group from time to time.

In assessing a Service Provider's eligibility as a Selected Participant, the Board or the Board Delegate(s) will take into account a range of factors, including: (i) the scale of their business dealings with the Group (in terms of fees payable to them, where applicable); (ii) the length of business relationships between them and the Group; (iii) the performance of the relevant person or entity as a Service Provider, including the quality of their services previously provided to the Group; (iv) their contributions to the profits and/or business development of the Group and potential contributions to be made to the Group in light of their experience, qualifications, know-how and/or network, market conditions of the services that they provide to the Group; (v) the scarcity of their services which may therefore justify compensation in the long run; (vi) the possibility of developing a long-term business relationship with such person as a Service Provider, to secure the supply of quality services for the Group, which may avoid replacement cost and reduce transaction cost in the long run; and (vii) the positive impact they have brought to the Group's business development.

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Set out below are the detailed description of the types of Service Providers and the specific criteria for determining the eligibilities thereof under the Amended Share Award Scheme:

Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Award Scheme
Independent exclusive regional channel partners	Service Providers under this category are mainly independent exclusive long-term and stable regional channel partners who/which collectively form an extensive sales and service network across China and (i) contribute a significant portion of the Group's revenue; and (ii) help the Company expand its market coverage beyond first-tier cities by forming an important part of the sales network and expanding the Company's influence and popularity outside those cities.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such regional channel partner, including but not limited to:</p> <ol style="list-style-type: none"> <li data-bbox="959 761 1351 1034">(1) the periodic assessment of the performance of the relevant regional channel partners based on the value of products they acquired from Company for distribution within the assessed time period; <li data-bbox="959 1081 1351 1193">(2) the aggregate value of contracts that they sign with end customers over a period of time; <li data-bbox="959 1240 1351 1353">(3) the value of the products distributed by the relevant regional channel partner; <li data-bbox="959 1400 1351 1513">(4) the distribution network of the relevant regional channel partner; <li data-bbox="959 1559 1351 1672">(5) the frequency of collaboration and length of business relationship with the Group;

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Award Scheme
		<p>(6) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties);</p> <p>(7) the background, reputation and track record of the relevant regional channel partner;</p> <p>(8) the replacement cost of such regional channel partner and/or the products or materials (including continuity and stability of distribution of such products or materials); and</p> <p>(9) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such regional channel partner could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the sales of products attributable to the distribution of products by the relevant regional channel partner.</p>

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Award Scheme
Suppliers	<p>Service Providers under this category are mainly suppliers who/which support the Group's businesses of (i) intelligent hardware that provides essential hardware assistance and groundwork for the Group's CRM Cloud business; (ii) cloud infrastructure and resources that furnish fundamental environment for the Group's SaaS operations and ensure stable and secure functioning of the Group's products and services, which include (a) cloud servers, cloud storage, databases and big data analysis that empowers the Group to attain adaptable IT infrastructure and efficient resource allocation as well as circumvent hefty investments in building and upkeeping the Group's own servers or data centers, (b) security services in high levels of reliability such as robust security protocols and data backup mechanisms that effectively mitigates diverse security threats and risks of data loss the Group may encounter in conducting its business, and (c) comprehensive cloud computing services and security solutions that facilitate the digital transformation and innovative development of the Group's enterprise customers as well as amplify the Group's operational efficiency and competitive edge; (iii) outsourced human resources services that complement and reinforce the Group's R&D capabilities in a more cost-efficient manner; and (iv) marketing and advertising services that endorse the Group's brand and help attract new customers during the Group's business expansion progress.</p>	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such supplier, including but not limited to:</p> <ol style="list-style-type: none"> (1) the nature, reliability and quality of the goods or services supplied; (2) the value of the goods or services provided by the relevant supplier; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant supplier; (6) the replacement cost of such supplier and/or the goods or services (including continuity and stability of supply or provision of such goods or services); and (7) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such supplier could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the goods or services supplied and/or provided by such supplier.

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Award Scheme
Agents and contractors	Service Providers under this category are mainly agents and contractors who/which provide intermediary and other professional/consultancy services to the (i) traffic channeling towards Group's operations to expand the Group's customer soliciting abilities, broaden the Group's business horizontal coverage and bolster the Group's efficacy and revenues; (ii) strategic planning of the Group's business through providing strategic consultations for new media that mutually propel business developments of both parties; and (iii) Group's operation procedure adjustments and strategic blueprints to furnish scientifically grounded guidance to enhance the Group's performance.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such agent and contractor, including but not limited to:</p> <ol style="list-style-type: none"> (1) individual performance of the relevant contractor, agent, consultant and/or adviser; (2) their knowledge, experience and network in the relevant industry; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant agent and contractor;

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Award Scheme
		<p>(6) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such agent and contractor could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by services provided by such agent and contractor;</p> <p>(7) the replacement cost of such agent and contractor (including continuity and stability of provision of the necessary services); and</p> <p>(8) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant contractor, agent, consultant and/or adviser, and/or the synergy between the relevant agent and contractor and the Group.</p>

For the avoidance of doubt, Service Providers should exclude (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service provider such as auditors or valuers who provide assurance or are required to perform their services with impartially and objectively.

Further, the Board (including the independent non-executive Directors) also considers that it is beneficial to reward and further incentivize such Service Providers with vested ownership under the Amended Share Award Scheme since a sustainable and stable relationship with them is essential to the business development of the Group. The proposed categories of the Service Providers are and will be needed for the operation and development of the Company's focused businesses. Accordingly, the Board (including the independent non-executive Directors) considers that the inclusion of the Service

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Providers as Eligible Persons of the Amended Share Award Scheme is also in line with the Company's business needs, the purposes of the Amended Share Award Scheme, and the long-term interests of the Company and the Shareholders.

Scheme Limit

Unless subsequently refreshed in accordance with the respective scheme rules and the Listing Rules, as further approved by Shareholders at general meeting, the total number of Shares to be issued by the Company in respect of all grants made after the Amendment Date pursuant to the Amended Share Award Scheme (excluding Award Shares that have been forfeited in accordance with the Amended Share Award Scheme) and any other share schemes adopted by the Company to exceed 10% of the total number of issued Shares as of the Amendment Date. Awards lapsed in accordance with the terms of the Amended Share Award Scheme or any other scheme shall not be counted as utilized for the purpose of calculating the Scheme Limit. As at the Latest Practicable Date, the Company had 1,942,315,754 issued Shares, subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Scheme Limit will be 194,231,575 Shares.

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the vesting of any awards and/or exercise of options of up to 10% of the total number of issued Shares as at the date of the AGM.

Service Provider Sublimit

As the scope of eligible participants under the Amended Share Award Scheme shall be expanded to include Service Providers, the Board considers that it is appropriate to adopt a "service provider sublimit" within and subject to the Scheme Limit in accordance with Rule 17.03B(2) of the Listing Rules.

Unless subsequently refreshed in accordance with the respective scheme rules and the Listing Rules, as further approved by Shareholders at general meeting, the total number of new Shares which may be issued pursuant to Awards or other options (if applicable) granted and to be granted to Service Providers after the Amendment Date under the Amended Share Award Scheme and any other share scheme shall not exceed 0.5% of the issued Shares in issue as at the Amendment Date. As at the Latest Practicable Date, the Company has 1,942,315,754 issued Shares, subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Service Provider Sublimit will be 9,711,578 Shares. Subject to the foregoing, the Individual Limit (as defined below), and other applicable restrictions set out in the Amended Share Award Scheme, at the sole discretion of the Board or the Board Delegate(s), grants can also be made to Employee Participants by utilizing the Service Provider Sublimit.

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The basis of determination of the Service Provider Sublimit included the potential dilution effect on the Shares arising from grants to the Service Providers, the importance of striking a balance between achieving the purpose of the Amended Share Award Scheme, and protecting Shareholders from the dilution effect from making grants to the Service Providers, the actual or expected increase in the Group's revenue or profits which shall be attributable to the Service Providers and the extent of use of the Service Provider in the Group's business, as well as ensuring sufficient amount of awards/options would be available to be granted to the Employee Participants. The Group also values long-standing relationships with its Service Providers such as independent exclusive regional channel partners, consultants, suppliers, agents, contractors and other business associates, who are key to the Group's success. The Group believes that, through engaging, collaborating, and cultivating strong relationships with the Service Providers, the Group can strive to achieve corporate sustainability, deliver high quality products and services to its potential customers and develop mutual trust and enhance communication and commitment between the Group and its suppliers to maintain sustainable growth.

Taking into account that (i) due to the hiring practice, organizational structures and business models of the Group, certain Service Providers, in particular, the independent contractors and agents, which provide services akin to those of employees of the Group, may not be able to serve as fulltime or part-time employees of the Group. For example, these Service Providers may have stepped down from position of the Group, or they may be seasoned professionals in their own fields with considerable own business connections whom the Group may not be able to recruit as employees, or they may prefer to be employed on self-employed basis, and the Board considers that it is in line with industry norm to co-operate with such former employees or former management or seasoned professionals by engaging them as service providers instead of employing them as full-time or part-time employees. As these Service Providers are either former management or former employees of the Group, or are personnel who have worked for the Group where the continuity and frequency of their services were akin to those of employees, the Group values their familiarity with the businesses and operation of the Group and the industry in general and their deep understanding of the Group, and considers that their contribution to the Group is similar to those of the employees of the Group; (ii) the benefit to and needs of the Group to provide long-term equity incentives to maintain the recurring and continuing contributions of the Service Providers in relation to day-to-day operations and core business functions of the Group; (iii) the minimal potential dilution to the shareholding of public Shareholders following the exercise of the options and/or awards to be granted to Service Providers under the Service Provider Sublimit because such sublimit is much lower than the Individual Limit (as defined below); (iv) all Amended Share Schemes will collectively share the Service Provider Sublimit of 0.5%; (v) the Service Provider Sublimit can also be utilized for making grants to Employee Participants and thereby further reducing the impact of any excessive dilution of public Shareholders' shareholding; and (vi) the Service Providers have contributed to the long-term growth of the Company's business, and that the Amended Share Award Scheme could incentivize Service Providers who/which supply reliable and high-quality services to the Group on a long-term basis, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable.

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The Service Provider Sublimit is subject to separate approval by the Shareholders at the AGM. The above-mentioned Scheme Limit and Service Provider Sublimit only apply to Awards to be satisfied by new Shares to be issued by the Company.

Individual Limit

Where any grant of Awards, RSUs and other options to a grantee would result in the Shares issued and to be issued in respect of all Awards and options granted to such grantee under the Amended Share Award Scheme (excluding Awards and options lapsed in accordance with relevant schemes), in the 12-month period up to and including the grant date of such new grant exceeding 1% in aggregate of the issued share capital of the Company as at the date of the Award Letter (the “**Grant Date**”) of such new grant (the “**Individual Limit**”), such grant must be separately approved by Shareholders in general meeting with such grantee and his close associates (or associates if the grantee is a connected person of the Company) abstain from voting.

Granting Awards to a Director, Chief Executive, Substantial Shareholder

Each Award, RSU and option granted to a Director, chief executive or substantial shareholder of the Company or any of their respective associates shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive director who is a proposed grantee of such Options).

In addition, subject always to the Individual Limit, where any grant of Awards or RSUs to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates would result in the Shares issued and to be issued in respect of all Awards granted 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 Shares in issue on the Grant Date, such grant must be approved by the Shareholders in general meeting with the grantees, their associates and all core connected persons (as defined under the Listing Rules) of the Company abstaining from voting in favour.

