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

If you have sold or transferred all your shares in ANTA Sports Products Limited, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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ANTA Sports Products Limited

安踏體育用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2020)

CIRCULAR

PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF RETIRING DIRECTORS, TERMINATION OF THE 2017 SHARE OPTION SCHEME, ADOPTION OF THE 2023 SHARE OPTION SCHEME, ADOPTION OF THE 2023 SHARE AWARD SCHEME AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of ANTA Sports Products Limited to be held at ANTA Operations Center, No. 99, Jiayi Road, Guanyinshan, Xiamen, Fujian Province, China at 10:00 a.m. on Wednesday, 10 May 2023 is set out on pages 73 to 81 of this circular.

A letter from the Board is set out on pages 12 to 32 of this circular.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong SAR as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Shareholders of the Company please note the precautionary measures to be implemented at the Annual General Meeting to prevent and control the spread of the 2019 novel coronavirus disease (COVID-19), which include but not limited to:

- compulsory body temperature checks;
- compulsory health declarations;
- compulsory wearing of surgical face mask at the Annual General Meeting venue and throughout the Annual General Meeting (No masks will be provided);
- designated seat will be assigned for every attendee at the Annual General Meeting venue;
- no refreshments, food and beverage, or corporate gifts will be served or distributed; and
- any other precautionary measure where appropriate or in accordance with the prevailing guidelines or requirements of the Chinese government or regulatory authorities.

For the safety of the attendees at the Annual General Meeting, the Company reserves the rights to deny entry of any person into or require any person to leave the Annual General Meeting venue if such person:

- (i) refuses to comply with any of the above precautionary measures;
- (ii) has a body temperature of over 37.3 degree Celsius;
- (iii) has given a positive confirmation to any of the questions in the health declaration form; and
- (iv) has any flu-like symptoms or is otherwise unwell.

Due to the constantly evolving COVID-19 pandemic situation, the Company may be required to change the Annual General Meeting arrangements at short notice. Shareholders should check the Company's website at ir.anta.com or Hong Kong Exchanges and Clearing Limited's HKEnews website at www.hkexnews.hk for future announcements and updates on the Annual General Meeting arrangements.

For the safety of Shareholders, staff and other stakeholders, the Company encourages Shareholders, instead of attending the Annual General Meeting physically, to attend and vote at the Annual General Meeting by electronic means. The Company also reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attending the Annual General Meeting in person.

The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of spreading COVID-19.

CONTENTS

	<i>Page</i>
Precautionary Measures for the Annual General Meeting	1
Guidance for the Annual General Meeting	2
Definitions	5
Letter from the Board	12
Introduction	12
Issue Mandate	13
Repurchase Mandate	13
Extension Mandate	13
Re-election of Retiring Directors	14
Final Dividend	15
Termination of the 2017 Share Option Scheme, Adoption of the 2023 Share Option Scheme and Adoption of the 2023 Share Award Scheme	15
Annual General Meeting	31
Recommendation	31
Voting by Way of Poll	32
Closure of Register of Members	32
General	32
Appendix I — Explanatory Statement	33
Appendix II — Particulars of Retiring Directors Proposed to be Re-elected at the Annual General Meeting	37
Appendix III — Summary of the Principal Terms of the 2023 Share Option Scheme	42
Appendix IV — Summary of the Principal Terms of the 2023 Share Award Scheme	59
Notice of Annual General Meeting	73

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing 2019 novel coronavirus disease (COVID-19) pandemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the Annual General Meeting to protect the health and safety of the attending Shareholders, staffs and other stakeholders:

- (i) compulsory body temperature checks will be conducted on every attendee at the entrance of the Annual General Meeting venue prior to being admitted to the Annual General Meeting venue. Any person with a body temperature of over 37.3 degree Celsius will be denied entry into and be required to leave the Annual General Meeting venue;
- (ii) compulsory completion and signing of health declaration form will be required for every attendee at the entrance of the Annual General Meeting venue prior to being admitted to the Annual General Meeting venue. Any person who (a) has given a positive confirmation to any of the questions in the declaration form; or (b) has any flu-like symptoms or otherwise is unwell, will be denied entry into and be required to leave the Annual General Meeting venue;
- (iii) every attendee will be required to wear a surgical face mask at all times at the Annual General Meeting venue (including queuing for registration outside the Annual General Meeting venue and throughout the Annual General Meeting). No masks will be provided at the venue;
- (iv) designated seat will be assigned for every attendee in order to ensure appropriate social distancing and facilitate contact tracing. Staffs at the Annual General Meeting venue will assist in crowd control and queue management to ensure appropriate social distancing;
- (v) no refreshments, food and beverage or corporate gifts will be served or distributed to attendees; and
- (vi) every attendee will be required to follow any other precautionary measure where appropriate or in accordance with the prevailing guidelines or requirements of the Chinese government or regulatory authorities.

Attendees are in addition requested to observe and practise good personal hygiene at all times. To the extent permitted under law, the Company reserves the right to deny entry of any person into or require any person to leave the Annual General Meeting venue in order to ensure the safety of the attendees at the Annual General Meeting.

Due to the constantly evolving COVID-19 pandemic situation, the Company may be required to change the Annual General Meeting arrangements at short notice. Shareholders should check the Company's website at ir.anta.com or Hong Kong Exchanges and Clearing Limited's HKEXnews website at www.hkexnews.hk for future announcements and updates on the Annual General Meeting arrangements.

GUIDANCE FOR THE ANNUAL GENERAL MEETING

The Company does not in any way wish to diminish the opportunity available to Shareholders to exercise their rights and to vote, but is conscious of the need to protect attendees of the Annual General Meeting from possible exposure to the COVID-19 pandemic. **For the health of attendees of the Annual General Meeting, the Company encourages Shareholders, instead of attending the Annual General Meeting physically, to: (i) attend and vote at the Annual General Meeting by electronic means; or (ii) exercise their rights to vote at the Annual General Meeting by appointing the Chairman of the Annual General Meeting as their proxy.**

The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of spreading COVID-19.

ATTENDING THE ANNUAL GENERAL MEETING BY ELECTRONIC MEANS

The Annual General Meeting will be a hybrid meeting. In addition to the traditional physical attendance at the Annual General Meeting, Shareholders have the option of attending, participating and voting at the Annual General Meeting through online access by visiting the website at <https://meetings.computershare.com/ANTAAGM2023> (the “**Online Platform**”). Shareholders participating in the Annual General Meeting using the Online Platform will also be counted towards the quorum under the Articles and they will be able to cast their votes and submit questions through the Online Platform. Votes cast through the Online Platform are irrevocable once the voting session at the Annual General Meeting ends.

The Online Platform will be open for Shareholders (see below for login details and arrangements) to log in approximately 30 minutes prior to the commencement of the Annual General Meeting and can be accessed from any location with internet connection by a smart phone, tablet device or computer. Shareholders should allow ample time to check into the Online Platform to complete the related procedures. Please refer to the Online Platform User Guide for the Annual General Meeting posted on the Company’s website at ir.anta.com for assistance.

Login details for registered Shareholders

Details regarding the Annual General Meeting arrangements including login details to access the Online Platform are included in the Company’s notification letter to registered Shareholders sent together with this circular.

Login details for non-registered Shareholders

Non-registered Shareholders who wish to attend, participate and vote at the Annual General Meeting using the Online Platform should (i) contact and instruct their banks, brokers, custodians, nominees or HKSCC Nominees Limited through which their shares are held (together, the “**Intermediary**”) to appoint themselves as proxy or corporate representative to attend the Annual General Meeting; and (ii) provide their email addresses to their Intermediaries before the time limit required by the relevant Intermediary. Details regarding the Annual General Meeting arrangements including login details to access the Online Platform will be sent by the

GUIDANCE FOR THE ANNUAL GENERAL MEETING

Company's Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, to the email address of the relevant non-registered Shareholder provided by the Intermediary. Any non-registered Shareholder who has provided an email address through the relevant Intermediary for this purpose but has not received the login details by email by 11:30 a.m. on Tuesday, 9 May 2023 should reach out to Computershare Hong Kong Investor Services Limited for assistance. Without the login details, non-registered Shareholders will not be able to participate and vote using the Online Platform. Non-registered Shareholders should therefore give clear and specific instructions to their Intermediaries in respect of both (i) and (ii) above.

Shareholders should note that only one device is allowed per login. Shareholders are responsible for keeping the login details in safe custody for use at the Annual General Meeting and should not disclose them to anyone else. Neither the Company nor any of its directors, officers or agents assumes any responsibility or has any liability whatsoever in connection with the loss or transmission of the login details or any use of the login details for voting or otherwise. Shareholders should also note that an active and stable internet connection is required in order to allow them to participate, vote and submit questions through the Online Platform. It is the user's own responsibility to ensure that he have a sufficient and stable internet connection.

QUESTIONS AT THE ANNUAL GENERAL MEETING

Shareholders attending the Annual General Meeting using the Online Platform will be able to submit questions relevant to the resolutions online during the Annual General Meeting. The Company will endeavour to respond to the questions at the Annual General Meeting, however due to time constraints, unanswered questions will be responded to after the Annual General Meeting as appropriate.

VOTING BY PROXY IN ADVANCE OF THE ANNUAL GENERAL MEETING

The Company also reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attending the Annual General Meeting in person. Shareholders are advised to submit their completed proxy forms well in advance of the Annual General Meeting. The return of a completed proxy form will not preclude Shareholders from attending and voting in person (whether physically or by electronic means) at the Annual General Meeting or any adjournment or postponement thereof should they subsequently so wish.

Submission of proxy forms for registered Shareholders

A proxy form for use at the Annual General Meeting is enclosed with this circular. A copy of the proxy form can also be downloaded from the Company's website at ir.anta.com and Hong Kong Exchanges and Clearing Limited's HKEXnews website at www.hkexnews.hk.

GUIDANCE FOR THE ANNUAL GENERAL MEETING

Completed proxy forms must be returned to the Company's Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at the address stated below not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. at or before 10:00 a.m., 8 May 2023) or any adjournment or postponement thereof.

Appointment of proxy for non-registered Shareholders

Non-registered Shareholders should contact their Intermediaries as soon as possible for assistance in the appointment of proxy.

CONTACT INFORMATION

If Shareholders choosing not to attend the Annual General Meeting in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact the Company's investor relations department as follows:

Investor Relations Department
Email: ir@anta.com.hk
Tel: 852 2116 1660
Fax: 852 2116 1590

If Shareholders have any questions relating to the Annual General Meeting, please contact Computershare Hong Kong Investor Services Limited, the Company's Hong Kong SAR branch share registrar and transfer office as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor,
Hopewell Centre, 183 Queen's Road East,
Wan Chai, Hong Kong SAR
Website: <https://www.computershare.com/hk/contact>
Tel: 852 2862 8555
Fax: 852 2865 0990

DEFINITIONS

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

“2017 Share Option Scheme”	means the share option scheme adopted by the Company on 6 April 2017
“2018 Share Award Scheme”	means the share award scheme adopted by the Company on 19 October 2018
“2023 Share Award Scheme”	means the share award scheme proposed to be adopted by the Company at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix IV to this circular
“2023 Share Option Scheme”	means the share option scheme proposed to be adopted by the Company at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III to this circular
“Adoption Date”	means the date (which is expected to be the date of the Annual General Meeting) on which the 2023 Share Option Scheme or the 2023 Share Award Scheme will be adopted by the Shareholders
“Amendment Date”	means the effective date (which is expected to be the date of the Annual General Meeting) on which the rules of the 2018 Share Award Scheme are amended and restated by the Board
“Annual General Meeting”	means the annual general meeting of the Company to be held at ANTA Operations Center, No. 99, Jiayi Road, Guanyinshan, Xiamen, Fujian Province, China at 10:00 a.m. on Wednesday, 10 May 2023 or any adjournment thereof
“ANTA International”	means ANTA International Group Holdings Limited
“Articles”	means the articles of association of the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“associated company(ies)”	means, in relation to member(s) of the Group, its subsidiary(ies), holding company(ies), subsidiary(ies) of such holding company(ies), or associate(s) or joint venture(s) as classified under applicable financial reporting standards of the Company
“award(s)”	means award(s) of the awarded Shares by the Board pursuant to any share award schemes of the Company (including the 2018 Share Award Scheme and the 2023 Share Award Scheme) to a selected participant
“awarded Share(s)”	means, in respect of a selected participant, such number of Shares as awarded by the Board under any share award schemes of the Company (including the 2018 Share Award Scheme and the 2023 Share Award Scheme)
“Board”	means the board of directors of the Company and, if the context so permits, it shall include such committee or sub-committee or person(s) as from time to time delegated with the power and authority by the board of directors of the Company to administer the 2023 Share Option Scheme, the 2018 Share Award Scheme or the 2023 Share Award Scheme (as the case may be)
“business day(s)”	means any day(s) (other than Saturday, Sunday or public holiday) on which the Stock Exchange is open for the business of dealing in securities
“chief executive”	has the meaning ascribed to it under the Listing Rules
“China” or “PRC”	means the People’s Republic of China
“clawback”	means, in respect of any options or awarded Shares granted to a selected participant, the repayment of money in relation to all or a specified part of such options, option Shares allotted and issued upon exercises of such options and/or awarded Shares (as the case may be) by such selected participant and/or the ceasing or variation of the selected participant’s entitlement to receive or be vested with all or a specified part of any such options or awarded Shares which have not yet been vested in the selected participant
“close associate(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Companies Act”	means the Companies Act (2022 Revision) of the Cayman Islands
“Company” or “ANTA”	means ANTA Sports Products Limited (安踏體育用品有限公司), a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange with stock code 2020
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	means director(s) of the Company
“eligible participant(s)”	(i) in respect of the 2018 Share Award Scheme, any employee participant(s); and (ii) in respect of the 2023 Share Option Scheme and the 2023 Share Award Scheme, any employee participant(s), related entity participant(s) or service provider(s); provided that the Board shall have absolute discretion to determine whether or not one falls within the above categories
“employee(s)”	means, in relation to a company, its full-time or part-time employee(s), or person(s) for the time being seconded to work full-time or part-time for such company
“employee participant(s)”	means director(s) or employee(s) of the Company or any other member(s) of the Group (including a person who is granted options or awards under the any scheme schemes of the Company (including the 2023 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Award Scheme) as an inducement to enter into employment contracts with the Company or the relevant member(s) of the Group)
“exercise price”	means the price per Share at which a grantee may subscribe for a Share upon the exercise of an option pursuant to any share option schemes of the Company (including the 2023 Share Option Scheme)

DEFINITIONS

“ Extension Mandate ”	means a general and unconditional mandate proposed to be granted to the Directors to the effect that the total number of Shares which may be allotted and issued under the Issue Mandate may be extended by the addition thereto the total number of Shares repurchased under the Repurchase Mandate
“ grant date ”	means the date of the Board resolution approving the grant of options or awards, which must be a business day
“ grant letter ” or “ grant notice ”	means an offer letter or notice specifying the details of the grant of options or awards by the Board
“ grantee(s) ”	means any selected participant(s) who accepts the offer of the grant of option(s) or award(s) in accordance with the rules of any share schemes of the Company (including the 2023 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Award Scheme) or (in the case of selected participant(s) being individual(s) and where the context so permits) the legal personal representative(s) entitled to any such options or award(s) in consequence of the death of the relevant selected participant(s)
“ Group ”	means the Company and its subsidiaries from time to time, and “ member of the Group ” means any or a specific one of them
“ holding company ”	has the meaning ascribed to it under the Listing Rules
“ Hong Kong ” or “ Hong Kong SAR ”	means the Hong Kong Special Administrative Region of the PRC
“ inside information ”	has the meaning ascribed to it under the Listing Rules
“ Issue Mandate ”	means a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“ Latest Practicable Date ”	means Monday, 20 March 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“option(s)”	means option(s) to subscribe for Share(s) granted pursuant to any share option schemes of the Company (including the 2023 Share Option Scheme) and for the time being subsisting
“option Share(s)”	means Share(s) to which any particular option relates
“purchase price”	means the price (if any) per Share at which a grantee may pay for an awarded Share pursuant to any share award schemes of the Company (including the 2018 Share Award Scheme and the 2023 Share Award Scheme)
“Record Date”	means Tuesday, 16 May 2023, being the record date for determining entitlements of the Shareholders to the proposed final dividend
“related entity(ies)”	means any holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company
“related entity participant(s)”	means any director(s) or employee(s) of related entity(ies)
“Remuneration Committee”	means the remuneration committee of the Company
“Repurchase Mandate”	means a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“Scheme Mandate Limit”	means the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company
“selected participant(s)”	means any eligible participant(s) selected by the Board for participation in any share schemes of the Company (including the 2023 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Award Scheme)

DEFINITIONS

“service provider(s)”

means any person(s) 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, including any of the following persons:

- (i) person(s) or entity(ies) (as independent contractor(s), consultant(s), advisor(s) or otherwise) that provide(s) support or any advisory, consultancy, professional or other services to any members of the Group, including but not limited to support or services in relation to design, research, development, marketing, innovation upgrading, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies;
- (ii) supplier(s) of goods or services to any members of the Group; and
- (iii) business partner(s), including joint venture partner(s), franchisee(s), contractor(s), agent(s) or other contractual party(ies), of any members of the Group, including but not limited to partners of brand businesses development, franchisees of retail stores, contractors for marketing campaigns, quality control procedures, manufacturing operations or systems establishment, and agents relating to sale channels or platforms;

provided that (a) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (b) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be service providers for the purpose of any share schemes of the Company (including the 2023 Share Option Scheme and the 2023 Share Award Scheme)

“Service Provider Sublimit”

means, being a sublimit under the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all options and awards to be granted to service providers under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company

DEFINITIONS

“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	means ordinary share(s) of HKD0.10 each in the share capital of the Company
“Shareholder(s)”	means holder(s) of the Share(s)
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	means the Codes on Takeovers and Mergers and Share Buy-backs
“Trustee(s)”	means Computershare Hong Kong Trustees Limited, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the trust deed (if any) for the purpose of the 2018 Share Award Scheme or the 2023 Share Award Scheme (as the case may be)
“vesting date”	means, in respect of a grantee, the date on which his entitlement to the options or awarded Shares (as applicable) are vested in such grantee
“vesting period”	means, in respect of an option or an award, the minimum period for which an option or an award must be held before it can be vested as the Board may in its absolute discretion determine
“HKD” and “HK cents”	means Hong Kong dollars and cents respectively, the lawful currency of Hong Kong SAR
“%”	means per cent.



ANTA Sports Products Limited
安踏體育用品有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2020)

Executive Directors:

Mr. Ding Shizhong (*Chairman*)
Mr. Ding Shijia (*Deputy Chairman*)
Mr. Lai Shixian (*Co-Chief Executive Officer*)
Mr. Wu Yonghua (*Co-Chief Executive Officer*)
Mr. Zheng Jie
Mr. Bi Mingwei (*Chief Financial Officer*)

Independent non-executive Directors:

Mr. Yiu Kin Wah Stephen *JP*
Mr. Lai Hin Wing Henry Stephen
Ms. Wang Jiaqian
Ms. Xia Lian

Registered office:

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

*Principal place of business
in Hong Kong SAR:*

16/F, Manhattan Place
23 Wang Tai Road
Kowloon Bay, Kowloon
Hong Kong SAR

31 March 2023

To the Shareholders

Dear Sir/Madam,

**PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
TERMINATION OF THE 2017 SHARE OPTION SCHEME,
ADOPTION OF THE 2023 SHARE OPTION SCHEME,
ADOPTION OF THE 2023 SHARE AWARD SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

This circular contains information relating to the Issue Mandate, the Repurchase Mandate and the Extension Mandate, the re-election of retiring Directors, the termination of the 2017 Share Option Scheme, the adoption of the 2023 Share Option Scheme and the adoption of the 2023 Share Award Scheme, to seek approval by the Shareholders at the Annual General Meeting in connection with, *inter alia*, such matters.

LETTER FROM THE BOARD

ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise the power of the Company to allot, issue and deal with new Shares not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution.

As at the Latest Practicable Date, there were a total of 2,713,623,500 issued Shares, and there were outstanding convertible bonds of principal amount of EUR1,000,000,000 issued by a wholly owned subsidiary of the Company entitling the holders thereof to convert into 84,853,778 Shares.

Assuming that the proposed resolution granting the Issue Mandate to the Directors is approved, on the basis that none of the conversion rights under the outstanding convertible bonds is exercised and no further Shares are issued or repurchased by the Company between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 271,362,350 Shares, without taking into account any additional Shares which may be issued pursuant to the Extension Mandate.

REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase, on the Stock Exchange, Shares not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution.

Under the Listing Rules, the Company is required to give to the Shareholders all information which is reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

EXTENSION MANDATE

In addition, an ordinary resolution will also be proposed at the Annual General Meeting to extend the Issue Mandate by the addition thereto the total number of Shares repurchased under the Repurchase Mandate.

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the Company is required by the Companies Act or the Articles to hold its next annual general meeting; or (iii) when revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

According to Article 84 of the Articles, at each annual general meeting, one-third of the Directors for the time being (or if their number is not three or a multiple of three, 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. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. Mr. Ding Shijia, Mr. Yiu Kin Wah Stephen and Mr. Lai Hin Wing Henry Stephen will retire from office by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election.

According to Article 86 of the previous then articles of association of the Company, any Director appointed by the Board as an addition to the existing Board shall hold office until the next following annual general meeting and shall then be subject to re-election. Mr. Bi Mingwei and Ms. Wang Jiaqian have been appointed as an executive Director and an independent non-executive Director by the Board as an addition to the then existing Board respective with effect from 1 July 2021. Mr. Bi Mingwei and Ms. Wang Jiaqian will retire from office at the Annual General Meeting and, being eligible, offer themselves for re-election.

According to Article 83 of the Articles, any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the first annual general meeting after his appointment and shall then be eligible for re-election. Ms. Xia Lian has been appointed as an independent non-executive Director by the Board to fill a casual vacancy with effect from 1 July 2022. Ms. Xia Lian will retire from office at the Annual General Meeting and, being eligible, offer herself for re-election.

The re-appointments of Directors named above have been reviewed by the nomination committee of the Company which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the Annual General Meeting. In particular, by taking into account the nomination policy of the Company, the nomination committee of the Company considered Mr. Yiu Kin Wah Stephen, Mr. Lai Hin Wing Henry Stephen, Ms. Wang Jiaqian and Ms. Xia Lian were suitable candidates as independent non-executive Directors based on their background and experience. In addition, the committee also considered that each of their cultural background, educational background, and work experience can further contribute to the Board's diversity. The nomination committee of the Company has also assessed the independence of all the independent non-executive Directors. All the independent non-executive Directors have satisfied the criteria as set out in Rule 3.13 of the Listing Rules. To the best knowledge of the Directors, as at the Latest Practicable Date, the Company is not aware of any matters or events that may occur and affect the independence of all independent non-executive Directors. As such, Mr. Ding Shijia, Mr. Yiu Kin Wah Stephen, Mr. Lai Hin Wing Henry Stephen, Mr. Bi Mingwei, Ms. Wang Jiaqian and Ms. Xia Lian will retire at the Annual General Meeting and, being eligible, offer themselves for re-election. Particulars of each of them are set out in Appendix II to this circular.

LETTER FROM THE BOARD

FINAL DIVIDEND

As stated in the announcement issued by the Company dated 21 March 2023 relating to the annual results of the Group for the year ended 31 December 2022, the Board recommended the payment of a final dividend of HK72 cents per Share in respect of the year ended 31 December 2022 (“**Final Dividend**”) to Shareholders whose names appear on the register of members of the Company as at 4:30 p.m. on the Record Date. The proposed Final Dividend is subject to approval by the Shareholders at the Annual General Meeting. An ordinary resolution will be proposed to the Shareholders for voting at the Annual General Meeting. If the resolution for the proposed Final Dividend is passed at the Annual General Meeting, the proposed Final Dividend will be payable on or about Monday, 29 May 2023.

Subject to the approval by the Shareholders at the Annual General Meeting, in order to qualify for the proposed Final Dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong SAR not later than 4:30 p.m. on the Record Date.

TERMINATION OF THE 2017 SHARE OPTION SCHEME, ADOPTION OF THE 2023 SHARE OPTION SCHEME AND ADOPTION OF THE 2023 SHARE AWARD SCHEME

Introduction

Reference is made to the Company’s announcement dated 21 March 2023.

As at the Latest Practicable Date, the Company operates the 2017 Share Option Scheme and the 2018 Share Award Scheme. The 2017 Share Option Scheme allows the Company to grant options over new Shares to eligible participants, while the 2018 Share Award Scheme allows the Company to grant awards involving new and existing Shares to eligible participants. Save for the aforesaid, as at the Latest Practicable Date, the Company does not maintain any other share schemes.

Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from 1 January 2023. To bring the Company’s share schemes in line with the new requirements of Chapter 17 of the Listing Rules, on 21 March 2023, the Company proposed to:

- (i) terminate the 2017 Share Option Scheme and adopt the 2023 Share Option Scheme;
- (ii) amend the 2018 Share Award Scheme such that, from the Amendment Date, only grant of awards involving existing Shares may be made thereunder and no further grant of awards involving new Shares may be made under the amended 2018 Share Award Scheme; and

LETTER FROM THE BOARD

- (iii) adopt the 2023 Share Award Scheme pursuant to which only grant of awards involving new Shares may be made.

Pursuant to the rules of the existing 2018 Share Award Scheme, the existing 2018 Share Award Scheme may be amended by a resolution of the Board. The amendments to the 2018 Share Award Scheme have been approved by the Board with effect from the Amendment Date (which is expected to be the date of the Annual General Meeting) and conditional upon the adoption of the 2023 Share Award Scheme.

The termination of the 2017 Share Option Scheme, the adoption of the 2023 Share Option Scheme and the adoption of the 2023 Share Award Scheme are subject to, among others, Shareholders' approval at the Annual General Meeting.

Termination of the 2017 Share Option Scheme

Given that (i) it is proposed to adopt the 2023 Share Option Scheme at the Annual General Meeting; (ii) no options have been granted under the 2017 Share Option Scheme since its adoption; and (iii) the Company does not intend to grant any options under the 2017 Share Option Scheme before the adoption of the 2023 Share Option Scheme, the Board has resolved to terminate the 2017 Share Option Scheme, subject to the Shareholders' approval at the Annual General Meeting and pre-conditional upon the adoption of the 2023 Share Option Scheme.

Adoption of the 2023 Share Option Scheme

For the purpose of Chapter 17 of the Listing Rules, the 2023 Share Option Scheme will constitute a share scheme involving the grant by the Company of options over new Shares. Accordingly, the adoption of the 2023 Share Option Scheme will be subject to, among others, the Shareholders' approval at the Annual General Meeting.

The 2023 Share Option Scheme shall come into effect on the date on which the following conditions are fulfilled: (i) the Shareholders' approval at the Annual General Meeting; and (ii) the approval of the Stock Exchange for the listing of, and permission to deal in, the Shares (representing the initial Scheme Mandate Limit) to be allotted and issued in accordance with the terms and conditions of the 2023 Share Option Scheme and any other schemes of the Company.

Adoption of the 2023 Share Award Scheme

For the purpose of Chapter 17 of the Listing Rules, the 2023 Share Award Scheme will constitute a share scheme involving the grant by the Company of new Shares. Accordingly, the adoption of the 2023 Share Award Scheme will be subject to, among others, the Shareholders' approval at the Annual General Meeting.