Further, subject always to the Individual Limit, where any grant of Awards or any other options pursuant to any other concurrent share schemes to an independent non-executive director or substantial shareholder of the Company or any of their respective associates would result in the number of Shares issued and to be issued upon the exercise of all Awards granted (excluding Awards lapsed in accordance with the terms of the Amended Share Award Scheme) to such person in the 12-month period up to and include the Grant Date representing in aggregate over 0.1% of the Shares in issue on the Grant Date, such grant shall also be approved by the Shareholders in general meeting with the grantees, their associates and all core connected persons (as defined under the Listing Rules) of the Company abstaining from voting in favour.

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Grant of Award

An Award Letter shall specify the Grant Date, the period within which it must be accepted, the number of Award Shares underlying the Award, the vesting criteria and conditions, the purchase price (if any) for the Award Shares (including the method of payment and the period(s) within which any such purchase price must be made), the vesting date, any performance targets which shall be achieved before the Awards can be vested, and any details as the Board or the Board Delegate(s) may consider necessary in respect of which an offer of Awards is made.

The Board or the Board Delegate(s) may determine the amount payable (if any) on an application or acceptance of an Award.

Purchase Price

As of the Amendment Date, and subject to future adjustments, no purchase price is to be paid by the grantees of the Awarded Shares.

The Board or the Board Delegate(s) may determine in its absolute discretion the purchase price of the Award Shares, taking into account (including but not limited to) the prevailing closing price of the Shares, the purpose of the Amended Share Award Scheme and the characteristics and profile of the Selected Participant.

The basis of determining such purchase price of the Awarded Shares aligns with the purposes of the Amended Share Award Scheme as the Eligible Persons will receive an Awarded Share at no cost, which is much more competitive than purchasing the Shares in the market, thus incentivizing them to contribute further to the Group's development. Further, the Board noted that it is a common practice for listed companies in Hong Kong to grant restricted share units or award shares to their directors, critical personnel and employees at nil consideration. Having considered that (1) the setting of nil consideration for the granting of Awarded Shares is in line with market practice; and (2) Awarded Shares are granted pursuant to the Amended Share Award Scheme, the purposes of which are to (i) align the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and (ii) encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group, the Board considers that nil consideration of the Awarded Shares to be acceptable.

Lapse of Awards

Any Awards shall automatically lapse on the earliest of:

- (a) seven (7) Business Days after the date of the commencement of the mandatory winding-up of the Company;

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- (b) seven (7) Business Days after the date on which the proposed compromise or arrangement between the Company and its Shareholders or creditors in connection with a scheme for the reconstruction or amalgamation of the Company (other than any relocation schemes as contemplated under Rule 7.14(3) of the Listing Rules) becomes effective;
- (c) the date on which the Selected Participant ceases to be an Eligible Person (as determined by the Board or the Board Delegate(s)) on or prior to the relevant vesting date;
- (d) the date on which the Selected Participant commits a breach of any terms or conditions (if any) attached to the grant of the Award, unless otherwise resolved to the contrary by the Board or the Board Delegate(s);
- (e) the date on which there is an actual or purported breach of terms in connection with the transferability of the Award Shares by the Selected Participant as determined by the Board or the Board Delegate(s); or
- (f) the date on which the Board or the Board Delegate(s) makes a determination to claw back the Award pursuant to the Amended Share Award Scheme.

For the avoidance of doubt, any Awards lapsed will not be regarded as utilized for the purpose of calculating the Scheme Limit.

Clawback Mechanism

In the event that:

- (a) the Selected Participant commits a breach of confidentiality obligations as set out in the Amended Share Award Scheme and/or the respective Award Letter (if applicable);
- (b) the Selected Participant secures a part-time job in an industry or field that competes or is likely to compete, directly or indirectly, with the business of the Group;
- (c) the Selected Participant ceases to be an Eligible Person by reason of the termination of his/her/its employment or contractual engagement with any member of the Group or any Related Entity for misconduct or without notice or with payment in lieu of notice;
- (d) the Selected Participant has contravened the relevant laws and regulations of the People's Republic of China, Hong Kong and/or any other jurisdiction to which such Selected Participant is subject and thereby has been convicted of any criminal offence;

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- (e) the Selected Participant has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of any trade or technical secrets, or conducted any connected transactions or other unlawful acts or misconduct which, in the reasonable opinion of the Board or the Board Delegate(s), prejudiced the interest or reputation of or caused significant negative impact to the Group;
- (f) in the reasonable opinion of the Board or the Board Delegate(s), the Selected Participant has failed to discharge, or failed to discharge properly, his/her/its duties and thereby resulting in serious and adverse consequences, directly or indirectly, to the Group's interest or reputation; or
- (g) in the reasonable opinion of the Board or the Board Delegate(s), the Selected Participant has engaged in any serious misconduct or breach of the terms of the Amended Share Award Scheme or any terms or conditions attached to the grant of the Award in any material respect,

the Board or the Board Delegate(s) may make a determination at its sole and absolute discretion that (1) any Awards issued to that Selected Participant but not yet vested shall immediately lapse; (2) with respect to any Shares issued and/or transferred to that Selected Participant, the Selected Participant shall be required to transfer back, in whole or in part as determined by the Board or Board Delegate(s), to the Company or its nominee(s): (A) the equivalent number of Shares so issued and/or transferred to such Selected Participant, (B) an amount in cash equal to the market value of such Shares, or (C) a combination of (A) and (B); and/or (3) with respect to any Award Shares held by the Trustee for the benefit of that Selected Participant, those Award Shares shall no longer be held on trust for nor inure to benefit of the Selected Participant.

If the Board or the Board Delegate(s) exercises its discretion to claw back the Awards, it will give the relevant Selected Participant a notice of such determination and the determination shall be final, conclusive and binding on all parties. The Board is of the view that such clawback mechanism provides an option for the Company to claw back the equity incentives granted to participants culpable of misconduct and is in line with the purpose of the Amended Share Award Scheme and the interests of Shareholders.

Vesting of Awards

The Board or the Board Delegate(s) may determine such vesting criteria and conditions or periods for the Award to be vested hereunder, provided however that the vesting period in respect of any Award shall not be less than 12 months from the Grant Date, except that with respect to a Selected Participant who is an Employee Participant, a shorter vesting period may be permitted in circumstances set out below:

- (a) grants as "make whole" Awards to a new Employee Participant upon joining the Group to replace the share awards such Selected Participant forfeited when leaving his/her previous employer;

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- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;
- (c) grants of Awards which are subject to the fulfilment of performance targets as determined in the conditions of his/her grant;
- (d) grants of Awards the timing of which is set due to administrative and/or compliance reasons unrelated to the performance of the Employee Participant, in which case the vesting date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative and/or compliance reasons;
- (e) grants of Awards with a mixed vesting schedule such that the Awards may vest evenly over a period of 12 months; or
- (f) grants of Awards with a total vesting and holding period of more than 12 months, such as where the Awards may vest by several batches with the first batch to vest within 12 months of the Grant Date and the last batch to vest 12 months after the Grant Date.

Neither the Selected Participant nor the Trustee shall exercise any voting rights in respect of any Award Shares held, directly or indirectly, that have not been vested.

The Board and the Remuneration Committee are of the view that the vesting period (including the circumstances under which a shorter vesting period may apply), as detailed in the Amended Share Award Scheme is considered appropriate and aligns with the purpose of the Amended Share Award Scheme, for the same reasons as described in above section headed “*Vesting of Option*” under “*4A. Proposed Amendments to the Share Option Scheme*” in the Letter from the Board in this circular.

Performance Target

The Amended Share Award Scheme does not stipulate that specific performance target an Eligible Person is required to be achieved. However, under the Amended Share Award Scheme, the Board or the Board Delegate(s) may still at its discretion set performance targets for each grantee in the Award Letter which must be achieved before the Awards vest, and the Board believes that retaining discretion on whether to attach performance objectives to Awards can provide the Board with more flexibility in setting the terms and conditions of the Awards on a case-by-case basis, and tailor the terms and conditions of the grant to cater to specific circumstances of each grantee. In addition, the Board considers that such flexibility under the Amended Share Award Scheme can also facilitate the ultimate goal of the Company in offering meaningful incentives to remunerate and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole. If performance targets are imposed upon making any grant, the Board or the Board Delegates will have regard to the purpose of the relevant Amended Share Scheme in assessing such performance targets, with reference to factors including but not limited to, as and when

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appropriate, a mixture of attaining satisfactory key performance indicators (including the performance targets of the Group and/or individual performance based on the period performance assessment and annual review results) such as sales performance (e.g. revenue), operating performance (e.g. profits, operation efficiency in term of cost control), financial performance (e.g. profits, cash flow, earnings, market capitalization, return on equity) of the Group, corporate sustainability parameter (e.g. timeliness and accuracy in handling customer feedback, team work capabilities, adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal business procedures), the level of satisfaction of which shall be assessed and determined by the Board or the Board Delegates at its sole discretion.

To the extent where grants are offered under the Amended Share Award Scheme without any performance target attached, the Board and Remuneration Committee consider that such incentives remain to be market competitive because, each such grant, on its own, represents a recognition of the grantees' past contribution to the Group, a means of direct encouragement and forms part of the remuneration package. The time-based nature of the Awards (for example, a minimum vesting period) will ensure that the long-term interests of the grantees and the Group are aligned.

Therefore, the Board is of the view that no general requirement for any performance target in the Amended Share Award Scheme is in line with the scheme purposes.

Transferability, Cancellation and Status of Awards

Any Award granted but not yet vested shall be personal to the grantee and shall not be assignable or transferrable and no grantee shall in any way, sell, transfer, assign, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any other person over or in relation to any Award, or enter into any agreement to do so, except for when a waiver is obtained from the Stock Exchange and express written consent is obtained from the Board or the Board Delegate(s).

All or part of Awards may be cancelled by the Board or the Board Delegate(s) at any time with the prior consent of the respective Selected Participant. The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Limit and the Service Provider Sublimit.

Award Shares to be allotted and issued for the Awards shall be subject to all the provisions of the Articles and are to rank *pari passu* with the fully paid Shares then in issue and accordingly will be entitled to dividends and other distributions paid or made on or after the date of the allotment, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date therefore falls before the date of the allotment.

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Changes in Capital Structure of the Company

In the event the Company undertakes a capitalisation issue, rights issue, sub-division or consolidation of the Shares or reduction of capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), corresponding changes will be made to the number and Purchase Price (if applicable) of any unvested Awards (together with any outstanding Award Shares subject thereunder) that have been granted provided that:

- (a) any such adjustments must be made so that each Selected Participant is given the same portion of the share capital of the Company, rounded to the nearest whole share, as that to which they were previously entitled;
- (b) all fractional shares (if any) arising out of such consolidation or sub-division in respect of the Award Shares of a Selected Participant shall be deemed as returned Shares and shall not be transferred to the relevant Selected Participant on the relevant vesting date;
- (c) no such adjustments shall be made which would result in the Purchase Price (if applicable) for a Share being less than its nominal value, provided that in such circumstances the Purchase Price shall be reduced to the nominal value;
- (d) any such adjustments shall be made on the basis that the aggregate Purchase Price (if applicable) payable by a Selected Participant for the vesting of the Award Shares granted thereto shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; and
- (e) any adjustments to be made will comply with the Listing Rules and any guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time.

Alteration

The Amended Share Award Scheme may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Participant unless otherwise provided for in these Scheme Rules, except: (i) with the consent in writing of Selected Participants amounting to three-fourths in nominal value of all Award Shares held by the Trustee on that date; or (ii) with the sanction of a special resolution that is passed at a meeting of the Selected Participants amounting to three-fourths in nominal value of all Award Shares held by the Trustee on that date.

Approval of the Shareholders in general meeting (with Selected Participants and their respective associates abstaining from voting) is required for any amendment to the terms of the Amended Share Award Scheme which are of a material nature or to any provisions of the Amended Share Award Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the extent that such amendment operates to the advantage of Selected Participants.

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Any change to the terms of any Awards the grant of which was subject to the approval of a particular authority shall be subject to approval by that same authority, provided that this requirement does not apply where the relevant alteration takes effect automatically under the terms of the Amended Share Award Scheme.

Any change to the authority of the Board or the Board Delegate(s) in relation to any alteration to the terms of the Amended Share Award Scheme must be approved by the Shareholders in general meeting.

The amended terms of the Amended Share Award Scheme or the Awards must comply with the Listing Rules.

Termination

The Amended Share Award Scheme shall terminate on the earlier of:

- (a) the end of the period of ten years commencing on 11 June 2021 (the “**Award Period**”) except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the Amended Share Award Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the Amended Share Award Scheme; and
- (b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant which are already granted to a Selected Participant.

On the business day following the settlement, lapse, forfeiture or cancellation of the last unvested Award made under the Amended Share Award Scheme, the Trustee shall sell all the Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receiving notice and remit all cash and net proceeds of such sale and the returned Trust funds to the Company.

All Award Shares granted but not vested or not issued prior to such termination shall continue to be valid and can be further vested and issued in accordance with their terms after the termination of the Amended Share Award Scheme.

Trustee

No Director is a Trustee of the Amended Share Award Scheme or has any direct or indirect in the Trustee of the Amended Share Award Scheme.

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The trustee of the Amended Share Award Scheme shall abstain from voting or exercising any voting rights in respect of any unvested Shares which are held, whether directly or indirectly, under the trust or as nominee on matters that require approval of the Shareholders under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner's direction and such a direction is given.

4C. PROPOSED AMENDMENTS TO THE SHARE INCENTIVE PLAN

A summary of the principal terms of the Amended Share Incentive Plan is set out below.

Purpose

The purposes of the Amended Share Incentive Plan are to (i) align the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group.

Participants of the Amended Share Incentive Plan and the Basis of Determining the Eligibility of Participants

The Eligible Persons who may be selected to become a participant of the Amended Share Incentive Plan are any individual, or a corporate entity (as the case may be), being any of (i) an Employee Participant; (ii) a Related Entity; and (iii) a Service Provider, who the Board or the Board Delegate(s) considers, in their sole discretion, to have contributed or will contribute to the Group or any Related Entity; however, no individual who is resident in a place where the grant, acceptance or vesting of an RSU pursuant to the Amended Share Incentive Plan is not permitted under the laws and regulations of such place or where, in the view of the Board or the Board Delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Amended Share Incentive Plan and such individual shall therefore be excluded from the term Eligible Person.

(i) Employee Participant and the Basis of Eligibility

Employee Participant is any person who is an employee (whether full-time or part-time employee) or a director (including any executive director, non-executive director or independent non-executive director) of any member of the Group, including persons who are granted RSUs under the Amended Share Incentive Plan as an inducement to enter into employment contract with any member of the Group and, for the avoidance of doubt, a Selected Participant shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) a transfer of employment amongst the members of the Group; and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment.

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In assessing the eligibility of Employee Participants, the Board or the Board Delegate(s) will consider their contribution to the Group’s growth.

(ii) Related Entity Participant and the Basis of Eligibility

Related Entity Participant is any person who is an employee or a director of a Related Entity.

In assessing the eligibility of Related Entity Participants, the Board or the Board Delegate(s) will consider, among others, the contributions to the returns and benefits of the Group’s investment and/or interest in such Related Entity, the business synergy and industry opportunities brought by them to the Group and/or the Related Entity, and whether they should be rewarded to further motivate their performances for the benefit of the Group and/or the Related Entity.

Set out below are the detailed description of the type of Related Entity Participants and the specific criteria for determining the eligibility thereof under the Amended Share Incentive Plan:

Type of the Related Entity Participants	Contributions of the Related Entity Participants	Criteria for determining eligibility under the Amended Share Incentive Plan
Employees or directors of certain investees of the Company (“ Investee Participants ”)	Related Entity Participants under this category are mainly Investee Participants who are employees and/or directors of companies that are part of the Company’s real estate value ecosystem. These companies bring new perspectives and possibilities to the Company’s business development, supplement and enrich the Company’s solutions and products, thereby enhancing the competitiveness of the Company’s solutions and product services.	The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such investee, including but not limited to: <ol style="list-style-type: none"> (1) value of the relevant investee’s own business; (2) potential synergies and efficacy to the Company’s business and solutions package; and (3) performance of the relevant investee.

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The Board (including the independent non-executive Directors) is of the view that the Related Entity Participants are valuable human resources to the Group as they bring about business synergy and industry opportunities to the Group and/or the Related Entity by often engaging in projects or other business collaborations in connection with the Group's business, which have contributed and are expected to continue to contribute to the development and growth of the Group's businesses.

Therefore, the Board (including the independent non-executive Directors) considers that the inclusion of the Related Entity Participants as Eligible Persons of the Amended Share Incentive Plan is in line with the Company's business needs, the purposes of the Amended Share Incentive Plan, and the long-term interests of the Company and the Shareholders.

(iii) Service Provider Participant and the Basis of Eligibility

Service Provider is any person or corporate entity (other than an employee or a director of any member of the Group) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements (including the hours, places and mode of services), and the business segments and focuses of the Group from time to time.

In assessing a Service Provider's eligibility as a Selected Participant, the Board or the Board Delegate(s) will take into account a range of factors, including: (i) the scale of their business dealings with the Group (in terms of fees payable to them, where applicable); (ii) the length of business relationships between them and the Group; (iii) the performance of the relevant person or entity as a Service Provider, including the quality of their services previously provided to the Group; (iv) their contributions to the profits and/or business development of the Group and potential contributions to be made to the Group in light of their experience, qualifications, know-how and/or network, market conditions of the services that they provide to the Group; (v) the scarcity of their services which may therefore justify compensation in the long run; (vi) the possibility of developing a long-term business relationship with such person as a Service Provider, to secure the supply of quality services for the Group, which may avoid replacement cost and reduce transaction cost in the long run; and (vii) the positive impact they have brought to the Group's business development.

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Set out below are the detailed description of the types of Service Providers and the specific criteria for determining the eligibilities thereof under the Amended Share Incentive Plan:

Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Incentive Plan
Independent exclusive regional channel partners	Service Providers under this category are mainly independent exclusive long-term and stable regional channel partners who/which collectively form an extensive sales and service network across China and (i) contribute a significant portion of the Group's revenue; and (ii) help the Company expand its market coverage beyond first-tier cities by forming an important part of the sales network and expanding the Company's influence and popularity outside those cities.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such regional channel partner, including but not limited to:</p> <ol style="list-style-type: none"> (1) the periodic assessment of the performance of the relevant regional channel partners based on the value of products they acquired from Company for distribution within the assessed time period; (2) the aggregate value of contracts that they sign with end customers over a period of time; (3) the value of the products distributed by the relevant regional channel partner; (4) the distribution network of the relevant regional channel partner; (5) the frequency of collaboration and length of business relationship with the Group;

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Incentive Plan
		<p>(6) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties);</p> <p>(7) the background, reputation and track record of the relevant regional channel partner;</p> <p>(8) the replacement cost of such regional channel partner and/or the products or materials (including continuity and stability of distribution of such products or materials); and</p> <p>(9) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such regional channel partner could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the sales of products attributable to the distribution of products by the relevant regional channel partner.</p>

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Incentive Plan
Suppliers	<p>Service Providers under this category are mainly suppliers who/which support the Group's businesses of (i) intelligent hardware that provides essential hardware assistance and groundwork for the Group's CRM Cloud business; (ii) cloud infrastructure and resources that furnish fundamental environment for the Group's SaaS operations and ensure stable and secure functioning of the Group's products and services, which include (a) cloud servers, cloud storage, databases and big data analysis that empowers the Group to attain adaptable IT infrastructure and efficient resource allocation as well as circumvent hefty investments in building and upkeeping the Group's own servers or data centers, (b) security services in high levels of reliability such as robust security protocols and data backup mechanisms that effectively mitigates diverse security threats and risks of data loss the Group may encounter in conducting its business, and (c) comprehensive cloud computing services and security solutions that facilitate the digital transformation and innovative development of the Group's enterprise customers as well as amplify the Group's operational efficiency and competitive edge; (iii) outsourced human resources services that complement and reinforce the Group's R&D capabilities in a more cost-efficient manner; and (iv) marketing and advertising services that endorse the Group's brand and help attract new customers during the Group's business expansion progress.</p>	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such supplier, including but not limited to:</p> <ol style="list-style-type: none"> (1) the nature, reliability and quality of the goods or services supplied; (2) the value of the goods or services provided by the relevant supplier; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant supplier; (6) the replacement cost of such supplier and/or the goods or services (including continuity and stability of supply or provision of such goods or services); and (7) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such supplier could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the goods or services supplied and/or provided by such supplier.

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Incentive Plan
Agents and contractors	Service Providers under this category are mainly agents and contractors who/which provide intermediary and other professional/consultancy services to the (i) traffic channeling towards Group's operations to expand the Group's customer soliciting abilities, broaden the Group's business horizontal coverage and bolster the Group's efficacy and revenues; (ii) strategic planning of the Group's business through providing strategic consultations for new media that mutually propel business developments of both parties; and (iii) Group's operation procedure adjustments and strategic blueprints to furnish scientifically grounded guidance to enhance the Group's performance.	<p>The Board or the Board Delegates will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such agent and contractor, including but not limited to:</p> <ol style="list-style-type: none"> (1) individual performance of the relevant contractor, agent, consultant and/or adviser; (2) their knowledge, experience and network in the relevant industry; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant agent and contractor;

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Type(s) of Service Providers	Contributions of the Service Providers	Criteria for determining eligibility under the Amended Share Incentive Plan
		<p>(6) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such agent and contractor could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by services provided by such agent and contractor;</p> <p>(7) the replacement cost of such agent and contractor (including continuity and stability of provision of the necessary services); and</p> <p>(8) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant contractor, agent, consultant and/or adviser, and/or the synergy between the relevant agent and contractor and the Group.</p>

For the avoidance of doubt, Service Providers should exclude (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service provider such as auditors or valuers who provide assurance or are required to perform their services with impartially and objectively.

Further, the Board (including the independent non-executive Directors) also considers that it is beneficial to reward and further incentivize such Service Providers with vested ownership under the Amended Share Incentive Plan since a sustainable and stable relationship with them is essential to the business development of the Group. The proposed categories of the Service Providers are and will be needed for the operation and development of the Company's focused businesses. Accordingly, the Board (including the independent non-executive Directors) considers that the inclusion of the Service

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Providers as Eligible Persons of the Amended Share Incentive Plan is also in line with the Company's business needs, the purposes of the Amended Share Incentive Plan, and the long-term interests of the Company and the Shareholders.

Scheme Limit

Unless subsequently refreshed in accordance with the respective scheme rules and the Listing Rules, as further approved by Shareholders at general meeting, the total number of Shares to be issued by the Company in respect of all grants made after the Amendment Date pursuant to the Amended Share Incentive Plan (excluding RSU Shares that have been forfeited in accordance with the Amended Share Incentive Plan) and any other share schemes adopted by the Company to exceed 10% of the total number of issued Shares as of the Amendment Date. RSUs lapsed in accordance with the terms of the Amended Share Incentive Plan or any other scheme shall not be counted as utilized for the purpose of calculating the Scheme Limit. As at the Latest Practicable Date, the Company had 1,942,315,754 issued Shares, subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Scheme Limit will be 194,231,575 Shares.

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the vesting of any awards and/or exercise of options of up to 10% of the total number of issued Shares as at the date of the AGM.

Service Provider Sublimit

As the scope of eligible participants under the Amended Share Incentive Plan shall be expanded to include Service Providers, the Board considers that it is appropriate to adopt a "service provider sublimit" within and subject to the Scheme Limit in accordance with Rule 17.03B(2) of the Listing Rules.