The 2023 Share Award Scheme shall come into effect on the date on which the following conditions are fulfilled: (i) the Shareholders' approval at the Annual General Meeting; and (ii) the approval of the Stock Exchange for the listing of, and permission to deal in, the Shares

LETTER FROM THE BOARD

(representing the initial Scheme Mandate Limit) to be allotted and issued in accordance with the terms and conditions of the 2023 Share Award Scheme and any other schemes of the Company.

Principal terms of the 2023 Share Option Scheme and the 2023 Share Award Scheme

Purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme

The purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme are (i) to recognise and reward for the past contributions by eligible participants; (ii) to retain or otherwise maintain on-going relations with eligible participants; (iii) to give the eligible participants an opportunity to have a personal stake in the Company and help motivate eligible participants to optimise their future contributions to the Group; and (iv) to attract suitable personnel for further growth and development of the Group.

The Directors are of the view that the 2023 Share Option Scheme and the 2023 Share Award Scheme are different in nature, and they complement each other in terms of equity incentive, added motivation and increased flexibility. In particular, a grantee under the 2023 Share Option Scheme is required to pay an exercise price to subscribe for the Shares which exercise price must not be less than the closing price of the Shares at the date of grant of options in accordance with the Listing Rules. On the other hand, a grantee under the 2023 Share Award Scheme may or may not be required to pay a purchase price for the awarded Shares, and where a purchase price is required, such purchase price is not subject to the same restriction as exercise price of options under the Listing Rules. Hence, award holders under the 2023 Share Award Scheme may incur less costs and require less funds than option holders under the 2023 Share Option Scheme. As such, the adoption of the 2023 Share Option Scheme and the 2023 Share Award Scheme in parallel will provide the Company with different tools which are more flexible and effective in rewarding the eligible participants and driving their contributions to the Group.

Eligible participants and eligibility

Eligible participants of the 2023 Share Option Scheme and the 2023 Share Award Scheme include employee participants, related entity participants and service providers.

Service providers means any person(s) 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, including any of the following persons:

- (i) person(s) or entity(ies) (as independent contractor(s), consultant(s), advisor(s) or otherwise) that provide(s) support or any advisory, consultancy, professional or other services to any members of the Group, including but not limited to support or services in relation to design, research, development, marketing, innovation upgrading, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies;

LETTER FROM THE BOARD

- (ii) supplier(s) of goods or services to any members of the Group; and
- (iii) business partner(s), including joint venture partner(s), franchisee(s), contractor(s), agent(s) or other contractual party(ies), of any members of the Group, including but not limited to partners of brand businesses development, franchisees of retail stores, contractors for marketing campaigns, quality control procedures, manufacturing operations or systems establishment, and agents relating to sale channels or platforms;

provided that (a) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (b) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be service providers for the purpose of any share schemes of the Company (including the 2023 Share Option Scheme and the 2023 Share Award Scheme).

The basis of determining the eligibility of each eligible participant, including the criteria for determining a person's eligibility under each category of eligible participant, shall be at the sole discretion of the Board:

- (i) for employee participants – the Board shall take into consideration the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of employment with the Group and the individual contribution or potential contribution to the development and growth of the Group;
- (ii) for related entity participants – the Board shall take into consideration the degree of involvement in and/or cooperation with the Group, the length of collaborative relationship the related entity participant has established with the Group, the amount of support, assistance, guidance, advice, efforts and contributions the related entity participant has exerted or given towards the success of the Group, and the amount of potential support, assistance, guidance, advice, efforts and contributions that the related entity participant is likely to be able to give or make towards the success of the Group in the future; and
- (iii) for service providers – the Board shall take into consideration individual performance of the service provider, the track record and quality of services provided to the Group, scale of business dealings with the Group, actual or potential contribution to the Group's revenue or profit which is or may be attributable to the service provider, the remuneration packages of comparable listed peers for similar service providers based on available information in the industry. In addition, the Board shall also take into consideration: (a) in assessing whether a service provider provides services to the Group on a continuing or recurring basis, the length and type of services provided and the recurrences and regularity of such services; and (b) in assessing whether a service provider provides services to the Group in the ordinary and usual course of business, the materiality and nature of the services provided to the Group by the service

LETTER FROM THE BOARD

provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group (such as whether they relate to the core business of the Group and whether such services could be readily replaced by third parties).

The Directors (including the independent non-executive Directors) are of the view that the eligibility of employee participants, related entity participants and service providers to participate in the 2023 Share Option Scheme and the 2023 Share Award Scheme is consistent with the purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme, which enable the Group to preserve its cash resources and use share incentives to encourage persons both inside and outside of the Group to contribute to the Group and align the mutual interests of each party, as the Company on one hand and the employee participants, related entity participants and service providers on the other hand, by holding on to equity incentives, will mutually benefit from the long-term growth of the Group.

Although the Company has not granted, and does not have any immediate plan to grant, any options nor awards to the related entity participants nor service providers as at the Latest Practicable Date, related entity participants and service providers have been included in the definition of eligible participants in the Company's past and current share option schemes, as is in line with the industry norm.

The Directors (including the independent non-executive Directors) are of the view that apart from the contributions from employees, the success of the Group might also come from the efforts and contributions from non-employees (including related entity participants and service providers) who have contributed to the Group or may contribute to the Group in the future. Grant of options and awards to related entity participants and service providers would not only align the interest of the Group with such grantees, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in promoting the business of the Group; and (ii) maintaining a stable and long term relationship with the Group. Through the grant of options and/or awards, the interest of such related entity participants and service providers will be aligned with that of the Group in promoting the growth and development of the Group's business.

In respect of the related entity participants, the Company and the related entity participants have always had a close working relationship. Despite that related entity participants may not be directly appointed and employed by the members of the Group, such related entity participants are nonetheless valuable to the Group given their close corporate and collaborative relationships. They may be involved in business engagements relating to or having connections with the Group's businesses. In particular, for those related entities in which the Group has significant interest, their growth and development would contribute to the financial performance of the Group, thereby allowing the Group to share and benefit from the positive results of these related entities.

In respect of the service providers, the Group has, in its ordinary and usual course of business, always relied on (i) persons or entities (as independent contractors, consultants, advisors or otherwise) that provide support or any advisory, consultancy, professional or other

LETTER FROM THE BOARD

services to any members of the Group, including but not limited to support or services in relation to design, research, development, marketing, innovation upgrading, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies; (ii) supplier(s) of goods or services to any members of the Group; and (iii) business partner(s), including joint venture partner(s), franchisee(s), contractor(s), agent(s) or other contractual party(ies), of any members of the Group, including but not limited to partners of brand businesses development, franchisees of retail stores, contractors for marketing campaigns, quality control procedures, manufacturing operations or systems establishment, and agents relating to sale channels or platforms. It is believed that the Group's success is attributable to the high quality of goods and services provided by such persons, entities and suppliers. Moreover, service providers may not always be able to serve as full-time or part-time employees of the Group due to a variety of reasons. For example, these persons may have stepped down from employment position with the Group, or they may be experienced in their own fields and professionals with lots of business connections but cannot serve the Group as employees, or they may prefer to remain self-employed.

Based on the above, the Directors (including the independent non-executive Directors) are of the view that the inclusion of the related entity participants and service providers in the 2023 Share Option Scheme and the 2023 Share Award Scheme is in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme, is fair and reasonable and in the interests of the Company and the Shareholders as a whole because this gives the Company the flexibility to grant options and awards (instead of cash reward or other settlement) to the related entity participants and service providers when necessary.

Scheme Mandate Limit and Service Provider Sublimit

The Scheme Mandate Limit is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company, and shall not in aggregate exceed 10% of the total number of issued Shares as at the Adoption Date.

The Service Provider Sublimit, being a sublimit under the Scheme Mandate Limit, is the total number of Shares which may be issued in respect of all options and awards to be granted to the service providers under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company, and shall not in aggregate exceed 2% of the total number of issued Shares as at the Adoption Date.

Options or awards lapsed in accordance with the rules of the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit. Options or awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

LETTER FROM THE BOARD

The Company may seek approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit and the Service Provider Sublimit after 3 years from (i) the Adoption Date; or (ii) the date of the Shareholders' approval for the last refreshment (as the case may be).

Only insofar as and for so long as the Listing Rules require, any refreshment within any 3-year period shall be approved by the Shareholders, subject to the following provisions:

- (i) the controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) shall be abstaining from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company shall comply with the applicable requirements under the Listing Rules.

The total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of issued Shares as at the date of the Shareholders' approval for the refreshment. The Company shall send to the Shareholders a circular containing the details and information required under the Listing Rules, including the number of options and awards that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reasons for the refreshment.

The Service Provider Sublimit was determined after considering the service provider sublimit set by other listed companies, the potential dilution effect that may arise from grants to service providers, and the fact that the Company expects that options and awards will mostly be granted to employee participants but would like to retain the flexibility to grant options and awards to service providers for the reasons mentioned and hence limit such grants to a relatively small portion of the Scheme Mandate Limit, which is 2% of the issued Shares as at the Adoption Date.

The Directors (including the independent non-executive Directors) are of the view that the Service Provider Sublimit under is appropriate and reasonable considering the nature of the industry and the Group's business needs, and such a limit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme.

Administration

The 2023 Share Option Scheme shall be subject to the administration of the Board in accordance with the rules of the 2023 Share Option Scheme. The decision of the Board with respect to any matter arising under the 2023 Share Option Scheme (including the interpretation

LETTER FROM THE BOARD

of any provision) shall be final and binding on all parties. The Board may delegate any or all of its powers in relation to the 2023 Share Option Scheme to any of its committees.

The 2023 Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the rules of the 2023 Share Award Scheme and the relevant trust deed. The decision of the Board with respect to any matter arising under the 2023 Share Award Scheme (including the interpretation of any provision) shall be final and binding on all parties. The Board may delegate any or all of its powers in relation to the 2023 Share Award Scheme to any of its committees.

Operation

Pursuant to the 2023 Share Option Scheme, the Board shall be entitled at any time within 10 years from the Adoption Date at its absolute discretion to select any eligible participant for participation in the 2023 Share Option Scheme as a selected participant and to offer the grant of an option to any selected participant to subscribe at the exercise price for such number of Shares as the Board may determine. Upon exercise of the option and payment of the exercise price by the relevant grantee, the Board shall allot and issue new Shares to the grantee.

Subject to the provisions of the Listing Rules and the 2023 Share Option Scheme, the Board may in its absolute discretion (i) when offering the grant of an option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2023 Share Option Scheme as the Board may think fit (to be stated in the grant letter) including (without prejudice to the generality of the foregoing) (a) the qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Group and/or the grantee, (b) the satisfactory performance or maintenance by the grantee of certain conditions or obligations or (c) the time or period before all or some of the options shall be vested; and (ii) at any time after the grant of an option, waive or amend such conditions, restrictions or limitations to the advantage of the grantee, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2023 Share Option Scheme.

Pursuant to the 2023 Share Award Scheme, the Board may from time to time cause sufficient funds to be paid to the Trustee for subscription of Shares at their nominal value. Once subscribed, the Shares are to be held by the Trustee for the benefit of the grantees and the eligible participants (as applicable). Upon vesting, the Trustee shall cause the awarded Shares to be transferred to grantee on the vesting date, or as soon as practicable after the vesting date. All Shares (including any returned Shares) shall be held by the Trustee for the benefit of the grantees or the eligible participants (as applicable) under the relevant trust on and subject to the terms and conditions of the 2023 Share Award Scheme and the related trust deed.

The Board may, from time to time, at its absolute discretion select any eligible participant for participation in the 2023 Share Award Scheme as a selected participant, and grant awarded Shares to any selected participant (i) at such amount payable and time (if any) on acceptance of

LETTER FROM THE BOARD

the award; (ii) at such purchase price (if any) of the awarded Shares; (iii) in such number of awarded Shares; and (iv) on and subject to such terms and conditions, as it may in its absolute discretion determine.

Subject to the provisions of the Listing Rules and the 2023 Share Award Scheme, the Board may in its absolute discretion (i) when offering the grant of an award impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2023 Share Award Scheme as the Board may think fit (to be stated in the grant notice) including (without prejudice to the generality of the foregoing) (a) the qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Group and/or the grantee, (b) the satisfactory performance or maintenance by the grantee of certain conditions or obligations or (c) the time or period before all or some of the awarded Shares shall be vested; and (ii) at any time after the grant of an award, waive or amend such conditions, restrictions or limitations to the advantage of the grantee, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2023 Share Award Scheme.

Exercise price of options

Subject to the provisions of the Listing Rules, the exercise price in respect of any particular option under the 2023 Share Option Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option (and shall be stated in the grant letter) but in any event the exercise price shall not be less than whichever is the highest of:

- (i) the nominal value (if any) of a Share;
- (ii) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the grant date, which must be a business day; and
- (iii) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the grant date.

The Directors are of the view that the exercise price of options is appropriate given that it is in line with the requirement of the Listing Rules while providing the Company with sufficient flexibility to determine the exercise price of options that can provide sufficient incentive to the selected participants to achieve the purpose of the 2023 Share Option Scheme.

Purchase price of awarded Shares

Subject to the provisions of the Listing Rules, the purchase price (if any) in respect of any particular awarded Shares under the 2023 Share Award Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant award (and shall be stated in the grant notice) and taking into consideration factors such as the prevailing closing price of the Shares, the purpose of the 2023 Share Award Scheme, the characteristics and profile of the relevant selected participant(s).

LETTER FROM THE BOARD

The Directors are of the view that such room for discretion on purchase price provides the Board with flexibility to stipulate, if necessary, a purchase price for award Shares, while balancing the purpose of the 2023 Share Award Scheme and the interests of Shareholders.

Vesting period

The vesting of any options under the 2023 Share Option Scheme or any awards under the 2023 Share Award Scheme shall be subject to a vesting period to be determined by the Board in its absolute discretion, which shall be specified in the grant letter or grant notice (as the case may be). Only insofar as and for so long as the Listing Rules require, the vesting period for an option under the 2023 Share Option Scheme or an award under the 2023 Share Award Scheme shall not be less than 12 months, unless the Board determines in its sole discretion that the options or awards granted to employee participants may be less than 12 months under the following specific circumstances:

- (i) grants of “make-whole” options or awards to an employee participant who is a new director or employee of the Group to replace the share options or awards such person forfeited when leaving his previous employer(s);
- (ii) grants of options or awards to an employee participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of options or awards which are subject to the fulfilment of performance targets as conditions of the options or awards;
- (iv) grants of options or awards made in batches during a year for administrative and compliance reasons;
- (v) grants of options or awards with a mixed or accelerated vesting schedule such as where the options or awards may vest evenly over a period of 12 months; and
- (vi) grants of options or awards with a total vesting and holding period of more than 12 months.

The Directors (and the Remuneration Committee in respect of grants of options or awards to the Directors and/or senior management) are of the view that the vesting period for options or awards granted to employee participants may be less than 12 months under specific circumstances as set out above is appropriate because such arrangement is in line with the requirements under the Listing Rules and market practice, and gives the Company flexibility to provide a competitive remuneration package to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, which is in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme.

LETTER FROM THE BOARD

Maximum entitlement of each eligible participant

Subject to the rules of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be), where any grant of options or awards to a selected participant under the 2023 Share Option Scheme or the 2023 Share Award Scheme would result in the Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued Shares, such grant of options or awards shall be separately approved by the Shareholders in general meeting with such selected participant and his close associates (or associates if such selected participant is a connected person) abstaining from voting.

Grants of options or awards to Directors, senior management and substantial shareholders

Where any grant of options or awards is proposed to be made to any selected participant who is a Director (including an independent non-executive Director) or senior management of the Company, such grant must first be approved by all members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee.

Subject to the Scheme Mandate Limit:

- (i) any grant of options or awards to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options or awards);
- (ii) where any grant of awards (excluding grant of options) to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all awards granted under the 2023 Share Award Scheme and any other schemes of the Company (excluding any awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) 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 total number of issued Shares, such grant of awards shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iv) below;
- (iii) where any grant of options or awards to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant, representing in

LETTER FROM THE BOARD

aggregate over 0.1% of the total number of issued Shares, such grant of options or awards shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iv) below;

- (iv) in the circumstances described in sub-paragraphs (ii) and (iii) above, the Company shall send a circular to the Shareholders containing such details and information as required under the Listing Rules. The grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the relevant requirements under the Listing Rules;
- (v) any change in the terms of options or awards granted to a selected participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by Shareholders in the manner as set out in sub-paragraph (iv) above if the initial grant of the options or awards requires such approval under the Listing Rules (except where the changes take effect automatically under the existing terms of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be));
- (vi) the requirements for the grant to a Director or chief executive of the Company as set out in this paragraph do not apply where the selected participant is only a proposed director or a proposed chief executive of the Company; and
- (vii) in general, the Company should not grant options or awards with performance-related elements to independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

Performance targets

In respect of a related entity participant or a service provider, unless otherwise determined by the Board and specified in the grant letter or grant notice, there is no performance target which needs to be achieved by the Group and/or grantee before the options or awarded Shares can be vested. In respect of an employee participant, unless otherwise determined by the Board and specified in the grant letter or grant notice, the Group and/or grantee shall achieve the performance targets set out in the grant letter or notice before the options or awarded Shares can be vested. The performance targets of options or awarded Shares granted to the Directors and senior management of the Company, and any grants of options or awarded Shares to the Directors and senior management of the Company without performance targets, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

While the performance targets will be imposed on a case-by-case basis to ensure the options or awards vested would be beneficial to the Group, general factors to be taken into account include but not limited to (i) annual results and performance of the Group; (ii) key performance indicators of respective department(s) and/or business unit(s) that the grantee belongs; and (iii) individual position, annual appraisal result and other factors relevant to the

LETTER FROM THE BOARD

grantee. However, for the avoidance of doubt, the rules of each of the 2023 Share Option Scheme and the 2023 Share Award Scheme does not specify any performance targets.

The Directors (and the Remuneration Committee in respect of grants of options or awards to the Directors and/or senior management) are of the view that it is not practicable to expressly set out a generic set of performance targets in the rules of the 2023 Share Option Scheme and the 2023 Share Award Scheme, as each selected participant will play different roles and contribute in different ways to the Group. The Board or the Remuneration Committee shall have regard to the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme in making such determinations, and ensure that appropriate specific performance targets will be set under particular circumstances of the relevant selected participant(s).

Clawback

Where there has been an occurrence of misconduct such as (i) any material misstatements or omissions in the Group's financial statements by a grantee; (ii) any violation by a grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such grantee of the Group's trade secrets, intellectual property or proprietary information; (iii) any termination of employment contracts by a grantee without notice or payment in lieu of notice; (iv) conviction of any criminal offence by a grantee involving integrity or honesty; or (v) any conduct of a grantee that has material adverse effect to the reputation or interests of the Group, the options or awarded Shares may be subject to clawback as determined by the Board from time to time. The clawback of options, option Shares or awarded Shares granted to the Directors and senior management of the Company, and any grants of options or award Shares to the Directors and senior management of the Company without clawback, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

The Directors (and the Remuneration Committee in respect of grants of options or awards to the Directors and/or senior management) are of the view that the clawback mechanism in each of the 2023 Share Option Scheme and the 2023 Share Award Scheme provides a choice for the Company to clawback the equity incentives granted to selected participants culpable of misconduct and is in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme and the interests of Shareholders.

Voting of unvested Shares

Pursuant to the 2023 Share Award Scheme, the Trustee shall not exercise the voting rights in respect of any Shares held. In particular, the Trustee holding unvested Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

LETTER FROM THE BOARD

Scheme life

Subject to any early termination provisions pursuant to the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be), the 2023 Share Option Scheme and the 2023 Share Award Scheme shall be valid and effective commencing on the Adoption Date and for a period of 10 years.

Upon the expiry of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be) as aforesaid, no further options or awards shall be granted but the provisions of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be) shall remain in force and effect in all other respects. All options or awards granted prior to such expiry and not then exercised or vested shall continue to be valid and shall be vested subject to and in accordance with the rules of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be). All the awarded Shares of the grantees granted under the 2023 Share Award Scheme shall continue to be held by the Trustee and become vested in the grantees according to the conditions of the award.

Alteration to the 2023 Share Option Scheme and the 2023 Share Award Scheme

The 2023 Share Option Scheme and the 2023 Share Award Scheme may be altered in any respect by a resolution of the Board, provided that the following shall not be carried out except with the prior approval of the Shareholders in general meeting by ordinary resolution:

- (i) any alterations to the terms and conditions of the 2023 Share Option Scheme and the 2023 Share Award Scheme which are material in nature or any alterations to the provisions of the 2023 Share Option Scheme and the 2023 Share Award Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the eligible participants;
- (ii) any change to the authority of the Board to alter the terms of the 2023 Share Option Scheme and the 2023 Share Award Scheme; and
- (iii) any alteration to the aforesaid alteration provisions,

provided always that the amended terms of the 2023 Share Option Scheme and the 2023 Share Award Scheme or the options or awards shall comply with the applicable requirements of Chapter 17 of the Listing Rules.

Any change to the terms of options or awards granted to a grantee shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the options or awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be).

LETTER FROM THE BOARD

Termination

The 2023 Share Option Scheme and the 2023 Share Award Scheme shall terminate on the earlier of: (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Shareholders in general meeting provided that such termination shall not materially and adversely affect any subsisting rights of any grantees.

Dealing restrictions

No option shall be granted by the Board under the 2023 Share Option Scheme, and no award shall be made by the Board, no instructions to subscribe for any Shares shall be given to the Trustee and no payment shall be made to the Trustee under the 2023 Share Award Scheme, where dealings in the Shares are prohibited under any code or requirement of the Listing Rules (including but not limited to Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the Listing Rules), the SFO, all applicable laws and any internal code of conduct in securities dealing adopted by the Company from time to time. Without limiting the generality of the foregoing, no such option or award shall be granted, no such instruction shall be given and no such payment shall be made:

- (i) after an event involving inside information in relation to the affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until (and including) the trading day after such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules or such inside information has otherwise ceased to exist;
- (ii) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (iii) during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results;
- (iv) during the period commencing from 1 month immediately before the earlier of:
 - (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules);

LETTER FROM THE BOARD

and ending on the date of the results announcement;

- (v) during any period of delay in publishing a results announcement of the Company; and
- (vi) in any circumstance where such option, award, instruction or payment is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

Terms of the 2023 Share Option Scheme and the 2023 Share Award Scheme

A summary of the principal terms of each of the 2023 Share Option Scheme and the 2023 Share Award Scheme are set out in Appendix III and Appendix IV to this circular respectively. These summaries do not constitute the full terms of the same. A copy of the rules of each of the 2023 Share Option Scheme and the 2023 Share Award Scheme has been published and will remain on the Company's website at ir.anta.com and Hong Kong Exchanges and Clearing Limited's HKEXnews website at www.hkexnews.hk for display for a period of not less than 14 days before the date of the Annual General Meeting and such rules will be made available for inspection at the Annual General Meeting.

Application for listing

Application will be made by the Company to the Stock Exchange for the approval of the listing of, and permission to deal in, the new Shares (representing a maximum of 10% of the total number of issued Shares as at the Adoption Date) which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other share scheme(s) of the Company.

As at the Latest Practicable Date, there were a total of 2,713,623,500 issued Shares, and there were outstanding convertible bonds of principal amount of EUR1,000,000,000 issued by a wholly owned subsidiary of the Company entitling the holders thereof to convert into 84,853,778 Shares.

Assuming that the 2023 Share Option Scheme and the 2023 Share Award Scheme are adopted, on the basis that none of the conversion rights under the outstanding convertible bonds is exercised and no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other share scheme(s) of the Company is 271,362,350, representing 10% of the total number of issued Shares as at the Adoption Date.

Other information

As at the Latest Practicable Date, the Company does not have any intention to grant options or awards in the coming 12 months under the 2023 Share Option Scheme and the 2023 Share Award Scheme. The Board will from time to time consider whether to grant options or awards to

LETTER FROM THE BOARD

the eligible participants based on a number of factors including, among others, the Group's overall financial performance, the individual performance of the eligible participants and their contribution to the revenue, profits or business development of the Group, to ensure that all the grants of options or awards would be in line with the purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme and in the interest of the Company and the Shareholders.

None of the Directors shall be a trustee of the 2023 Share Option Scheme, the 2018 Share Award Scheme or the 2023 Share Award Scheme nor has a direct or indirect interest in any such trustee(s). With respect to the operation of the 2023 Share Option Scheme, 2018 Share Award Scheme and 2023 Share Award Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

To the extent that the Directors are aware having made all reasonable enquiries, as at the Latest Practicable Date, none of the Shareholders (other than the Trustee of the 2018 Share Award Scheme) has a material interest in the termination of the 2017 Share Option Scheme, the adoption of the 2023 Share Option Scheme and the adoption of the 2023 Share Award Scheme. As such, none of the Shareholders (other than the Trustee which held 20,752,601 Shares under the 2018 Share Award Scheme) are required to abstain from voting on the resolutions in relation to the termination of the 2017 Share Option Scheme, the adoption of the 2023 Share Option Scheme and the adoption of the 2023 Share Award Scheme.

ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting to be held at ANTA Operations Center, No. 99, Jiayi Road, Guanyinshan, Xiamen, Fujian Province, China at 10:00 a.m. on Wednesday, 10 May 2023 is set out on pages 73 to 81 of this circular.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors believe that the proposed grant of the Issue Mandate, the Repurchase Mandate, the Extension Mandate, the re-election of retiring Directors, the termination of the 2017 Share Option Scheme, the adoption of the 2023 Share Option Scheme and the adoption of the 2023 Share Award Scheme are in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend that the Shareholders to vote in favour of the ordinary resolutions for approving the grant of the Issue Mandate, the Repurchase Mandate, the

LETTER FROM THE BOARD

Extension Mandate, the re-election of the retiring Directors, the termination of the 2017 Share Option Scheme, the adoption of the 2023 Share Option Scheme and the adoption of the 2023 Share Award Scheme at the Annual General Meeting.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting pursuant to Article 66 of the Articles.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the shareholders' eligibility to attend and vote at the Annual General Meeting, the transfer books and register of members will be closed from Friday, 5 May 2023 to Wednesday, 10 May 2023, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong SAR not later than 4:30 p.m. on Thursday, 4 May 2023 for registration.

GENERAL

Your attention is drawn to the additional information as set out in the Appendices.

Yours faithfully,
For and on behalf of the Board of
ANTA Sports Products Limited
Ding Shizhong
Chairman

This Appendix I serves as an explanatory statement, as required by the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. ISSUED SHARES

As at the Latest Practicable Date, there were a total of 2,713,623,500 issued Shares and there were outstanding convertible bonds of principal amount of EUR1,000,000,000 issued by a wholly owned subsidiary of the Company entitling the holders thereof to convert into 84,853,778 Shares.

Assuming that the proposed resolution granting the Repurchase Mandate to the Directors is approved, on the basis that none of the conversion rights under the outstanding convertible bonds is exercised and no further Shares are issued or repurchased by the Company between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 271,362,350 Shares, which represents 10% of the total number of issued Shares as at the date of passing the resolution.