Unless subsequently refreshed in accordance with the respective scheme rules and the Listing Rules, as further approved by Shareholders at general meeting, the total number of new Shares which may be issued pursuant to RSUs or other options (if applicable) granted and to be granted to Service Providers after the Amendment Date under the Amended Share Incentive Plan and any other share scheme shall not exceed 0.5% of the issued Shares in issue as at the Amendment Date. As at the Latest Practicable Date, the Company has 1,942,315,754 issued Shares, subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Service Provider Sublimit will be 9,711,578 Shares. Subject to the foregoing, the Individual Limit (as defined below), and other applicable restrictions set out in the Amended Share Incentive Plan, at the sole discretion of the Board or the Board Delegate(s), grants can also be made to Employee Participants by utilizing the Service Provider Sublimit.

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The basis of determination of the Service Provider Sublimit included the potential dilution effect on the Shares arising from grants to the Service Providers, the importance of striking a balance between achieving the purpose of the Amended Share Schemes, and protecting Shareholders from the dilution effect from making grants to the Service Providers, the actual or expected increase in the Group's revenue or profits which shall be attributable to the Service Providers and the extent of use of the Service Provider in the Group's business, as well as ensuring sufficient amount of awards/options would be available to be granted to the Employee Participants. The Group also values long-standing relationships with its Service Providers such as independent exclusive regional channel partners, consultants, suppliers, agents, contractors and other business associates, who are key to the Group's success. The Group believes that, through engaging, collaborating, and cultivating strong relationships with the Service Providers, the Group can strive to achieve corporate sustainability, deliver high quality products and services to its potential customers and develop mutual trust and enhance communication and commitment between the Group and its suppliers to maintain sustainable growth.

Taking into account that (i) due to the hiring practice, organizational structures and business models of the Group, certain Service Providers, in particular, the independent contractors and agents, which provide services akin to those of employees of the Group, may not be able to serve as fulltime or part-time employees of the Group. For example, these Service Providers may have stepped down from position of the Group, or they may be seasoned professionals in their own fields with considerable own business connections whom the Group may not be able to recruit as employees, or they may prefer to be employed on self-employed basis, and the Board considers that it is in line with industry norm to co-operate with such former employees or former management or seasoned professionals by engaging them as service providers instead of employing them as full-time or part-time employees. As these Service Providers are either former management or former employees of the Group, or are personnel who have worked for the Group where the continuity and frequency of their services were akin to those of employees, the Group values their familiarity with the businesses and operation of the Group and the industry in general and their deep understanding of the Group, and considers that their contribution to the Group is similar to those of the employees of the Group; (ii) the benefit to and needs of the Group to provide long-term equity incentives to maintain the recurring and continuing contributions of the Service Providers in relation to day-to-day operations and core business functions of the Group; (iii) the minimal potential dilution to the shareholding of public Shareholders following the exercise of the options and/or awards to be granted to Service Providers under the Service Provider Sublimit because such sublimit is much lower than the Individual Limit (as defined below); (iv) all Amended Share Schemes will collectively share the Service Provider Sublimit of 0.5%; (v) the Service Provider Sublimit can also be utilized for making grants to Employee Participants and thereby further reducing the impact of any excessive dilution of public Shareholders' shareholding; and (vi) the Service Providers have contributed to the long-term growth of the Company's business, and that the Amended Share Incentive Plan could incentivize Service Providers who/which supply reliable and high-quality services to the Group on a long-term basis, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable.

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The Service Provider Sublimit is subject to separate approval by the Shareholders at the AGM. The above-mentioned Scheme Limit and Service Provider Sublimit only apply to RSUs to be satisfied by new Shares to be issued by the Company.

Individual Limit

Where any grant of RSUs, awards and other options to a grantee would result in the Shares issued and to be issued in respect of all RSUs and options granted to such grantee under the Amended Share Incentive Plan (excluding RSUs and options lapsed in accordance with relevant schemes), in the 12-month period up to and including the grant date of such new grant exceeding 1% in aggregate of the issued share capital of the Company as at the date of the RSU Letter (the “**Grant Date**”) of such new grant (the “**Individual Limit**”), such grant must be separately approved by Shareholders in general meeting with such grantee and his close associates (or associates if the grantee is a connected person of the Company) abstain from voting.

Granting RSUs to a Director, Chief Executive, Substantial Shareholder

Each RSU, award and option granted to a Director, chief executive or substantial shareholder of the Company or any of their respective associates shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive director who is a proposed grantee of such Options).

In addition, subject always to the Individual Limit, where any grant of RSUs or awards to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates would result in the Shares issued and to be issued in respect of all RSUs granted 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 Shares in issue on the Grant Date, such grant must be approved by the Shareholders in general meeting with the grantees, their associates and all core connected persons (as defined under the Listing Rules) of the Company abstaining from voting in favour.

Further, subject always to the Individual Limit, where any grant of RSUs or any other options pursuant to any other concurrent share schemes to an independent non-executive director or substantial shareholder of the Company or any of their respective associates would result in the number of Shares issued and to be issued upon the exercise of all RSUs granted (excluding RSUs lapsed in accordance with the terms of the Amended Share Incentive Plan) to such person in the 12-month period up to and include the Grant Date representing in aggregate over 0.1% of the Shares in issue on the Grant Date, such grant shall also be approved by the Shareholders in general meeting with the grantees, their associates and all core connected persons (as defined under the Listing Rules) of the Company abstaining from voting in favour.

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Grant of RSU

An RSU Letter shall specify the Grant Date, the period within which it must be accepted, the number of RSU Shares underlying the RSU, the vesting criteria and conditions, the purchase price (if any) for the RSU Shares (including the method of payment and the period(s) within which any such purchase price must be made), the vesting date, any performance targets which shall be achieved before the RSUs can be vested, and any details as the Board or the Board Delegate(s) may consider necessary in respect of which an offer of RSUs is made.

The Board or the Board Delegate(s) may determine the amount payable (if any) on an application or acceptance of an RSU.

Purchase Price

As of the Amendment Date, and subject to future adjustments, no purchase price is to be paid by the grantees of the RSU Shares.

The Board or the Board Delegate(s) may determine in its absolute discretion the purchase price of the RSU Shares, taking into account (including but not limited to) the prevailing closing price of the Shares, the purpose of the Amended Share Incentive Plan and the characteristics and profile of the Selected Participant.

The basis of determining such purchase price of the RSU Shares aligns with the purposes of the Amended Share Incentive Plan as the Eligible Persons will receive an RSU Share at no cost, which is much more competitive than purchasing the Shares in the market, thus incentivizing them to contribute further to the Group's development. Further, the Board noted that it is a common practice for listed companies in Hong Kong to grant restricted share units or award shares to their directors, critical personnel and employees at nil consideration. Having considered that (1) the setting of nil consideration for the granting of Awarded Shares is in line with market practice; and (2) Awarded Shares are granted pursuant to the Amended Share Award Scheme, the purposes of which are to (i) align the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and (ii) encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group, the Board considers the nil consideration of the RSU Shares to be acceptable.

Lapse of RSUs

Any RSUs shall automatically lapse on the earliest of:

- (a) seven (7) Business Days after the date of the commencement of the mandatory winding-up of the Company;

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- (b) seven (7) Business Days after the date on which the proposed compromise or arrangement between the Company and its Shareholders or creditors in connection with a scheme for the reconstruction or amalgamation of the Company (other than any relocation schemes as contemplated under Rule 7.14(3) of the Listing Rules) becomes effective;
- (c) the date on which the Selected Participant ceases to be an Eligible Person (as determined by the Board or the Board Delegate(s)) on or prior to the relevant vesting date;
- (d) the date on which the Selected Participant commits a breach of any terms or conditions (if any) attached to the grant of the RSU, unless otherwise resolved to the contrary by the Board or the Board Delegate(s);
- (e) the date on which there is an actual or purported breach of terms in connection with the transferability of the RSU Shares by the Selected Participant as determined by the Board or the Board Delegate(s); or
- (f) the date on which the Board or the Board Delegate(s) makes a determination to claw back the RSU pursuant to the Amended Share Incentive Plan.

For the avoidance of doubt, any RSUs lapsed will not be regarded as utilized for the purpose of calculating the Scheme Limit.

Clawback Mechanism

In the event that:

- (a) the Selected Participant commits a breach of confidentiality obligations as set out in the Amended Share Incentive Plan and/or the respective RSU Letter (if applicable);
- (b) the Selected Participant secures a part-time job in an industry or field that competes or is likely to compete, directly or indirectly, with the business of the Group;
- (c) the Selected Participant ceases to be an Eligible Person by reason of the termination of his/her/its employment or contractual engagement with any member of the Group or any Related Entity for misconduct or without notice or with payment in lieu of notice;
- (d) the Selected Participant has contravened the relevant laws and regulations of the People's Republic of China, Hong Kong and/or any other jurisdiction to which such Selected Participant is subject and thereby has been convicted of any criminal offence;

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- (e) the Selected Participant has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of any trade or technical secrets, or conducted any connected transactions or other unlawful acts or misconduct which, in the reasonable opinion of the Board or the Board Delegate(s), prejudiced the interest or reputation of or caused significant negative impact to the Group;
- (f) in the reasonable opinion of the Board or the Board Delegate(s), the Selected Participant has failed to discharge, or failed to discharge properly, his/her/its duties and thereby resulting in serious and adverse consequences, directly or indirectly, to the Group's interest or reputation; or
- (g) in the reasonable opinion of the Board or the Board Delegate(s), the Selected Participant has engaged in any serious misconduct or breach of the terms of the Amended Share Incentive Plan or any terms or conditions attached to the grant of the RSU in any material respect,

the Board or the Board Delegate(s) may make a determination at its sole and absolute discretion that (1) any RSUs issued to that Selected Participant but not yet vested shall immediately lapse; (2) with respect to any Shares issued and/or transferred to that Selected Participant, the Selected Participant shall be required to transfer back, in whole or in part as determined by the Board or Board Delegate(s), to the Company or its nominee(s): (A) the equivalent number of Shares so issued and/or transferred to such Selected Participant, (B) an amount in cash equal to the market value of such Shares, or (C) a combination of (A) and (B); and/or (3) with respect to any RSU Shares held by the Trustee for the benefit of that Selected Participant, those RSU Shares shall no longer be held on trust for nor inure to benefit of the Selected Participant.

If the Board or the Board Delegate(s) exercises its discretion to claw back the RSUs, it will give the relevant Selected Participant a notice of such determination and the determination shall be final, conclusive and binding on all parties. The Board is of the view that such clawback mechanism provides an option for the Company to claw back the equity incentives granted to participants culpable of misconduct and is in line with the purpose of the Amended Share Incentive Plan and the interests of Shareholders.

Vesting of RSUs

The Board or the Board Delegate(s) may determine such vesting criteria and conditions or periods for the RSU to be vested hereunder, provided however that the vesting period in respect of any RSU shall not be less than 12 months from the Grant Date, except that with respect to a Selected Participant who is an Employee Participant, a shorter vesting period may be permitted in circumstances set out below:

- (a) grants as "make whole" RSUs to a new Employee Participant upon joining the Group to replace the share awards such Selected Participant forfeited when leaving his/her previous employer;

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- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;
- (c) grants of RSUs which are subject to the fulfilment of performance targets as determined in the conditions of his/her grant;
- (d) grants of RSUs the timing of which is set due to administrative and/or compliance reasons unrelated to the performance of the Employee Participant, in which case the vesting date may be adjusted to take account of the time from which the RSU would have been granted if not for such administrative and/or compliance reasons;
- (e) grants of RSUs with a mixed vesting schedule such that the RSUs may vest evenly over a period of 12 months; or
- (f) grants of RSUs with a total vesting and holding period of more than 12 months, such as where the RSUs may vest by several batches with the first batch to vest within 12 months of the Grant Date and the last batch to vest 12 months after the Grant Date.