3. REASONS FOR THE REPURCHASE

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 the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed. Share 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 earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

In repurchasing the Company's securities, the Company may only apply funds legally available for the purpose in accordance with the Articles, the Companies Act, and other applicable laws of the Cayman Islands and the Listing Rules. A listed company is prohibited from repurchasing its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

Under the Companies Act, repurchases by the Company may only be made out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles and subject to the provisions of the Companies Act, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of retained profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles and subject to the provisions of the Companies Act, out of capital.

5. IMPACT ON THE WORKING CAPITAL OR GEARING POSITION OF THE COMPANY

Taking into account the current working capital position of the Company, if the Repurchase Mandate was to be exercised in full, there might be a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 December 2022 as reflected in the latest published audited financial statements of the Company. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company.

6. SHARE PRICES

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

	Highest <i>HKD</i>	Lowest <i>HKD</i>
March 2022	122.20	79.35
April 2022	99.20	83.75
May 2022	92.50	75.75
June 2022	98.70	82.70
July 2022	100.30	85.35
August 2022	99.50	80.20
September 2022	96.35	81.30
October 2022	92.00	67.90
November 2022	91.20	67.85
December 2022	107.50	91.65
January 2023	125.30	99.15
February 2023	120.80	101.20
March 2023 (up to the Latest Practicable Date)	112.50	96.75

7. THE TAKEOVERS CODE

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

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the controlling shareholders (as defined in the Listing Rules) of the Company, namely Mr. Ding Shizhong, Mr. Ding Shijia, Mr. Ding Hemu, Ms. Ding Yali, Mr. Wang Wenmo, Mr. Wu Yonghua and Mr. Ke Yufa (the "**Controlling Shareholders**") together, controlled the exercise of 57.95% voting rights in the general meeting of the Company. In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate (if such shareholdings otherwise remain the same and assuming none of the conversion rights under the outstanding convertible bonds is exercised and no further Shares are issued or repurchased), the indirect shareholding of the Controlling Shareholders in the Company would increase to approximately 64.39% of the issued Shares. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 and Rule 32 of the Takeovers Code.

8. SHARE REPURCHASE MADE BY THE COMPANY

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

9. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention to sell any Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

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

No core connected person of the Company has notified the Company that they have any present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any Shares held by them to the Company in the event that the Repurchase Mandate is granted.

Mr. Bi entered into a service contract with the Company for a term of three years commencing from 1 July 2021 and thereafter may be terminated by either party upon a three-month prior written notice. Mr. Bi's total emoluments recorded in 2022 was approximately RMB5,769,000, which was determined with reference to his experience and qualification.

Mr. Bi does not hold any directorships in other listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Bi as a beneficiary of a trust (other than a discretionary trust) was interested in the 120,000 awarded shares granted (but not vested), representing less than 0.01% of the issued Shares, pursuant to the share award scheme of the Company under the SFO. Mr. Bi personally held 122,771 Shares, representing less than 0.01% of the issued Shares. Save as aforementioned, Mr. Bi had no other interest in the Company within the meaning of Part XV of the SFO.

Mr. Bi is not related to any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

Mr. Yiu Kin Wah Stephen *JP* (姚建華), aged 62, is an independent non-executive Director of the Company and joined the Board in June 2018. He received a professional diploma in accountancy from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in 1983, and holds a master's degree in business administration from the University of Warwick in the United Kingdom. Mr. Yiu is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is currently the chairman and a non-executive director of the Insurance Authority, a member of the Exchange Fund Advisory Committee, a member of the Independent Commission Against Corruption Complaints Committee, and the treasurer and a council member of The Hong Kong University of Science and Technology, and a director of Hong Kong Academy of Finance. Mr. Yiu is an independent non-executive director of Hong Kong Exchanges and Clearing Limited (stock code: 388) and China Mobile Limited (stock code: 941), both of which are listed on the Hong Kong Stock Exchange. Mr. Yiu joined the global accounting firm KPMG in Hong Kong in 1983 and was seconded to KPMG London, the United Kingdom from 1987 to 1989. Mr. Yiu became a partner of KPMG in 1994, served as the partner in charge of audit of KPMG from 2007 to 2010, and served as the chairman and chief executive officer of KPMG China and Hong Kong as well as a member of the executive committee and the board of KPMG International and KPMG Asia Pacific from April 2011 to March 2015. Mr. Yiu formerly also served as a member of the Audit Profession Reform Advisory Committee and the Mainland Affairs Committee of the Hong Kong Institute of Certified Public Accountants.

Mr. Yiu entered into a letter of appointment with the Company for a term of three years commencing from 1 June 2021 and thereafter may be terminated by either party upon a three-month prior written notice. Mr. Yiu's total emoluments recorded in 2022 was approximately RMB1,046,000, which was determined with reference to his experience and qualification.

Save as aforementioned, Mr. Yiu did not hold any directorships in other listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Yiu personally held 33,000 Shares and is interested in 20,000 Shares held by his family member, representing less than 0.01% of the issued Shares in total. Save as aforementioned, Mr. Yiu had no other interest in the Company within the meaning of Part XV of the SFO.

Mr. Yiu is not related to any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

Mr. Lai Hin Wing Henry Stephen (賴顯榮), aged 66, is an independent non-executive Director of the Company and joined the Board in November 2020. He received a bachelor's degree in law from The University of Hong Kong and was admitted as a solicitor in Hong Kong SAR, England and Wales and the State of Victoria, Australia. He is currently a partner and co-chairman of Messrs. P. C. Woo & Co., a firm of solicitors and notaries in Hong Kong SAR, and has been practicing in the legal field for more than forty years. Mr. Lai is a Notary Public and a China Appointed Attesting Officer in Hong Kong SAR. He is currently the past chairman, and an honorary council member, fellow member and the Corporate Governance Policies Committee chairman of The Hong Kong Institute of Directors, a member of the Process Review Panel for the Securities and Futures Commission of Hong Kong and a member of the Resolution Compensation Tribunal, a member of the Consents Committee of the Law Society of Hong Kong, a member of the Association of China-Appointed Attesting Officers Limited Disciplinary Tribunal Panel and a member of the Board of Governors of The Hang Seng University of Hong Kong. Mr. Lai is a non-executive director of Winfull Group Holdings Limited (stock code: 183) and China Medical & HealthCare Group Limited (stock code: 383), and an independent non-executive director of China Resources Beer (Holdings) Company Limited (stock code: 291), which all are listed on the Stock Exchange.

Mr. Lai entered into a letter of appointment with the Company for a term of three years commencing from 1 November 2020 and thereafter may be terminated by either party upon a three-month prior written notice. Mr. Lai's total emoluments recorded in 2022 was approximately RMB523,000, which was determined with reference to his experience and qualification.

Save as aforementioned, Mr. Lai did not hold any directorships in other listed public companies in the last three years.

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

Mr. Lai is not related to any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

APPENDIX II **PARTICULARS OF RETIRING DIRECTORS PROPOSED
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

Save as aforementioned, Ms. Xia did not hold any directorships in other listed public companies in the last three years.

As at the Latest Practicable Date, Ms. Xia had no interest in the Company within the meaning of Part XV of the SFO.

Ms. Xia is not related to any Directors, senior management, substantial or controlling shareholders (as defined under the Listing Rules) of the Company.

None of the above retiring Directors have any information which is required to be disclosed under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules. Save as disclosed herein, there are no other matters relating to the re-election of the retiring Directors that need to be brought to the attention of the Shareholders.

* *The English translation of the company names is for reference only. The official names of these companies are in Chinese.*

The following is a summary of the principal terms of the rules of the 2023 Share Option Scheme proposed to be adopted at the Annual General Meeting.

1. PURPOSES OF THE 2023 SHARE OPTION SCHEME

The purposes of the 2023 Share Option Scheme are: (i) to recognise and reward for the past contributions by eligible participants; (ii) to retain or otherwise maintain on-going relations with eligible participants; (iii) to give the eligible participants an opportunity to have a personal stake in the Company and help motivate eligible participants to optimise their future contributions to the Group; and (iv) to attract suitable personnel for further growth and development of the Group.

2. PARTICIPANTS AND ELIGIBILITY

Eligible participants of the 2023 Share Option Scheme include employee participants, related entity participants and service providers.

The basis of determining the eligibility of each eligible participant, including the criteria for determining a person's eligibility under each category of eligible participant, shall be at the sole discretion of the Board:

- (i) for employee participants – the Board shall take into consideration the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of employment with the Group and the individual contribution or potential contribution to the development and growth of the Group;
- (ii) for related entity participants – the Board shall take into consideration the degree of involvement in and/or cooperation with the Group, the length of collaborative relationship the related entity participant has established with the Group, the amount of support, assistance, guidance, advice, efforts and contributions the related entity participant has exerted or given towards the success of the Group, and the amount of potential support, assistance, guidance, advice, efforts and contributions that the related entity participant is likely to be able to give or make towards the success of the Group in the future; and
- (iii) for service providers – the Board shall take into consideration the individual performance of the service provider, track record and quality of services provided to the Group, scale of business dealings with the Group, actual or potential contribution to the Group's revenue or profit which is or may be attributable to the service provider, the remuneration packages of comparable listed peers for similar service providers based on available information in the industry. In addition, the Board shall also take into consideration: (a) in assessing whether a service provider provides services to the Group on a continuing or recurring basis, the length and type of

services provided and the recurrences and regularity of such services; and (b) in assessing whether a service provider provides services to the Group in the ordinary and usual course of business, the materiality and nature of the services provided to the Group by the service provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group (such as whether they relate to the core business of the Group and whether such services could be readily replaced by third parties).

3. SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT

The Scheme Mandate Limit is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme and any other schemes of the Company, and shall not in aggregate exceed 10% of the total number of issued Shares as at the Adoption Date.

The Service Provider Sublimit, being a sublimit under the Scheme Mandate Limit, is the total number of Shares which may be issued in respect of all options and awards to be granted to the service providers under the 2023 Share Option Scheme and any other schemes of the Company, and shall not in aggregate exceed 2% of the total number of issued Shares as at the Adoption Date.

Options or awards lapsed in accordance with the rules of the 2023 Share Option Scheme and any other schemes of the Company will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit. Options or awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

The Company may seek approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit and the Service Provider Sublimit after 3 years from (i) the Adoption Date; or (ii) the date of the Shareholders' approval for the last refreshment (as the case may be).

Only insofar as and for so long as the Listing Rules require, any refreshment within any 3-year period shall be approved by the Shareholders, subject to the following provisions:

- (i) the controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) shall be abstaining from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company shall comply with the applicable requirements under the Listing Rules.

The total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme and any other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of issued Shares

as at the date of the Shareholders' approval for the refreshment. The Company shall send to the Shareholders a circular containing the details and information required under the Listing Rules, including the number of options and awards that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reasons for the refreshment.

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

Subject to the rules of the 2023 Share Option Scheme, where any grant of options to a selected participant under the 2023 Share Option Scheme would result in the Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued Shares, such grant of options shall be separately approved by the Shareholders in general meeting with such selected participant and his close associates (or associates if such selected participant is a connected person) abstaining from voting. The Company shall send a circular to the Shareholders containing the details and information required under the rules of the 2023 Share Option Scheme and the Listing Rules.

5. GRANTS OF OPTIONS TO DIRECTORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

Where any grant of option is proposed to be made to any selected participant who is a Director (including an independent non-executive Director) or senior management of the Company, such grant must first be approved by all members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee.

Subject to the Scheme Mandate Limit:

- (i) any grant of options to a Director, chief executive or a substantial shareholder of the Company, or any of their respective associates, shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options);
- (ii) where any grant of options to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted under the 2023 Share Option Scheme and any other schemes of the Company (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) 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 total number of issued Shares, such grant of options shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iii) below;

- (iii) in the circumstances described in sub-paragraph (ii) above, the Company shall send a circular to the Shareholders containing such details and information as required under the Listing Rules. The grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the relevant requirements under the Listing Rules;
- (iv) any change in the terms of options granted to a selected participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by Shareholders in the manner as set out in sub-paragraph (iii) above if the initial grant of the options requires such approval under the Listing Rules (except where the changes take effect automatically under the existing terms of the 2023 Share Option Scheme);
- (v) the requirements for the grant to a Director or chief executive of the Company as set out in this paragraph do not apply where the selected participant is only a proposed director or a proposed chief executive of the Company; and
- (vi) in general, the Company should not grant options with performance-related elements to independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

6. EXERCISE PERIOD

In respect of an option, the period within which an option may be exercised by the grantee as the Board may in its absolute discretion determine and which shall not be more than 10 years from the grant date of the option.

An option shall be exercised in whole or in part within the exercise period in the manner as set out in the rules of the 2023 Share Option Scheme by the grantee (or any other person so permitted pursuant to the 2023 Share Option Scheme) by giving notice in writing to the Company in the manner to the satisfaction of the Company and stating that the option is thereby exercised and specifying the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the aggregate exercise price for the Shares in respect of which the notice is given. In general, within 30 days after receipt of the notice, the Company shall accordingly allot and issue the relevant number of Shares to the grantee (or any other person so permitted pursuant to the 2023 Share Option Scheme) credited as fully paid with effect from (but excluding) the relevant exercise date and issue to the grantee (or any other person so permitted pursuant to the 2023 Share Option Scheme) share certificate(s) in respect of the Shares so allotted.

7. VESTING PERIOD

The vesting of any options under the 2023 Share Option Scheme shall be subject to a vesting period to be determined by the Board in its absolute discretion, which shall be specified in the grant letter.

Only insofar as and for so long as the Listing Rules require, the vesting period for an option under the 2023 Share Option Scheme shall not be less than 12 months, unless the Board determines in its sole discretion that the options granted to employee participants may be less than 12 months under the following specific circumstances:

- (i) grants of “make-whole” options to an employee participant who is a new director or employee of the Group to replace the share options such person forfeited when leaving his previous employer(s);
- (ii) grants of options to an employee participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of options which are subject to the fulfilment of performance targets as conditions of the options;
- (iv) grants of options made in batches during a year for administrative and compliance reasons;
- (v) grants of options with a mixed or accelerated vesting schedule such as where the options may vest evenly over a period of 12 months; and
- (vi) grants of options with a total vesting and holding period of more than 12 months.

8. PERFORMANCE TARGETS

Subject to the provisions of the Listing Rules and the 2023 Share Option Scheme, the Board may in its absolute discretion (i) when offering the grant of an option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2023 Share Option Scheme as the Board may think fit (to be stated in the grant letter) including (without prejudice to the generality of the foregoing) qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Group and/or the grantee, the satisfactory performance or maintenance by the grantee of certain conditions or obligations or the time or period before all or some of the options shall be vested; and (ii) at any time after the grant of an option, waive or amend such conditions, restrictions or limitations to the advantage of the grantee, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2023 Share Option Scheme.

In respect of a related entity participant or a service provider, unless otherwise determined by the Board and specified in the grant letter, there is no performance target which needs to be achieved by the Group and/or grantee before the options can be vested. In respect of an employee participant, unless otherwise determined by the Board and specified in the grant letter, the Group and/or grantee shall achieve the performance targets set out in the grant letter before the options can be vested. The performance targets of options granted to the Directors and senior management of the Company, and any grants of options to the Directors and senior management of the Company without performance targets shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

9. AMOUNT PAYABLE ON ACCEPTANCE OF THE OPTION AND PAYMENT PERIOD

An offer of the grant of an option shall remain open for acceptance by the selected participant concerned for a period of 30 business days from the grant date provided that no such grant of an option may be accepted after the expiry of the effective period of the 2023 Share Option Scheme or after the 2023 Share Option Scheme has been terminated. An option shall be deemed to have been granted and accepted by the selected participant and to have taken effect when the duplicate grant letter comprising acceptance of the offer of the option duly signed by the grantee together with a remittance in favour of the Company of HKD1.00 by way of consideration for the grant thereof is received by the Company on or before the acceptance date. Such remittance shall in no circumstances be refundable.

Any offer of the grant of an option may be accepted in respect of less than the number of Shares in respect of which it is offered such number is clearly stated in the duplicate grant letter comprising acceptance of the offer of the option in the manner as set out in the sub-paragraph above. To the extent that the offer of the grant of an option is not accepted by the acceptance date, it will be deemed to have been irrevocably declined.

10. EXERCISE PRICE

Subject to the provisions of the Listing Rules, the exercise price in respect of any particular option under the 2023 Share Option Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option (and shall be stated in the grant letter) but in any event the exercise price shall not be less than whichever is the highest of:

- (i) the nominal value (if any) of a Share;
- (ii) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the grant date, which must be a business day; and
- (iii) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the grant date.

11. CERTAIN RIGHTS ATTACHING TO THE SHARES AND THE OPTIONS

No grantee shall enjoy any rights of a Shareholder by virtue of the grant of an option pursuant to the 2023 Share Option Scheme, unless and until the Shares are actually issued to the grantee pursuant to the exercise of an option. The options do not carry any right to vote in general meeting of the Company, or the right to dividend and other rights, including those arising on a liquidation of the Company. A Share issued upon the exercise of an option shall not carry rights until the registration of the grantee (or any other person so permitted pursuant to the 2023 Share Option Scheme) as the holder thereof.

12. LIFE OF THE 2023 SHARE OPTION SCHEME

Subject to any early termination provisions pursuant to the 2023 Share Option Scheme, the 2023 Share Option Scheme shall be valid and effective commencing on the Adoption Date and for a period of 10 years. Upon the expiry of the 2023 Share Option Scheme, no further options will be offered but the provisions of the 2023 Share Option Scheme shall remain in force and effect in all other respects. All options granted prior to such expiry and not then exercised shall continue to be valid and exercisable subject to and in accordance with the 2023 Share Option Scheme.

13. LAPSE OF OPTIONS

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the expiry of the exercise period;
- (ii) the expiry of any of the period referred to in this paragraph 13;
- (iii) the date of the commencement of the winding-up of the Company;
- (iv) there is an unsatisfied judgement, order or award outstanding against the grantee or the Board has reason to believe that the grantee is unable to pay or to have no reasonable prospect of being able to pay his/its debts;
- (v) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in the rules of the 2023 Share Option Scheme; or
- (vi) a bankruptcy order has been made against any director or shareholder of the grantee (being a corporation) in any jurisdiction.

No compensation shall be payable upon the lapse of any option, provided that the Board shall be entitled in its discretion to pay such compensation to the grantee in such manner as it may consider appropriate in any particular case.

Subject as hereinafter provided and subject to the terms and conditions upon which the option was granted, an option may be exercised by the grantee at any time during the exercise period, provided that:

- (i) in the event that the grantee dies or becomes permanently disabled before exercising an option (or exercising it in full) and none of the events for termination of employment or engagement under sub-paragraph (v) below exists with respect to such grantee, he (or his legal personal representative(s)) may exercise the option up to the grantee's entitlement immediately prior to the death or permanent disability (to the extent not already exercised) within a period of 12 months following his death or permanent disability or such longer period as the Board may determine;
- (ii) in the event that the grantee ceases to be (a) an employee participant by reason of his retirement pursuant to such retirement scheme applicable to the Group at the relevant time or (b) a related entity participant by reason of his retirement pursuant to such retirement scheme applicable to the related entity (as the case may be), and none of the events for termination of employment or engagement under sub-paragraph (v) below exists with respect to such grantee, his option (to the extent not already exercised) shall be exercisable up to the grantee's entitlement immediately prior to his retirement until the expiry of the relevant exercise period;
- (iii) in the event that the grantee ceases to be (a) an employee participant by reason of his transfer of employment to a related entity or (b) a related entity participant by reason of his transfer of employment to the Group (as the case may be), his option (to the extent not already exercised) shall be exercisable until the expiry of the relevant exercise period unless the Board in its absolute discretion otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board has determined;
- (iv) in the event that the grantee ceases to be an employee participant or a related entity participant (as the case may be) for any reason (including his employing company ceasing to be a member of the Group or a related entity) other than his death, permanent disability, retirement pursuant to such retirement scheme applicable to the Group or a related entity (as the case may be) at the relevant time or the transfer of his employment to a related entity or the Group (as the case may be) or the termination of his employment with the relevant member of the Group or a related Entity (as the case may be) by resignation or culpable termination, the option (to the extent not already exercised) shall lapse on the date of cessation of such employment and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such cessation;

(v) in the event that the grantee ceases to be an employee participant or a related entity participant (as the case may be) by reason of the termination of his employment by resignation or culpable termination, the option (to the extent not already exercised) shall lapse on the date on which the grantee is notified of the termination of his employment and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such service or notification. A resolution of the Board resolving that the grantee's option has lapsed pursuant to this sub-paragraph (v) shall be final and conclusive;

(vi) if:

- (a) the Board in its absolute discretion at any time determines that a grantee has ceased to be an eligible participant;
- (b) a grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions that may be attached to the grant of the option or which were the basis on which the option was granted,

the option (to the extent not already exercised) shall lapse on the date on which the grantee is notified thereof (in the case of (a)) or on the date on which the grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions as aforesaid (in the case of (b)) and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable up to the grantee's entitlement immediately prior to the determination of the Board (in the case of (a)) or the failure of the grantee to satisfy or comply with the criteria or terms and conditions attached to the grant of the option or which were the basis on which the option was granted (in the case of (b)) within such period as the Board may in its absolute discretion determine following the date of such notification or the date of such failure, non-satisfaction or non-compliance. A resolution of the Board resolving that the grantee's option has lapsed pursuant to this sub-paragraph (vi) shall be final and conclusive;

(vii) if a grantee (being a corporation):

- (a) becomes dissolved or put into liquidation (including voluntary winding-up or de-registration) or has a liquidator or receiver appointed anywhere in the world in respect of the whole or any part of the assets or undertaking of the grantee;
- (b) whose business license or registration has been revoked;
- (c) has suspended, ceased or threatened to suspend or cease business;
- (d) is unable to pay its debts or otherwise becomes insolvent;

- (e) suffers a change in its constitution, management, directors or shareholding which in the opinion of the Board is material; or
- (f) commits a breach of any contract entered into between the grantee or his associate and any member of the Group,

the option (to the extent not already exercised) shall lapse on the date of appointment of the liquidator or receiver or on the date of suspension or cessation of business or threatened suspension or cessation of business or on the date when the grantee is deemed to be unable to pay its debts as aforesaid or otherwise becomes insolvent or on the date of notification by the Company that the said change in constitution, management, directors or shareholding is material or on the date of notification by the Company of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable up to the grantee's entitlement immediately prior to the occurrence of any of the event(s) mentioned in paragraphs (a) to (f) of this sub-paragraph (vii) within such period as the Board may in its absolute discretion determine following the date of such occurrence. A resolution of the Board resolving that the grantee's option has lapsed pursuant to this sub-paragraph (vii) shall be final and conclusive;

(viii) if a grantee (being an individual):

- (a) has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by the Company, any member of the Group or any related entity, and whether or not it has resulted in his employment or engagement being terminated by the Company, the relevant member of the Group or the related entity (as the case may be);
- (b) has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
- (c) has made any arrangement or composition with his creditors generally;
- (d) has been convicted of any criminal offence;
- (e) has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong SAR or any other jurisdictions; or

- (f) commits a breach of any contract entered into between the grantee or his associate and any member of the Group,

the option (to the extent not already exercised) shall lapse on the date on which he is deemed unable or to have no reasonable prospects of being able to pay his debts as aforesaid or on the date on which a petition for bankruptcy has been presented in any jurisdiction or on the date on which he enters into the said arrangement or composition with his creditors or on the date of his conviction or on the date of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the option (or such remaining part thereof) shall be exercisable up to the grantee's entitlement immediately prior to the occurrence of any of the event(s) mentioned in paragraphs (a) to (d) of this sub-paragraph (viii) within such period as the Board may in its absolute discretion determine following the date of such occurrence. A resolution of the Board resolving that the grantee's option has lapsed pursuant to this sub-paragraph (viii) shall be final and conclusive;

- (ix) if a general offer is made to all holders of Shares and such offer becomes or is declared unconditional (in the case of a takeover offer) or is approved by the requisite majorities at the relevant meetings of Shareholders (in the case of a scheme of arrangement), the grantee shall be entitled to exercise the option (to the extent not already exercised) at any time (in the case of a takeover offer) within one month after the date on which the offer becomes or is declared unconditional or (in the case of a scheme of arrangement) prior to such time and date as shall be notified by the Company;
- (x) if a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company, the Company shall give notice thereof to the grantees who have options unexercised at the same time as it despatches notices to all members or creditors of the Company summoning the meeting to consider such a compromise or arrangement and thereupon each grantee (or his legal personal representatives or receiver) may until the expiry of the earlier of:
- (a) the exercise period;
 - (b) the period of two months from the date of such notice; or
 - (c) the date on which such compromise or arrangement is sanctioned by the court, exercise in whole or in part his option.

Except insofar as exercised in accordance with this sub-paragraph (x), all options outstanding at the expiry of the relevant period referred to in this sub-paragraph (x) shall lapse. The Company may thereafter require each grantee to transfer or otherwise deal with the Shares issued on exercise of the option to place the grantee in the same

position as would have been the case had such Shares been the subject of such compromise or arrangement; and

- (xi) in the event a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options at any time not later than two business days prior to the proposed general meeting of the Company by giving notice in writing to the Company in the manner to the satisfactory to the Company, accompanied by a remittance for the full amount of the aggregate exercise price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the grantee (or any other person so permitted pursuant to the 2023 Share Option Scheme) credited as fully paid.

14. ADJUSTMENT IN ALTERATION OF CAPITAL STRUCTURE

In the event of any alteration to the capital structure of the Company while any option remains exercisable, whether by way of capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (or any other actions which may have an impact on 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), the Board may, if it considers the same to be appropriate, direct that adjustments be made to:

- (i) the maximum number of Shares subject to the 2023 Share Option Scheme; and/or
- (ii) the aggregate number of Shares subject to the options so far as unexercised; and/or
- (iii) the exercise price of each outstanding option,

provided that the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit or the Service Provider Sublimit as a percentage of the total number of issued Shares immediately before and after such alteration to the capital structure of the Company shall be the same, rounded to the nearest whole share.

Where the Board determines that such adjustments are appropriate (other than an adjustment arising from a capitalisation issue), the auditors or independent financial advisors appointed by the Company shall certify in writing to the Board that any such adjustments satisfy the requirement set out in the note to Rule 17.03(13) of the Listing Rules, provided that:

- (i) any such adjustments shall give a selected participant the same proportion of equity capital, rounded to the nearest whole share, as that to which that eligible participant was previously entitled to, but no such adjustments shall be made to the extent that a Share would be issued at less than its normal value (if any). In respect of any such adjustments, other than any made on a capitalisation issue, the auditors or independent financial advisors shall confirm to the Board in writing that the adjustments satisfy the requirement set out in this sub-paragraph (i);
- (ii) any such adjustments shall be made on the basis that the aggregate exercise price payable by the grantee on the full exercise of any option shall remain as nearly as practicable the same as (but shall not be greater than) as it was before such event;
- (iii) any such adjustments shall be made in accordance with the provisions as stipulated under Chapter 17 of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time; and
- (iv) the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustments.

The capacity of the auditors or independent financial advisors in this paragraph is that of experts and not arbitrators and their certification shall be final and binding on the Company and the grantees in the absence of manifest error. The costs of the auditors or independent financial advisors shall be borne by the Company.

If there has been any alteration in the capital structure of the Company as referred to in the 2023 Share Option Scheme, the Company shall, upon receipt of a notice from the grantee, inform the grantee of such alteration and shall either inform the grantee of the adjustment to be made pursuant to the certificate of the auditors or independent financial advisors obtained by the Company for such purpose, or if no such certificate has yet been obtained, inform the grantee of such fact and instruct the auditors or independent financial advisors to issue a certificate in that regard.