Neither the Selected Participant nor the Trustee shall exercise any voting rights in respect of any RSU Shares held, directly or indirectly, that have not been vested.

The Board and the Remuneration Committee are of the view that the vesting period (including the circumstances under which a shorter vesting period may apply), as detailed in the Amended Share Incentive Plan is considered appropriate and aligns with the purpose of the Amended Share Incentive Plan, for the same reasons as described in above section headed “*Vesting of Option*” under “*4A. Proposed Amendments to the Share Option Scheme*” in the Letter from the Board in this circular.

Performance Target

The Amended Share Incentive Plan does not stipulate that specific performance target an Eligible Person is required to be achieved. However, under the Amended Share Incentive Plan, the Board or the Board Delegate(s) may still at its discretion set performance targets for each grantee in the RSU Letter which must be achieved before the RSUs vest, and the Board believes that retaining discretion on whether to attach performance objectives to RSUs can provide the Board with more flexibility in setting the terms and conditions of the RSUs on a case-by-case basis, and tailor the terms and conditions of the grant to cater to specific circumstances of each grantee. In addition, the Board considers that such flexibility under the Amended Share Incentive Plan can also facilitate the ultimate goal of the Company in offering meaningful incentives to remunerate and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole. If performance targets are imposed upon making any grant, the Board or the Board Delegates will have regard to the purpose of the relevant Amended Share Scheme in assessing such performance targets, with reference to factors including but not limited to, as and when

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appropriate, a mixture of attaining satisfactory key performance indicators (including the performance targets of the Group and/or individual performance based on the period performance assessment and annual review results) such as sales performance (e.g. revenue), operating performance (e.g. profits, operation efficiency in term of cost control), financial performance (e.g. profits, cash flow, earnings, market capitalization, return on equity) of the Group, corporate sustainability parameter (e.g. timeliness and accuracy in handling customer feedback, team work capabilities, adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal business procedures), the level of satisfaction of which shall be assessed and determined by the Board or the Board Delegates at its sole discretion.

To the extent where grants are offered under the Amended Share Incentive Plan without any performance target attached, the Board and Remuneration Committee consider that such incentives remain to be market competitive because, each such grant, on its own, represents a recognition of the grantees' past contribution to the Group, a means of direct encouragement and forms part of the remuneration package. The time-based nature of the RSUs (for example, a minimum vesting period) will ensure that the long-term interests of the grantees and the Group are aligned.

Therefore, the Board is of the view that no general requirement for any performance target in the Amended Share Incentive Plan is in line with the scheme purposes.

Transferability, Cancellation and Status of RSUs

Any RSU granted but not yet vested shall be personal to the grantee and shall not be assignable or transferrable and no grantee shall in any way, sell, transfer, assign, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any other person over or in relation to any RSU, or enter into any agreement to do so, except for when a waiver is obtained from the Stock Exchange and express written consent is obtained from the Board or the Board Delegate(s).

All or part of RSUs may be cancelled by the Board or the Board Delegate(s) at any time with the prior consent of the respective Selected Participant. The RSUs cancelled will be regarded as utilised for the purpose of calculating the Scheme Limit and the Service Provider Sublimit.

RSU Shares to be allotted and issued for the RSUs shall be subject to all the provisions of the Articles and are to rank *pari passu* with the fully paid Shares then in issue and accordingly will be entitled to dividends and other distributions paid or made on or after the date of the allotment, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date therefore falls before the date of the allotment.

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Changes in Capital Structure of the Company

In the event the Company undertakes a capitalization issue, rights issue, sub-division or consolidation of the Shares or reduction of capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), corresponding changes will be made to the number and Purchase Price (if applicable) of any unvested RSUs (together with any outstanding RSU Shares subject thereunder) that have been granted provided that:

- (a) any such adjustments must be made so that each Selected Participant is given the same portion of the share capital of the Company, rounded to the nearest whole share, as that to which they were previously entitled;
- (b) all fractional shares (if any) arising out of such consolidation or sub-division in respect of the RSU Shares of a Selected Participant shall be deemed as returned Shares and shall not be transferred to the relevant Selected Participant on the relevant vesting date;
- (c) no such adjustments shall be made which would result in the Purchase Price (if applicable) for a Share being less than its nominal value, provided that in such circumstances the Purchase Price shall be reduced to the nominal value;
- (d) any such adjustments shall be made on the basis that the aggregate Purchase Price (if applicable) payable by a Selected Participant for the vesting of the RSU Shares granted thereto shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; and
- (e) any adjustments to be made will comply with the Listing Rules and any guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time.

Alteration

The Amended Share Incentive Plan may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Participant unless otherwise provided for in these Scheme Rules, except: (i) with the consent in writing of Selected Participants amounting to three-fourths in nominal value of all RSU Shares held by the Trustee on that date; or (ii) with the sanction of a special resolution that is passed at a meeting of the Selected Participants amounting to three-fourths in nominal value of all RSU Shares held by the Trustee on that date.

Approval of the Shareholders in general meeting (with Selected Participants and their respective associates abstaining from voting) is required for any amendment to the terms of the Amended Share Incentive Plan which are of a material nature or to any provisions of the Amended Share Incentive Plan which relate to the matters set out in Rule 17.03 of the Listing Rules to the extent that such amendment operates to the advantage of Selected Participants.

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Any change to the terms of any RSUs the grant of which was subject to the approval of a particular authority shall be subject to approval by that same authority, provided that this requirement does not apply where the relevant alteration takes effect automatically under the terms of the Amended Share Incentive Plan.

Any change to the authority of the Board or the Board Delegate(s) in relation to any alteration to the terms of the Amended Share Incentive Plan must be approved by the Shareholders in general meeting.

The amended terms of the Amended Share Incentive Plan or the RSUs must comply with the Listing Rules.

Termination

The Amended Share Incentive Plan shall terminate on the earlier of:

- (a) the end of the period of ten years commencing on 11 June 2021 (the “**RSU Period**”) except in respect of any non-vested RSU Shares granted hereunder prior to the expiration of the Amended Share Incentive Plan, for the purpose of giving effect to the vesting of such RSU Shares or otherwise as may be required in accordance with the provisions of the Amended Share Incentive Plan; and
- (b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant which are already granted to a Selected Participant.

On the business day following the settlement, lapse, forfeiture or cancellation of the last unvested RSU made under the Amended Share Incentive Plan, the Trustee shall sell all the Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receiving notice and remit all cash and net proceeds of such sale and the returned Trust funds to the Company.

All RSU Shares granted but not vested or not issued prior to such termination shall continue to be valid and can be further vested and issued in accordance with their terms after the termination of the Amended Share Incentive Plan.

Trustee

No Director is a Trustee of the Amended Share Incentive Plan or has any direct or indirect in the Trustee of the Amended Share Incentive Plan.

The trustee of the Amended Share Incentive Plan, being TMF Trust (HK) Limited, which held 14,843,636 Shares (which for the purpose of the New Rules, are new Shares) for future grants as of the Latest Practicable Date, shall abstain from voting or exercising any voting rights in respect of any unvested Shares which are held, whether directly or indirectly, under the trust or as nominee on matters that require approval of the Shareholders under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner’s direction and such a direction is given.

LETTER FROM THE BOARD

5. PROPOSED RE-APPOINTMENT OF AUDITOR

The Board proposes to re-appoint PricewaterhouseCoopers as the independent auditor of the Company for the year ending 31 December 2024 and to hold the office until the conclusion of the next annual general meeting of the Company. A resolution will also be proposed to authorise the Board to fix the auditor's remuneration for the ensuing year. PricewaterhouseCoopers have indicated their willingness to be re-appointed as auditor of the Company for the said period.

6. ISSUE MANDATE

On 29 May 2023, an ordinary resolution was passed to grant to the Directors the Issue Mandate to issue Shares and to extend the Issue Mandate to include Shares repurchased under the Repurchase Mandate. The Issue Mandate will lapse at the conclusion of the Annual General Meeting. In order to ensure flexibility and give discretion to the Directors in the event that it becomes desirable to issue any Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for a general mandate to issue Shares.

At the Annual General Meeting, an ordinary resolution numbered 8(A) will be proposed to grant a general mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares up to 20% of the aggregate number of issued Shares as at the date of passing of the resolution in relation to such general mandate.

The Issue Mandate, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or regulations or the Articles of Association; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

As of the Latest Practicable Date, the number of issued Shares was 1,942,315,754 Shares. Subject to the passing of the resolution approving the Issue Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Directors will be authorised to issue a maximum of 388,463,150 Shares.

7. REPURCHASE MANDATE

On 29 May 2023, an ordinary resolution was passed to grant to the Directors a general mandate to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, it is proposed to renew the Repurchase Mandate at the Annual General Meeting.

LETTER FROM THE BOARD

At the Annual General Meeting, an ordinary resolution numbered 8(B) will be proposed to approve the granting of a Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the aggregate number of issued Shares as at the date of passing of the resolution approving the Repurchase Mandate.

The proposed Repurchase Mandate, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or regulations or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

As of the Latest Practicable Date, the number of issued Shares was 1,942,315,754 Shares. Assuming that there is no change in the number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the proposed Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the proposed Repurchase Mandate will be 194,231,575 Shares.

An explanatory statement containing relevant information relating to the Repurchase Mandate as required by the Listing Rules to be sent to the Shareholders is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

8. EXTENSION OF THE ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution as set out in resolution numbered 8(C) on the notice of Annual General Meeting will be proposed to the Shareholders to consider and, if thought fit, that the Issue Mandate be extended by the addition to the number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of the number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

9. DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

Subject to fulfillment of the conditions set out in the section headed “*Conditions of the Payment of Special Dividend out of Share Premium Account*” below, the Board has recommended the declaration and payment of the Special Dividend of HK\$0.1 (equivalent to RMB0.091) per Share out of the Share Premium Account to Shareholders whose names appear on the register of members of the Company on the Record Date.

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As at the Latest Practicable Date, the issued share capital of Company comprised 1,942,315,754 Shares. On the basis that no further Shares are issued or repurchased or surrendered after the Latest Practicable Date and up to date of the Annual General Meeting, the Special Dividend, if declared and paid, will amount to an aggregate amount of HK\$194,231,575.40. Subject to the fulfilment of the conditions set out in the section headed “*Conditions of the Payment of Special dividend out of Share Premium Account*” below, the Special Dividend is intended to be paid out of the Share Premium Account pursuant to Articles 133 and 134 of the Articles of Association and in accordance with the Companies Act.

As at 31 December 2023, based on the audited consolidated financial statements of the Group, the amount standing to the credit of the Share Premium Account was approximately RMB7,408,985,000.00 (equivalent to approximately HK\$8,175,702,368.08). Following the payment of the Special Dividend and assuming that there are no other changes to the Share Premium Account since the Latest Practicable Date save and except for the declaration and payment of the Special Dividend, there will be a remaining balance of approximately RMB7,232,968,461.74 (equivalent to approximately HK\$7,981,470,792.68) standing to the credit of the Share Premium Account.

The proposed Special Dividend shall be declared and paid in HK\$.

Conditions of the Payment of Special Dividend out of Share Premium Account

The payment of the Special Dividend out of the Share Premium Account is conditional upon the satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting approving the declaration and payment of the Special Dividend out of the Share Premium Account pursuant to Articles 133 and 134 of the Articles of Association;
- (b) the Directors being satisfied that immediately following payment of the Special Dividend, the Company shall be able to pay its debts as they fall due in the ordinary course of business; and
- (c) the Company having complied with all requirements under the laws of the Cayman Islands regarding the payment of Special Dividend out of the Share Premium Account.

The conditions set out above cannot be waived. If such conditions are not satisfied, the Special Dividend will not be paid. Subject to the fulfilment of the above conditions, it is expected that the Special Dividend will be paid in cash on or about Friday, 5 July 2024 to the qualifying Shareholders whose names appear on the register of members of the Company at close of business on Monday, 20 May 2024, being the Record Date for determination of entitlements of the Shareholders to the Special Dividend.