15. CANCELLATION OF OPTIONS

The Board shall be entitled for the following causes to cancel any option in whole or in part by giving notice in writing to the grantee stating that such option is thereby cancelled with effect from the date specified in such notice:

- (i) the grantee commits or permits or attempts to commit or permit a breach of restriction on transferability of option or any terms or conditions attached to the grant of the option;
- (ii) the grantee makes a written request to the Board for the option to be cancelled; or
- (iii) if the grantee has, in the opinion of the Board, conducted himself in any manner whatsoever to the detriment of or prejudicial to the interests of the Company or a subsidiary.

The option shall be deemed to have been cancelled with effect from the cancellation date in respect of any part of the option which has not been exercised as at the cancellation date. No compensation shall be payable upon any such cancellation, provided that the Board shall be entitled in its discretion to pay such compensation to the grantee in such manner as it may consider appropriate in any particular case.

Where the Company cancels options granted to a selected participant, and makes a new grant to the same selected participant, such new grant may only be made under the 2023 Share Option Scheme with available Scheme Mandate Limit approved by the Shareholders.

16. RANKING OF SHARES

The Shares to be allotted upon the exercise of an option will be subject to all the provisions of the Articles and the laws of the Cayman Islands from time to time and shall rank *pari passu* in all respects with the then existing issued and fully paid Shares commencing from (i) the Allotment Date (as defined under the rules of the 2023 Share Option Scheme) or, (ii) if that date falls on a day when the register of members of the Company is closed, the first date of the re-opening of the register of members, and accordingly, it will entitle the holders to participate in all dividends or other distributions paid or made on or after (i) the Allotment Date or, (ii) if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Allotment Date.

17. TERMINATION

The 2023 Share Option Scheme shall terminate on the earlier of: (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Shareholders in general meeting provided that such termination shall not materially and adversely affect any subsisting rights of any grantees.

Upon termination of the 2023 Share Option Scheme as aforesaid, no further options shall be offered but the provisions of the 2023 Share Option Scheme shall remain in force and effect in all other respects. All options granted prior to such termination and not then exercised shall continue to be valid and exercisable until expiry of the relevant exercise period, subject to and in accordance with the 2023 Share Option Scheme.

18. TRANSFERABILITY OF OPTIONS

An option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any option or attempt to do so, except for a transfer to a vehicle (such as a trust or a private company) for the benefit of the grantee and any family members of such grantee for estate planning or tax planning as permitted by the Stock Exchange or under the Listing Rules. Any breach of the foregoing shall entitle the Company to cancel any outstanding option or part thereof granted to such grantee.

19. ALTERATION TO 2023 SHARE OPTION SCHEME

The 2023 Share Option Scheme may be altered in any respect by a resolution of the Board, provided that the following shall not be carried out except with the prior approval of the Shareholders in general meeting by ordinary resolution:

- (i) any alterations to the terms and conditions of the 2023 Share Option Scheme which are material in nature or any alterations to the provisions of the 2023 Share Option Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the eligible participants;
- (ii) any change to the authority of the Board to alter the terms of the 2023 Share Option Scheme; and
- (iii) any alteration to the aforesaid alteration provisions,

provided always that the amended terms of the 2023 Share Option Scheme or the options shall comply with the applicable requirements of Chapter 17 of the Listing Rules.

Any change to the terms of options granted to a selected participant shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the options was approved by the Board,

the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2023 Share Option Scheme.

20. CLAWBACK MECHANISM

Where there has been an occurrence of misconduct such as (i) any material misstatements or omissions in the Group's financial statements by a grantee; (ii) any violation by a grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such grantee of the Group's trade secrets, intellectual property or proprietary information; (iii) any termination of employment contracts by a grantee without notice or payment in lieu of notice; (iv) conviction of any criminal offence by a grantee involving integrity or honesty; or (v) any conduct of a grantee that has material adverse effect to the reputation or interests of the Group, the options or the option Shares may be subject to clawback as determined by the Board from time to time. The clawback of the options or the option Shares granted to the Directors and senior management of the Company, and any grants of options to the Directors and senior management of the Company without clawback, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

21. CONDITIONS OF THE 2023 SHARE OPTION SCHEME

The 2023 Share Option Scheme shall come into effect on the date on which the following conditions are fulfilled:

- (i) the Shareholders' approval for the adoption of the 2023 Share Option Scheme in general meeting; and
- (ii) the approval of the Stock Exchange for the listing of, and permission to deal in, the Shares (representing the initial Scheme Mandate Limit) to be allotted and issued pursuant to the exercise of the options in accordance with the terms and conditions of the 2023 Share Option Scheme.

If the permission referred to in the sub-paragraph (ii) above is not granted within 2 calendar months after the Adoption Date:

- (i) the 2023 Share Option Scheme will forthwith terminate;
- (ii) any option granted or agreed to be granted pursuant to the 2023 Share Option Scheme and any offer of such a grant shall be of no effect;
- (iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the 2023 Share Option Scheme or any options; and
- (iv) the Board may devise another share option scheme for adoption by the Company.

22. DEALING RESTRICTIONS

No option shall be granted by the Board under the 2023 Share Option Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules (including but not limited to Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the Listing Rules), the SFO, all applicable laws and any internal code of conduct in securities dealing adopted by the Company from time to time. Without limiting the generality of the foregoing, no such option shall be granted:

- (i) after an event involving inside information in relation to the affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until (and including) the trading day after such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules or such inside information has otherwise ceased to exist;
- (ii) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (iii) during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results;
- (iv) during the period commencing 1 month immediately before the earlier of:
 - (a) the date of the board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),and ending on the date of the results announcement;
- (v) during any period of delay in publishing a results announcement of the Company; and
- (vi) in any circumstance where such option is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

The following is a summary of the principal terms of the rules of the 2023 Share Award Scheme proposed to be adopted at the Annual General Meeting.

1. PURPOSES OF THE 2023 SHARE AWARD SCHEME

The purposes of the 2023 Share Award Scheme are (i) to recognise and reward for the past contributions by eligible participants; (ii) to retain or otherwise maintain on-going relations with eligible participants; (iii) to give the eligible participants an opportunity to have a personal stake in the Company and help motivate eligible participants to optimise their future contributions to the Group; and (iv) to attract suitable personnel for further growth and development of the Group.

2. PARTICIPANTS AND ELIGIBILITY

Eligible participants of the 2023 Share Award Scheme include employee participants, related entity participants and service providers.

The basis of determining the eligibility of each eligible participant, including the criteria for determining a person's eligibility under each category of eligible participant, shall be at the sole discretion of the Board:

- (i) for employee participants – the Board shall take into consideration the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of employment with the Group and the individual contribution or potential contribution to the development and growth of the Group;
- (ii) for related entity participants – the Board shall take into consideration the degree of involvement in and/or cooperation with the Group, the length of collaborative relationship the related entity participant has established with the Group, the amount of support, assistance, guidance, advice, efforts and contributions the related entity participant has exerted or given towards the success of the Group, and the amount of potential support, assistance, guidance, advice, efforts and contributions that the related entity participant is likely to be able to give or make towards the success of the Group in the future; and
- (iii) for service providers – the Board shall take into consideration the individual performance of the service provider, track record and quality of services provided to the Group, scale of business dealings with the Group, actual or potential contribution to the Group's revenue or profit which is or may be attributable to the service provider, the remuneration packages of comparable listed peers for similar service providers based on available information in the industry. In addition, the Board shall also take into consideration: (a) in assessing whether a service provider provides services to the Group on a continuing or recurring basis, the length and type of

services provided and the recurrences and regularity of such services; and (b) in assessing whether a service provider provides services to the Group in the ordinary and usual course of business, the materiality and nature of the services provided to the Group by the service provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group (such as whether they relate to the core business of the Group and whether such services could be readily replaced by third parties).

3. SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT

The Scheme Mandate Limit is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Award Scheme and any other schemes of the Company, and shall not in aggregate exceed 10% of the total number of issued Shares as at the Adoption Date.

The Service Provider Sublimit, being a sublimit under the Scheme Mandate Limit, is the total number of Shares which may be issued in respect of all options and awards to be granted to the service providers under the 2023 Share Award Scheme and any other schemes of the Company, and shall not in aggregate exceed 2% of the total number of issued Shares as at the Adoption Date.

Options or awards lapsed in accordance with the rules of the 2023 Share Award Scheme and any other schemes of the Company will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit. Options or awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

The Company may seek approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit and the Service Provider Sublimit after 3 years from (i) the Adoption Date; or (ii) the date of the Shareholders' approval for the last refreshment (as the case may be).

Only insofar as and for so long as the Listing Rules require, any refreshment within any 3-year period shall be approved by the Shareholders, subject to the following provisions:

- (i) the controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) shall be abstaining from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company shall comply with the applicable requirements under the Listing Rules.

The total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Award Scheme and any other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of issued Shares

as at the date of the Shareholders' approval for the refreshment. The Company shall send to the Shareholders a circular containing the details and information required under the Listing Rules, including the number of options and awards that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reasons for the refreshment.

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

Subject to the rules of the 2023 Share Award Scheme, where any grant of awards to a selected participant under the 2023 Share Award Scheme would result in the Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued Shares, such grant of awards shall be separately approved by the Shareholders in general meeting with such selected participant and his close associates (or associates if such selected participant is a connected person) abstaining from voting. The Company shall send a circular to the Shareholders containing the details and information required under the rules of the 2023 Share Award Scheme and the Listing Rules.

5. GRANTS OF AWARDS TO DIRECTORS, SENIOR MANAGEMENT AND SUBSTANTIAL SHAREHOLDERS

Where any grant of awards is proposed to be made to any selected participant who is a Director (including an independent non-executive Director) or senior management of the Company, such grant must first be approved by all members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee.

Subject to the Scheme Mandate Limit:

- (i) any grant of awards to a Director, chief executive or a substantial shareholder of the Company, or any of their respective associates, shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the awards);
- (ii) where any grant of awards to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all awards granted under the 2023 Share Award Scheme and any other schemes of the Company (excluding any awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) 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 total number of issued Shares, such grant of awards shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iv) below;

- (iii) where any grant of awards to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted under the 2023 Share Award Scheme and any other schemes of the Company (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) 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 total number of issued Shares, such grant of awards shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iv) below;
- (iv) in the circumstances described in sub-paragraphs (ii) and (iii) above, the Company shall send a circular to the Shareholders containing such details and information as required under the Listing Rules. The grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the relevant requirements under the Listing Rules;
- (v) any change in the terms of awards granted to a selected participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by Shareholders in the manner as set out in sub-paragraph (iv) above if the initial grant of the awards requires such approval under the Listing Rules (except where the changes take effect automatically under the existing terms of the 2023 Share Award Scheme);
- (vi) the requirements for the grant to a Director or chief executive of the Company as set out in this paragraph do not apply where the selected participant is only a proposed director or a proposed chief executive of the Company; and
- (vii) in general, the Company should not grant awards with performance-related elements to independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

6. VESTING PERIOD

The vesting of any awards under the 2023 Share Award Scheme shall be subject to a vesting period to be determined by the Board in its absolute discretion, which shall be specified in the grant notice.

Only insofar as and for so long as the Listing Rules require, the vesting period for an award under the 2023 Share Award Scheme shall not be less than 12 months, unless the Board determines in its sole discretion that the awards granted to employee participants may be less than 12 months under the following specific circumstances:

- (i) grants of “make-whole” awards to an employee participant who is a new director or employee of the Group to replace the share awards such person forfeited when leaving his previous employer(s);
- (ii) grants of awards to an employee participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of awards which are subject to the fulfilment of performance targets as conditions of the awards;
- (iv) grants of awards made in batches during a year for administrative and compliance reasons;
- (v) grants of awards with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months; and
- (vi) grants of awards with a total vesting and holding period of more than 12 months.

7. PERFORMANCE TARGETS

Subject to the provisions of the Listing Rules and the 2023 Share Award Scheme, the Board may in its absolute discretion (i) when offering the grant of an award impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2023 Share Award Scheme as the Board may think fit (to be stated in the grant notice) including (without prejudice to the generality of the foregoing) qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Group and/or the grantee, the satisfactory performance or maintenance by the grantee of certain conditions or obligations or the time or period before all or some of the awards shall be vested; and (ii) at any time after the grant of an award, waive or amend such conditions, restrictions or limitations to the advantage of the grantee, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2023 Share Award Scheme.

In respect of a related entity participant or a service provider, unless otherwise determined by the Board and specified in the grant notice, there is no performance target which needs to be achieved by the Group and/or grantee before the awarded Shares can be vested. In respect of an employee participant, unless otherwise determined by the Board and specified in the grant notice, the Group and/or grantee shall achieve the performance targets set out in the grant notice before the awarded Shares can be vested. The performance targets of awarded Shares granted to the Directors and senior management of the Company, and any grants of awarded Shares to the Directors and senior management of the Company without performance targets, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

8. AMOUNT PAYABLE ON ACCEPTANCE OF THE AWARD AND PAYMENT PERIOD

None.

9. PURCHASE PRICE

Subject to the provisions of the Listing Rules, the purchase price (if any) in respect of any particular award under the 2023 Share Award Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant award (and shall be stated in the grant notice) and taking into consideration factors such as the prevailing closing price of the Shares, the purpose of the 2023 Share Award Scheme, the characteristics and profile of the relevant selected participants.

10. CERTAIN RIGHTS ATTACHING TO THE SHARES AND THE AWARDS

No grantee shall enjoy any rights of a Shareholder by virtue of the grant of an award pursuant to the 2023 Share Award Scheme, unless and until the Shares are actually transferred to the grantee pursuant to the vesting of an award. The awards do not carry any right to vote in general meeting of the Company, or the right to dividend and other rights, including those arising on a liquidation of the Company. A Share transferred upon the vesting of an award shall not carry rights until the registration of the grantee (or any other person so permitted pursuant to the 2023 Share Award Scheme) as the holder thereof.