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Reasons for and effect of the payment of Special Dividend out of Share Premium Account

To reward the Shareholders, the Board considers it is appropriate to distribute the Special Dividend to repay the Shareholders' support.

The payment of the Special Dividend out of the Share Premium Account does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

After taking into consideration of the existing cash flow of the Group, the Board considers that the Company has sufficient cash flow to pay the Special Dividend. The payment of the Special Dividend out of the Share Premium Account will not have any material adverse effect on the financial position of the Group.

The Directors consider that the declaration and proposed payment of the Special Dividend out of the Share Premium Account is in the interests of the Company and the Shareholders as a whole.

10. NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 93 to 99 of this circular is the notice of the Annual General Meeting at which, inter alia, ordinary resolutions will be proposed to the Shareholders to consider and if thought fit, to approve the re-election of Directors, the proposed amendments to the Share Award Scheme, the proposed amendments to the Share Option Scheme, the proposed amendments to the Share Incentive Plan, the proposed adoption of the Scheme Limit, the proposed adoption of the Service Provider Sublimit, the grant to the Directors of general mandates to issue Shares and repurchase Shares, the re-appointment of auditor, and the declaration and payment of Special Dividend out of Share Premium Account and a special resolution will be proposed to the Shareholders to consider and if thought fit, to approve the Proposed Amendments and the adoption of the Third Amended and Restated Articles of Association.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolutions to be proposed at the Annual General Meeting.

11. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 7 May 2024 to Friday, 10 May 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 6 May 2024.

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For determining the entitlement to the Special Dividend (subject to approval by the Shareholders at the Annual General Meeting and satisfaction of the other conditions set out in the section headed “*Conditions of the Payment of Special dividend out of Share Premium Account*” above), the register of members of the Company will be closed from Monday, 20 May 2024 to Thursday, 23 May 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible for the Special Dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 17 May 2024.

12. FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mingyuanyun.com). Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish and in such event, the relevant form of proxy shall be deemed to be revoked.

13. VOTING BY POLL

Pursuant to Article 66 of the Articles of Association and Rule 13.39(4) of the Listing Rules, a resolution put to the vote of the meeting shall be decided by way of a poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the chairman of the Annual General Meeting will demand a poll for the resolutions to be put forward at the Annual General Meeting.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorised representative shall have one vote for every fully paid share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

14. RECOMMENDATION

The Board considers that the re-election of Directors, the Proposed Amendments and the adoption of the Third Amended and Restated Articles of Association, the proposed amendments to the Share Award Scheme, the proposed amendments to the Share Option Scheme, the proposed amendments to the Share Incentive Plan, the proposed adoption of the Scheme Limit, the proposed adoption of the Service Provider Sublimit, the re-appointment of auditor, the

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proposed granting to the Directors of the Issue Mandate, the proposed Repurchase Mandate and the extension of the Issue Mandate and the declaration and payment of Special Dividend out of Share Premium Account are in the interests of the Company and the Shareholders as a whole. The Board therefore recommends the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

15. RESPONSIBILITY STATEMENT

This circular, for which the directors of the issuer 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 issuer. 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.

16. DOCUMENTS ON DISPLAY

Copies of the rules governing each of the Amended Share Option Scheme, the Amended Share Award Scheme and the Amended Share Incentive Plan, will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the AGM. In addition, such rules governing each of the Amended Share Option Scheme, the Amended Share Award Scheme and the Amended Share Incentive Plan will be made available for inspection at the AGM.

By order of the Board
Ming Yuan Cloud Group Holdings Limited
Gao Yu
Chairman

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

The following are the particulars (as required by the Listing Rules) of the Directors proposed to be re-elected at the Annual General Meeting.

As at the Latest Practicable Date, none of the following Directors, save as disclosed herein, had any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, none of the following Directors holds any position with the Company or any other member of the Group, or any directorships in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed herein, the following Directors are not otherwise related to any Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules). Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

EXECUTIVE DIRECTORS

Mr. Jiang Haiyang (姜海洋) (“Mr. Jiang”), aged 53, was appointed as our Director on 31 March, 2020, and re-designated as our executive Director on 12 June 2020. Mr. Jiang was also appointed as our Chief Executive Officer on 12 June 2020. Mr. Jiang co-founded our Group in November 2003. He is responsible for the Board’s work related to the operation and management of our Company.

Mr. Jiang received a bachelor’s degree in management operating system from Tianjin University of Business (天津商學院) in July 1993.

Mr. Jiang currently holds directorships in the following principal subsidiaries of our Group: Shenzhen Mingyuan Cloud Technology Co., Ltd., Shenzhen Mingyuan Cloud Procurement Technology Limited, Shenzhen Mingyuan Cloud Space Electronic Commerce Co., Ltd. and Shenzhen Mingyuan Cloud Chain Internet Technology Limited.

Mr. Jiang has entered into a service contract with the Company for a term of three years commencing from 25 September 2023, which may be terminated by not less than three months’ notice in writing served by either party. Under the service contract, Mr. Jiang would not receive any annual Director’s fee in his capacity as an executive Director. For the year ended 31 December 2023, he received an annual remuneration and discretionary bonus as our Chief Executive Officer and a director of the subsidiaries of the Group of RMB566,000, which is determined by the Remuneration Committee according to, among others, his qualification, experience, duties, responsibilities with the Company and the prevailing market conditions.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

As at the Latest Practicable Date, LINGFAN Investment Limited directly held 187,826,600 Shares in the Company, representing approximately 9.67% of the issued Shares. LINGFAN Investment Limited is 99% held by Mindfree Holdings Limited, which is in turn wholly-owned by TMF, the trustee of the family trust established by Mr. Jiang (as the settlor) with him and his family members being the beneficiaries. Accordingly, Mr. Jiang is deemed to be interested in the total number of Shares held by LINGFAN Investment Limited pursuant to Part XV of the SFO.

Mr. Chen Xiaohui (陳曉暉) (“Mr. Chen”), aged 53, was appointed as our Director on 31 March, 2020, and re-designated as our executive Director on 12 June 2020. Mr. Chen was also appointed as our Vice President on 12 June 2020. Mr. Jiang co-founded our Group in November 2003. He is responsible for the Board’s work related to the operation and management of our Company and overseeing the research and development of our Group’s products.

Mr. Chen received a bachelor’s degree in radio communication from Xi’an Jiaotong University (西安交通大學) in July 1992 and a master’s degree in business administration from China Europe International Business School (中歐國際工商學院) in August 2014.

Mr. Chen currently holds directorships in the following principal subsidiaries of our Group: Shenzhen Mingyuan Cloud Technology Co., Ltd., Shenzhen Mingyuan Cloud Procurement Technology Limited and Shenzhen Mingyuan Cloud Space Electronic Commerce Co., Ltd..

Mr. Chen has entered into a service contract with the Company for a term of three years commencing from 25 September 2023, which may be terminated by not less than three months’ notice in writing served by either party. Under the service contract, Mr. Chen would not receive any annual Director’s fee in his capacity as an executive Director. For the year ended 31 December 2023, he received an annual remuneration and discretionary bonus as our Vice President and a director of the subsidiaries of the Group of RMB434,000, which is determined by the Remuneration Committee according to, among others, his qualification, experience, duties, responsibilities with the Company and the prevailing market conditions.

As at the Latest Practicable Date, HengXinYuan Investment Limited and SunshineSmoor Holdings Limited directly held 298,644,800 Shares and 4,000,000 Shares in our Company, representing approximately 15.38% and 0.21% of the issued Shares, respectively. HengXinYuan Investment Limited and SunshineSmoor Holdings Limited is 99% and wholly held by SunshineMorning Holdings Limited, respectively, which is in turn wholly-owned by TMF, the trustee of the family trust established by Mr. Chen (as the settlor) with him and his family members being the beneficiaries. Accordingly, Mr. Chen is deemed to be interested in the total number of Shares held by HengXinYuan Investment Limited and SunshineSmoor Holdings Limited pursuant to Part XV of the SFO.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Zhao Liang (趙亮) (“Mr. Zhao”), aged 51, was appointed as our independent non-executive Director on 4 September 2020. Mr. Zhao acted as deputy general manager and secretary of the board of directors in Shenzhen Changfang Group Co., Ltd. (深圳市長方集團股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 300301), from December 2010 to November 2012; an executive deputy general manager in charge of compliance risk for legal affairs in Ping An Caizhi Investment Management Co., Ltd. (平安財智投資管理有限公司) from April 2013 to January 2016; a partner and lead counsel in Shenzhen Greenpine Capital Management Co., Ltd. (深圳市松禾資本管理有限公司) since February 2016.

From November 2015 to December 2021, Mr. Zhao held directorship in Shenzhen FRD Science & Technology Co., Ltd. (深圳市飛榮達科技股份有限公司), a company whose shares are listed on the Shenzhen Stock Exchange (Stock Code: 300602), as an independent non-executive director. Since 25 June 2019, Mr. Zhao has served as an independent non-executive director to Shenzhen King Brother Electronics Technology Co., Ltd. (深圳市金百澤電子科技股份有限公司), a company whose shares were listed on the Shenzhen Stock Exchange (Stock Code: 301041).

Mr. Zhao received a bachelor of arts degree in German language and literature from the Department of Western Languages of Peking University in July 1996; master of law degree in comparative legal theory from the Law School of Peking University in July 2000; and juris doctor in law degree from Humboldt University of Berlin in February 2004. Mr. Zhao has been recognized as a qualified PRC lawyer by the Chinese Ministry of Justice since 7 May 1999 and an arbitrator of the China International Economic and Trade Arbitration Commission (中國國際經濟貿易仲裁委員會) by the China International Economic and Trade Arbitration Commission since 1 May 2014. On 20 January 2022, Mr. Zhao was included on the Panel of Arbitrators of Shenzhen Court of International Arbitration for a period of three years from 21 February 2022 to 20 February 2025.

Mr. Zhao has entered into a letter of appointment with the Company for a term of one year commencing from 25 September 2023, which may be terminated by not less than one month’s notice in writing served by either party. Under the letter of appointment, Mr. Zhao is entitled to receive a fixed Director’s fee in his capacity as an independent non-executive Director. For the year ended 31 December 2023, he received an annual Director’s fee of RMB90,000 which is determined by the Remuneration Committee according to, among others, his qualification, experience, duties, responsibilities with the Company and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Zhao did not have any interest in the Company pursuant to Part XV of the SFO.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

The recommendations of Mr. Zhao to the Board was made in accordance with the director nomination policy of the Company and the objective criteria (including without limitation gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company. The Board is satisfied that through exercising the scrutinising and monitoring function of an independent non-executive director, Mr. Zhao has continued to provide independent and objective judgment and advice to the Board to safeguard the interests of the Company and the Shareholders as a whole. He has been continuously demonstrating firm commitment to his role. Due to profound knowledge and experience of Mr. Zhao in legal and compliance affairs, he is able to provide valuable and useful guidance to the Board. The Board was satisfied with his independence having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the number of issued Shares was 1,942,315,754 Shares. Subject to the passing of the resolution granting the proposed Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 194,231,575 Shares which represent 10% of the number of issued Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or regulations or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

REASONS AND FUNDING OF REPURCHASES

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

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. The Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Act. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Companies Act.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase Shares in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the proposed Repurchase Mandate were to be exercised in full, it may not have a material adverse impact on the working capital and/or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

GENERAL MATTERS

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates (as defined in the Listing Rules), currently intends to sell any Shares to the Company or its subsidiaries, if the proposed Repurchase Mandate is exercised.

The Directors will exercise the proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. Neither this explanatory statement nor the proposed share repurchase has any unusual features.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she or it has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the proposed Repurchase Mandate is exercised.

TAKEOVERS CODE IMPLICATIONS

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the following substantial Shareholders are interested in 10% or above of the issued Shares:

Name of substantial Shareholder	Number of issued Shares held	Approximate %	
		As at the Latest Practicable Date ⁽¹⁾	Immediately after full exercise of the proposed Repurchase Mandate
GHTongRui Investment Limited ⁽²⁾	399,423,600	20.56%	22.85%
MYTongRui Holdings Limited ⁽²⁾	399,423,600	20.56%	22.85%
HengXinYuan Investment Limited ⁽³⁾	298,644,800	15.38%	17.08%
SunshineMorning Holdings Limited ⁽³⁾	302,644,800	15.58%	17.31%
TMF ⁽²⁾⁽³⁾⁽⁴⁾	889,895,000	45.82%	50.91%

Notes:

- (1) As of the Latest Practicable Date, there were 1,942,315,754 Shares in issue.
- (2) GHTongRui Investment Limited is 99% held by MYTongRui Holdings Limited, which is in turn wholly-owned by TMF, the trustee of the family trust established by Mr. Gao (as the settlor) with him and his family members being the beneficiaries. Accordingly, MYTongRui Holdings Limited is deemed to be interested in the total number of Shares held by GHTongRui Investment Limited.

- (3) HengXinYuan Investment Limited is 99% held by SunshineMorning Holdings Limited, which is in turn wholly-owned by TMF, the trustee of the family trust established by Mr. Chen (as the settlor) with him and his family members being the beneficiaries. Accordingly, SunshineMorning Holdings Limited is deemed to be interested in the total number of Shares held by HengXinYuan Investment Limited.

SunshineSmoor Holdings Limited beneficially holds 4,000,000 of our issued Shares and is wholly-owned by SunshineMorning Holdings Limited. Accordingly, SunshineMorning Holdings Limited is deemed to be interested in the total number of Shares held by SunshineSmoor Holdings Limited.

- (4) TMF is deemed to be interested in the total number of Shares held by each of GHTongRui Investment Limited and HengXinYuan Investment Limited as noted above, as well as LINGFAN Investment Limited that beneficially holds 187,826,600 of the issued Shares and is 99% held by Mindfree Holdings Limited, which is in turn wholly-owned by TMF, the trustee of the family trust established by Mr. Jiang (as the settlor) with him and his family members being the beneficiaries.

In the event that the Directors should exercise in full the proposed Repurchased Mandate, the interest of the substantial Shareholders in the Company will increase to the approximate percentage set out in the above table. To the best knowledge and belief of the Directors, TMF's shareholding in the Company will be increased to approximately 50.91% of issued Shares. Such increase would give rise to an obligation to make a mandatory offer under the Takeovers Code. The Directors have no present intention to repurchase the Shares to the extent that will trigger the obligations under the Takeovers Code to make a mandatory offer. The Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any repurchase made by the Company of the Shares.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

SHARE REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has repurchased a total of 8,311,000 Shares on the Stock Exchange pursuant to the general mandate to repurchased Shares granted by the Shareholders at the annual general meeting held on 29 May 2023, details of which were as follows:

Date of Repurchase	No. of shares Repurchased	Highest Price per Share HK\$	Lowest Price per Share HK\$	Aggregate consideration HK\$
5 December 2023	703,000	2.850	2.820	2,005,479.85
6 December 2023	357,000	2.800	2.780	1,002,042.88
22 January 2024	616,000	2.100	2.060	1,282,143.65
24 January 2024	51,000	2.150	2.150	109,988.32
31 January 2024	1,353,000	2.100	2.050	2,826,916.84

Date of Repurchase	No. of shares Repurchased	Highest Price per Share <i>HK\$</i>	Lowest Price per Share <i>HK\$</i>	Aggregate consideration <i>HK\$</i>
1 February 2024	904,000	2.150	2.060	1,919,893.88
2 February 2024	1,129,000	2.150	2.030	2,347,793.55
5 February 2024	1,780,000	2.020	1.920	3,519,824.26
7 February 2024	538,000	2.100	2.070	1,128,537.24
27 March 2024	554,000	2.430	2.370	1,335,091.14
28 March 2024	326,000	2.500	2.390	801,851.55

Save as disclosed above, neither the Company nor any of its subsidiaries has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

SHARE PRICES

The monthly highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

Month	Highest Prices <i>HK\$</i>	Lowest Prices <i>HK\$</i>
2023		
April	5.190	3.800
May	4.150	3.170
June	4.780	3.350
July	5.220	3.210
August	5.070	3.590
September	4.550	3.270
October	3.570	3.000
November	3.700	3.070
December	3.260	2.630
2024		
January	2.920	2.050
February	2.460	1.880
March	2.740	2.040
April (<i>up to and including the Latest Practicable Date</i>)	2.560	2.280

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Details of the Proposed Amendments are as follows:

Currently in force		Proposed to be amended as																					
No.	Articles of Association	No.	Articles of Association																				
Article 2(1)	<p>In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.</p> <table border="1"> <thead> <tr> <th>WORD</th> <th>MEANING</th> </tr> </thead> <tbody> <tr> <td>“Act”</td> <td>the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands.</td> </tr> <tr> <td>...</td> <td>...</td> </tr> <tr> <td>“business day”</td> <td>shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.</td> </tr> <tr> <td>...</td> <td>...</td> </tr> </tbody> </table>	WORD	MEANING	“Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands.	“business day”	shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.	Article 2(1)	<p>In these Articles, unless the context otherwise requires, the words standing in the first column of the following table shall bear the meaning set opposite them respectively in the second column.</p> <table border="1"> <thead> <tr> <th>WORD</th> <th>MEANING</th> </tr> </thead> <tbody> <tr> <td>“Act”</td> <td>the Companies Act (As Revised) of the Cayman Islands.</td> </tr> <tr> <td>...</td> <td>...</td> </tr> <tr> <td>“business day”</td> <td>shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.</td> </tr> <tr> <td>...</td> <td>...</td> </tr> </tbody> </table>	WORD	MEANING	“Act”	the Companies Act (As Revised) of the Cayman Islands.	“business day”	shall mean a day on which the Designated Stock Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Designated Stock Exchange is closed for the business of dealing in securities in Hong Kong on a business day for the reason of a number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purposes of these Articles be counted as a business day.
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Article 3(2)	Subject to the Act, the Company’s Memorandum and Articles of Association and, where applicable, the Listing Rules and/or the rules of any competent regulatory authority, the Company shall have the power to purchase or otherwise acquire its own shares and such power shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it in its absolute discretion thinks fit and any determination by the Board of the manner of purchase shall be deemed authorised by these Articles for purposes of the Act. The Company is hereby authorised to make payments in respect of the purchase of its shares out of capital or out of any other account or fund which can be authorised for this purpose in accordance with the Act.	Article 3(2)	Subject to the Act, the Company’s Memorandum and Articles of Association and, where applicable, the Listing Rules and/or the rules <u>and regulations</u> of any competent regulatory authority, the Company shall have the power to purchase or otherwise acquire its own shares and such power shall be exercisable by the Board in such manner, upon such terms and subject to such conditions as it in its absolute discretion thinks fit and any determination by the Board of the manner of purchase shall be deemed authorised by these Articles for purposes of the Act. The Company is hereby authorised to make payments in respect of the purchase of its shares out of capital or out of any other account or fund which can be authorised for this purpose in accordance with the Act.												

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 3(3)	Subject to compliance with the Listing Rules and any other competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.	Article 3(3)	Subject to compliance with the Listing Rules and <u>the rules and regulations of</u> any other competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company.
Article 10(a)	the necessary quorum (other than at an adjourned meeting) shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum; and	Article 10(a)	the necessary quorum (other than <u>including</u> at an adjourned meeting) shall be two persons holding or representing by proxy not less than one-third in nominal value of the issued shares of that class and at any adjourned meeting of such holders, two holders present in person or by proxy (whatever the number of shares held by them) shall be a quorum; and
Article 58	The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the Principal Meeting Place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.	Article 58	The Board may whenever it thinks fit call extraordinary general meetings. Any one or more Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, <u>on a one vote per share basis</u> , shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the Principal Meeting Place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
		Article 63(2)	<p>(Newly added)</p> <p>If the chairman of a general meeting held in any form is participating in the general meeting using an electronic facility or facilities which is hereby permitted and becomes unable to participate in the general meeting using such electronic facility or facilities, another person (determined in accordance with Article 63(1) above) shall preside as chairman of the meeting unless and until the original chairman of the meeting is able to participate in the general meeting using the electronic facility or facilities.</p>
Article 64	<p>Subject to Article 64C, the chairman of the meeting may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' Notice of the adjourned meeting shall be given specifying the details set out in Article 59(2) but it shall not be necessary to specify in such Notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give Notice of an adjournment.</p>	Article 64	<p>Subject to Article 64C, the chairman of the meeting may; with <u>(without</u> the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) <u>or shall at the direction of the meeting,</u> adjourn the meeting from time to time (or indefinitely) and/or from place to place(s) and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine, but no business shall be transacted at any adjourned meeting other than the business which might lawfully have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen (14) days or more, at least seven (7) clear days' Notice of the adjourned meeting shall be given specifying the details set out in Article 59(2) but it shall not be necessary to specify in such Notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid, it shall be unnecessary to give Notice of an adjournment.</p>

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 66(1)	Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that in the case of a physical meeting, the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present, or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.	Article 66(1)	Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy <u>shall</u> have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that in the case of a physical meeting, the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every Member present; <u>in</u> or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 66(2)	In the case of a physical meeting where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded: ...	Article 66(2)	In the case of a physical meeting where <u>Where</u> a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded: ...
Article 73(1A)	All members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.	Article 73(1A)	All members <u>shall</u> have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.
Article 76	The instrument appointing a proxy shall be in writing and if the Board in its absolute discretion determines, may be contained in an electronic communication, and (i) if in writing but not contained in an electronic communication, under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same; or (ii) in the case of an appointment contained in an electronic communication, submitted by or on behalf of the appointor, subject to such terms and conditions and authenticated in such manner as the Board may in its absolute discretion determine. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.	Article 76	The instrument appointing a proxy shall be in writing and if such form as the Board in its absolute discretion determines, may be contained in an electronic communication, and (i) if <u>may determine (including contained in an electronic communication) and in the absence of such determination, shall be in writing but not contained in an electronic communication, under the hand of signed by</u> the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of signed by an officer, attorney or other person authorised to sign the same; or (ii) in . <u>In</u> the case of an appointment contained in an electronic communication, <u>it shall be</u> submitted by or on behalf of the appointor, subject to such terms and conditions and authenticated in such manner as the Board may in its absolute discretion determine. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 81(2)	If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, where a show of hands is allowed, the right to vote individually on a show of hands.	Article 81(2)	If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) <u>including, the right to speak and vote and</u> , where a show of hands is allowed, the right to vote individually on a show of hands.
Article 83(5)	The Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).	Article 83(5)	The Members may, at any general meeting convened and held in accordance with these Articles, by ordinary resolution remove a Director <u>(including a managing or other executive Director)</u> at any time before the expiration of his <u>period term</u> of office notwithstanding anything to the contrary in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 151	The requirement to send to a person referred to in Article 149 the documents referred to in that article or a summary financial report in accordance with Article 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the Listing Rules, the Company publishes copies of the documents referred to in Article 149 and, if applicable, a summary financial report complying with Article 150, on the Company’s website or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of such documents.	Article 151	The requirement to send to a person referred to in Article 149 the documents referred to in that article or a summary financial report in accordance with Article 150 shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the Listing Rules, the Company publishes copies of the documents referred to in Article 149 and, if applicable, a summary financial report complying with Article 150, on the Company’s website or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company’s obligation to send to him a copy of such documents. <u>subject to the Company complying with the Statutes, the Listing Rules and any other applicable laws, rules and regulations from time to time in force.</u>

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 158(1)	<p>Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the Listing Rules), whether or not, to be given or issued under these Articles from the Company shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and document may be given or issued by the following means:</p> <p>(a) by serving it personally on the relevant person;</p> <p>(b) by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;</p> <p>(c) by delivering or leaving it at such address as aforesaid;</p> <p>(d) by placing an advertisement in appropriate newspapers or other publication and where applicable, in accordance with the requirements of the Designated Stock Exchange;</p> <p>(e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Article 158(5), subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force;</p>	Article 158(1)	<p>Any Notice or document (including any “corporate communication” and <u>“actionable corporate communication”</u> within the meaning ascribed thereto under the Listing Rules), whether or not, to be given or issued under these Articles from the Company shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or electronic communication and, <u>subject to compliance with the Listing Rules, the Statutes and any other applicable laws, rules and regulations from time to time in force,</u> any such Notice and document may be given or issued by the following means:</p> <p>(a) by serving it personally on the relevant person;</p> <p>(b) by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose;</p> <p>(c) by delivering or leaving it at such address as aforesaid;</p> <p>(d) by placing an advertisement in appropriate newspapers or other publication and where applicable, in accordance with the requirements of the Designated Stock Exchange;</p> <p>(e) by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide under Article 158(5); subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force;</p>

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
	<p>(f) by publishing it on the Company’s website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or giving notification to any such person stating that the Notice, document or publications is available on the Company’s website (a “notice of availability”); or</p> <p>(g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.</p>		<p>(f) by publishing it on the Company’s website to which the relevant person may have access, subject to the Company complying with the Statutes and any other applicable laws, rules and regulations from time to time in force with regard to any requirements for the obtaining of consent (or deemed consent) from such person and/or giving notification to any such person stating that the Notice, document or publications is available on the Company’s website (a “notice of availability”) <u>or the website of the Designated Stock Exchange;</u> or</p> <p>(g) by sending or otherwise making it available to such person through such other means to the extent permitted by and in accordance with the Statutes and other applicable laws, rules and regulations.</p>
Article 158(2)	The notice of availability may be given by any of the means set out above other than by posting it on a website.	Article 158(2)	The notice of availability may be given by any of the means set out above other than by posting it on a website. <u>[Reserved]</u>

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 159(b)	if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice placed on the Company’s website or the website of the Designated Stock Exchange, is deemed given by the Company to a Member on the day following that on which a Notice of availability is deemed served on the Member;	Article 159(b)	if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice, <u>documents or publication placed on either the Company’s website or the website of the Designated Stock Exchange, is deemed given or served by the Company to a Member on the day following that on which a Notice of availability is deemed served on the Member it first so appears on the relevant website, unless the Listing Rules specify a different date. In such cases, the deemed date of service shall be as provided or required by the Listing Rules;</u>
Article 159(c)	if published on the Company’s website, shall be deemed to have been served on the day on which the Notice, document or publication first so appears on the Company’s website to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Articles, whichever is later;	Article 159(c)	if published on the Company’s website, shall be deemed to have been served on the day on which the Notice, document or publication first so appears on the Company’s website to which the relevant person may have access or the day on which the notice of availability is deemed to have been served or delivered to such person under these Articles, whichever is later; <u>[Reserved]</u>

APPENDIX III PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
Article 161	For the purposes of these Articles, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any Notice or document to be given by the Company may be written, printed or made electronically.	Article 161	For the purposes of these Articles, a facsimile or electronic transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any Notice or document to be given by the Company may be written, printed or made electronically <u>in electronic form</u> .

Note: The Third Amended and Restated Articles of Association is prepared in English with no official Chinese version. Chinese translation is for reference only. In the event of any inconsistency, the English version shall prevail.

明源雲

Ming Yuan Cloud Group Holdings Limited

明源雲集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 909)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Ming Yuan Cloud Group Holdings Limited (the “**Company**”) will be held at Room Taihu, 4/F, Tower A, Gemdale Viseen Tower, 16 Gaoxin South 10th Road, Nanshan District, Shenzhen, PRC on Friday, 10 May 2024 at 10:00 a.m. for the purposes of considering and, if thought fit, passing the following resolutions of the Company (unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 17 April 2024)”

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the Directors and independent auditor of the Company (the “**Auditor**”) for the year ended 31 December 2023.
2. Subject to the fulfilment of the conditions set out in the section headed “*Conditions of the Payment of Special dividend out of Share Premium Account*” in the circular of the Company dated 17 April 2024, the declaration and payment of a Special Dividend of HK\$0.1 (equivalent to RMB0.091) per Share out of the share premium account of the Company to the shareholders of the Company whose names appear on the register of members of the Company at close of business on Monday, 20 May 2024, being the record date fixed by the Board for determining the entitlements to the Special Dividend be and is hereby approved; and any Director be and is hereby authorised to take such action, do such things and execute such further documents as the Director may at his/her absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the payment of the Special Dividend.
3. To re-elect Mr. Jiang Haiyang as an executive Director.
4. To re-elect Mr. Chen Xiaohui as an executive Director.
5. To re-elect Mr. Zhao Liang as an independent non-executive Director.
6. To authorise the Board to fix the remuneration of the Directors.

NOTICE OF ANNUAL GENERAL MEETING

7. To re-appoint PricewaterhouseCoopers as Auditor and authorise the Board to fix its remuneration for the year ending 31 December 2024.
8. To consider and, if thought fit, to pass, with or without modification, the following resolutions as ordinary resolutions:

(A) **“THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and/or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period; the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period pursuant to paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) the grant or exercise of any option under the option scheme of the Company or any other option scheme or similar arrangements for the time being adopted for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (c) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (d) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed the aggregate of 20 per cent (%) of the aggregate number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

(iii) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles of Association of the Company to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in a general meeting of the Company.

“**Rights Issue**” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the Directors to holders of shares in the capital of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

(B) “**THAT:**

- (i) a general unconditional mandate be and is hereby given to the Directors of the Company, exercisable during the Relevant Period (as hereinafter defined) to exercise all the powers of the Company to repurchase its own Shares on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange;
- (ii) the aggregate number of issued shares of the Company, which may be repurchased pursuant to the approval in paragraph (i) above shall not exceed 10 per cent (%) of the aggregate number of issued shares of the Company at the date of passing of this resolution, and the said approval shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

(iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

(iv) for the purpose of this resolution:

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

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; and

(c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in a general meeting of the Company.”

(C) “**THAT** conditional upon the resolutions numbered 8(A) and 8(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and/or otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 8(A) set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate number of issued shares of the Company which may be allotted by the Directors pursuant to such general mandate an amount representing the aggregate number of issued shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 8(B) set out in the notice convening this meeting, provided that such number shall not exceed 10 per cent (%) of the aggregate number of issued shares of the Company at the date of passing of the said resolutions.”

9. “**THAT, conditional upon the passing of ordinary resolution numbered 12**, the amendments to the Share Option Scheme proposed by the Board, as reflected in a copy of the Amended Share Option Scheme which is produced to this meeting, marked “A” and initialled by the chairman of the AGM for the purpose of identification, be and is hereby approved and adopted in all respects, and the Directors be and are hereby authorised to grant the options thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the Amended Share Option Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

10. **“THAT, conditional upon the passing of ordinary resolution numbered 12,** the amendments to the Share Award Scheme proposed by the Board, as reflected in a copy of the Amended Share Award Scheme which is produced to this meeting, marked “B” and initialled by the chairman of the AGM for the purpose of identification, be and is hereby approved and adapted in all respects, and the Directors be and are hereby authorised to grant the awards thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the Amended Share Award Scheme.”

11. **“THAT, conditional upon the passing of ordinary resolution numbered 12,** the amendments to the Share Incentive Plan proposed by the Board, as reflected in a copy of the Amended Share Incentive Plan which is produced to this meeting, marked “C” and initialled by the chairman of the AGM for the purpose of identification, be and is hereby approved and adapted in all respects, and the Directors be and are hereby authorised to grant the awards thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the Amended Share Incentive Plan.”

12. **“THAT,** the Scheme Limit on the total number of Shares that may be issued in respect of all options, awards and RSUs to be granted to the Eligible Persons under the Amended Share Option Scheme, the Amended Share Award Scheme, the Amended Share Incentive Plan and any other schemes of the Company be and is hereby approved and adopted.”

13. **“THAT, conditional upon the passing of ordinary resolution numbered 12,** the Service Provider Sublimit on the total number of Shares that may be issued in respect of all options, awards and RSUs to be granted to the Service Providers under the Amended Share Option Scheme, the Amended Share Award Scheme, the Amended Share Incentive Plan and any other schemes of the Company be and is hereby approved and adopted.”

SPECIAL RESOLUTION

14. To consider and, if thought fit, to pass, the following resolution as a special resolution:

“THAT:

- (i) the proposed amendments to the existing second amended and restated articles of association of the Company (the **“Proposed Amendments”**), the details of which are set out in Appendix III to the circular of the Company dated 17 April 2024, be and are hereby approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the third amended and restated articles of association of the Company (the “**Third Amended and Restated Articles of Association**”), which contains all the Proposed Amendments and a copy of which has been produced to this meeting and marked “D” and initialed by the chairman of the meeting, be and is hereby approved and adopted in substitution for and to exclusion of the existing second amended and restated articles of association of the Company with effect from the close of the meeting; and
- (iii) any Director or company secretary of the Company be and is hereby authorised to do all such acts, deeds and things and execute all such documents and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the Third Amended and Restated Articles of Association, including without limitation, attending to necessary filings with the Registrar of Companies in Hong Kong and the Cayman Islands.”

By order of the Board
Ming Yuan Cloud Group Holdings Limited
Gao Yu
Chairman

Shenzhen, the PRC, 17 April 2024

Registered office:

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

*Principal place of business
in Hong Kong:*

Room 1901, 19/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

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

801, Tower A, Gemdale Viseen Tower
16 Gaoxin South 10th Road
Gaoxin Community, Yuehai Subdistrict
Nanshan District, Shenzhen
the PRC

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Ordinary resolution numbered 8(C) will be proposed to the shareholders of the Company (the “**Shareholders**”) for approval provided that ordinary resolutions numbered 8(A) and 8(B) are passed by the Shareholders.
- (ii) A Shareholder entitled to attend and vote at the above meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a Shareholder of the Company.
- (iii) In the case of joint holders of any share of the Company (the “**Share**”), the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members in respect of such Share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, a form of proxy must be deposited at the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting or any adjournment thereof. The completion and return of the form of proxy shall not preclude the Shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish and in such event, the relevant form of proxy shall be deemed to be revoked.
- (v) The register of members of the Company will be closed from Tuesday, 7 May 2024 to Friday, 10 May 2024, both days inclusive, in order to determine the entitlement of the Shareholders to attend and vote at the above meeting, during which period no transfer of Shares will be registered. All transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 6 May 2024.
- (vi) The register of members of the Company will be closed from Monday, 20 May 2024 to Thursday, 23 May 2024, both days inclusive, in order to determine the entitlement of the Shareholders to receive the proposed Special Dividend (subject to approval by the Shareholders at the above meeting), during which period no transfer of Shares will be registered. All transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 17 May 2024.
- (vii) In respect of the ordinary resolution numbered 8(A) above, the Directors wish to state that they have no immediate plans to issue any new Shares of the Company. Approval is being sought from the Shareholders as a general mandate for the purposes of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
- (viii) In respect of ordinary resolution numbered 8(B) above, the Directors wish to state that they will exercise the powers conferred by the general mandate to repurchase Shares of the Company in circumstances which they deem appropriate for the benefits of the Shareholders. An explanatory statement containing the information necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own Shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated 17 April 2024.