Pursuant to the 2023 Share Award Scheme, the Trustee shall not exercise the voting rights in respect of any Shares held under the trust (if any) (including but not limited to the awarded Shares, any bonus Shares and scrip Shares derived therefrom). In particular, the Trustee holding unvested Shares, whether directly or indirectly, shall abstain from voting on matters that require shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

11. LIFE OF THE 2023 SHARE AWARD SCHEME

Subject to any early termination provisions pursuant to the 2023 Share Award Scheme, the 2023 Share Award Scheme shall be valid and effective commencing on the Adoption Date and for a period of 10 years.

12. LAPSE OF AWARDS

Unless otherwise waived by the Board, in the event that the vesting conditions (if any) specified in the grant notice are not fully satisfied prior to or on the relevant vesting date, the award of the awarded Shares in respect of the relevant vesting date shall lapse, such awarded Shares shall not vest on the relevant vesting date.

If the selected participant fails to sign and return the acceptance form attached to the grant notice before the expiry of the acceptance period, the grant of the awarded Shares to such selected participant shall lapse forthwith and the awarded Shares shall remain as part of the trust fund.

In the event that prior to or on the vesting date, a grantee is found to be an excluded participant (that is, any eligible participant(s) who is resident in a place where the grant of the awarded Shares and/or the vesting and transfer of the awarded Shares pursuant to the terms of the 2023 Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such eligible participant(s)) or is deemed to cease to be an eligible participant pursuant to the rules of the 2023 Share Award Scheme, the relevant award made to such grantee shall automatically lapse forthwith and the relevant awarded Shares shall not vest on the relevant vesting date but shall remain part of the trust fund.

Unless the Board determines otherwise, the circumstances under which a corporate shall be treated as having ceased to be an eligible participant shall include, without limitation, the following:

- (i) where such corporation becomes dissolved or put into liquidation (including voluntarily winding-up or de-registration) or has a liquidator or receiver appointed anywhere in the world in respect of the whole or any part of the assets or undertaking of the corporation;
- (ii) where the business license or registration of such corporation has been revoked;
- (iii) where such corporation has suspended, ceased or threatened to suspend or cease business;
- (iv) where such corporation is unable to pay its debts or otherwise becomes insolvent;

- (v) where such corporation suffers a change in its constitution, management, directors or shareholding which in the opinion of the Board is material; or
- (vi) where such corporation commits a breach of any contract entered into between the corporation or its associate and any member of the Group.

Unless the Board determines otherwise, the circumstances under which an individual shall be treated as having ceased to be an eligible participant shall include, without limitation, the following:

- (i) where such individual has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by the Company, any member of the Group or any related entity, and whether or not it has resulted in his employment or engagement being terminated by the Company, the relevant member of the Group or the related entity (as the case may be);
- (ii) where such individual has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
- (iii) where such individual has made any arrangement or composition with his creditors generally;
- (iv) where such individual has been convicted of any criminal offence;
- (v) where such individual has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong SAR or any other jurisdictions; or
- (vi) where such individual commits a breach of any contract entered into between the individual or his associate and any member of the Group.

13. ADJUSTMENT IN ALTERATION OF CAPITAL STRUCTURE

In the event of any alteration to the capital structure of the Company, whether by way of capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (or any other actions which may have an impact on 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), the Board may, if it considers the same to be appropriate, direct that adjustments be made to:

- (i) the maximum number of Shares subject to the 2023 Share Award Scheme; and/or

- (ii) the aggregate number of Shares subject to the awards so far as unvested; and/or
- (iii) the purchase price (if any) of each unvested awarded Share,

provided that the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit or the Service Provider Sublimit as a percentage of the total number of issued Shares immediately before and after such alteration to the capital structure of the Company shall be the same, rounded to the nearest whole share.

Where the Board determines that such adjustments are appropriate (other than an adjustment arising from a capitalisation issue), the auditors or independent financial advisors appointed by the Company shall certify in writing to the Board that any such adjustments satisfy the requirement set out in the note to Rule 17.03(13) of the Listing Rules, provided that:

- (i) any such adjustments shall give a selected participant the same proportion of equity capital, rounded to the nearest whole share, as that to which that eligible participant was previously entitled to, but no such adjustments shall be made to the extent that a Share would be issued at less than its normal value (if any). In respect of any such adjustments, other than any made on a capitalisation issue, the auditors or independent financial advisors shall confirm to the Board in writing that the adjustments satisfy the requirement set out in this sub-paragraph (i);
- (ii) any such adjustments shall be made on the basis that the aggregate purchase price payable by the grantee on the full vesting of any award shall remain as nearly as practicable the same as (but shall not be greater than) as it was before such event;
- (iii) any such adjustments shall be made in accordance with the provisions as stipulated under Chapter 17 of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time; and
- (iv) the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustments.

The capacity of the auditors or independent financial advisors in this paragraph is that of experts and not arbitrators and their certification shall be final and binding on the Company and the grantees in the absence of manifest error. The costs of the auditors or independent financial advisors shall be borne by the Company.

If there has been any alteration in the capital structure of the Company as referred to in this paragraph, the Company shall, upon receipt of a notice from the grantee, inform the grantee of such alteration and shall either inform the grantee of the adjustment to be made pursuant to the certificate of the auditors or independent financial advisors obtained by the Company for such

purpose, or if no such certificate has yet been obtained, inform the grantee of such fact and instruct the auditors or independent financial advisors to issue a certificate in that regard in accordance with this paragraph.

14. CANCELLATION OF AWARDS

The Board shall be entitled for the following causes to cancel any award in whole or in part by giving notice in writing to the grantee stating that such award is thereby cancelled with effect from the date specified in such notice:

- (i) the grantee commits or permits or attempts to commit or permit a breach of restriction on transferability of award or any terms or conditions attached to the grant of the award;
- (ii) the grantee makes a written request to the Board for the award to be cancelled; or
- (iii) if the grantee has, in the opinion of the Board, conducted himself in any manner whatsoever to the detriment of or prejudicial to the interests of the Company or a subsidiary.

The award shall be deemed to have been cancelled with effect from the cancellation date in respect of any part of the award which has not been vested as at the cancellation date. No compensation shall be payable upon any such cancellation, provided that the Board shall be entitled in its discretion to pay such compensation to the grantee in such manner as it may consider appropriate in any particular case.

Where the Company cancels awards granted to a selected participant, and makes a new grant to the same selected participant, such new grant may only be made under the 2023 Share Award Scheme with available Scheme Mandate Limit approved by the Shareholders.

15. RANKING OF SHARES

The Shares to be transferred upon the vesting of an award will be subject to all the provisions of the Articles and the laws of the Cayman Islands from time to time and shall rank *pari passu* in all respects with the then existing issued and fully paid Shares commencing from (i) the Registration Date (as defined under the rules of the 2023 Share Award Scheme) or, (ii) if that date falls on a day when the register of members of the Company is closed, the first date of the re-opening of the register of members, and accordingly, it will entitle the holders to participate in all dividends or other distributions paid or made on or after (i) the Registration Date or, (ii) if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Registration Date.

16. TERMINATION

The 2023 Share Award Scheme shall terminate on the earlier of: (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Shareholders in general meeting provided that such termination shall not materially and adversely affect any subsisting rights of any grantees.

Upon termination of the 2023 Share Award Scheme,

- (i) no further grant of awarded Shares may be made under the 2023 Share Award Scheme;
- (ii) all the awarded Shares of the grantees granted under the 2023 Share Award Scheme shall continue to be held by the Trustee and become vested in the grantees according to the conditions of the awards, subject to the receipt by the Trustee of the transfer documents, prescribed by the Trustee, where applicable, and duly executed by the grantees;
- (iii) upon the expiration of the trust period, all Shares remaining in the trust fund shall, at the election of the Board, be sold by the Trustee or transferred to any other trust(s) established for the purpose of any share scheme(s) of the Company in which eligible participants may participate (regardless of whether persons other than eligible persons may also participate), within 28 business days (on which the trading of the Shares has not been suspended) (or such longer period as the Trustee and the Board may otherwise determine);
- (iv) upon the expiration of the trust period all net proceeds of sale referred to in sub-paragraph (iii) above and such other funds and properties remaining in the trust fund managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than its interest in the proceeds of sale of such Shares pursuant sub-paragraph (iii) above).

For the avoidance of doubt, the temporary suspension of the granting of any award as determined by the Board shall not be construed as a decision to terminate the operation of the 2023 Share Award Scheme.

17. TRANSFERABILITY OF AWARDS

An award shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any award or attempt to do so, except for a transfer to a vehicle (such as a trust or a private company) for the benefit of the grantee and any family members of such grantee for estate planning or tax planning as permitted by the Stock

Exchange or under the Listing Rules. Any breach of the foregoing shall entitle the Company to cancel any outstanding award or part thereof granted to such grantee.

18. ALTERATION TO 2023 SHARE AWARD SCHEME

The 2023 Share Award Scheme may be altered in any respect by a resolution of the Board, provided that the following shall not be carried out except with the prior approval of the Shareholders in general meeting by ordinary resolution:

- (i) any alterations to the terms and conditions of the 2023 Share Award Scheme which are material in nature or any alterations to the provisions of the 2023 Share Award Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the eligible participants;
- (ii) any change to the authority of the Board to alter the terms of the 2023 Share Award Scheme; and
- (iii) any alteration to the aforesaid alteration provisions,

provided always that the amended terms of the 2023 Share Award Scheme or the awards shall comply with the applicable requirements of Chapter 17 of the Listing Rules.

Any change to the terms of awards granted to a grantee shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2023 Share Award Scheme.

19. CLAWBACK MECHANISM

Where there has been an occurrence of misconduct such as (i) any material misstatements or omissions in the Group's financial statements by a grantee; (ii) any violation by a grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such grantee of the Group's trade secrets, intellectual property or proprietary information; (iii) any termination of employment contracts by a grantee without notice or payment in lieu of notice; (iv) conviction of any criminal offence by a grantee involving integrity or honesty; or (v) any conduct of a grantee that has material adverse effect to the reputation or interests of the Group, the awarded Shares may be subject to clawback as determined by the Board from time to time. The clawback of awarded Shares granted to the Directors and senior management of the Company, and any grants of award Shares to the Directors and senior management of the Company without clawback, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

20. CONDITIONS OF THE 2023 SHARE AWARD SCHEME

The 2023 Share Award Scheme shall come into effect on the date on which the following conditions are fulfilled:

- (i) the Shareholders' approval for the adoption of the 2023 Share Award Scheme in general meeting; and
- (ii) the approval of the Stock Exchange for the listing of, and permission to deal in, the Shares (representing the initial Scheme Mandate Limit) to be allotted and issued in accordance with the terms and conditions of the 2023 Share Award Scheme.

If the permission referred to in sub-paragraph (ii) above is not granted within 2 calendar months after the Adoption Date:

- (i) the 2023 Share Award Scheme will forthwith terminate;
- (ii) any award granted or agreed to be granted pursuant to the 2023 Share Award Scheme and any offer of such a grant shall be of no effect;
- (iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the 2023 Share Award Scheme or any awards; and
- (iv) the Board may devise another share award scheme for adoption by the Company.

21. DEALING RESTRICTIONS

No award shall be made by the Board and no instructions to subscribe for any Shares shall be given to the Trustee and no payment shall be made to the Trustee under the 2023 Share Award Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules (including but not limited to Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the Listing Rules), the SFO, all applicable laws and any internal code of conduct in securities dealing adopted by the Company from time to time. Without limiting the generality of the foregoing, no such award shall be granted, no such instruction shall be given and no such payment shall be made:

- (i) after an event involving inside information in relation to the affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until (and including) the trading day after such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules or such inside information has otherwise ceased to exist;

- (ii) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (iii) during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results;
- (iv) during the period commencing 1 month immediately before the earlier of:
 - (a) the date of the board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),and ending on the date of the results announcement;
- (v) during any period of delay in publishing a results announcement of the Company; and
- (vi) in any circumstance where such award, instruction or payment is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

NOTICE OF THE ANNUAL GENERAL MEETING



ANTA Sports Products Limited

安踏體育用品有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2020)

NOTICE OF THE ANNUAL GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Shareholders of the Company please note the precautionary measures to be implemented at the Annual General Meeting to prevent and control the spread of the 2019 novel coronavirus disease (COVID-19), which include but not limited to:

- compulsory body temperature checks;
- compulsory health declarations;
- compulsory wearing of surgical face mask at the Annual General Meeting venue and throughout the Annual General Meeting (No masks will be provided);
- designated seat will be assigned for every attendee at the Annual General Meeting venue;
- no refreshments, food and beverage, or corporate gifts will be served or distributed; and
- any other precautionary measure where appropriate or in accordance with the prevailing guidelines or requirements of the Chinese government or regulatory authorities.

For the safety of the attendees at the Annual General Meeting, the Company reserves the rights to deny entry of any person into or require any person to leave the Annual General Meeting venue if such person:

- (i) refuses to comply with any of the above precautionary measures;
- (ii) has a body temperature of over 37.3 degree Celsius;
- (iii) has given a positive confirmation to any of the questions in the health declaration form; and
- (iv) has any flu-like symptoms or is otherwise unwell.

Due to the constantly evolving COVID-19 pandemic situation, the Company may be required to change the Annual General Meeting arrangements at short notice. Shareholders should check the Company's website at ir.anta.com or Hong Kong Exchanges and Clearing Limited's HKEXnews website at www.hkexnews.hk for future announcements and updates on the Annual General Meeting arrangements.

For the safety of Shareholders, staff and other stakeholders, the Company encourages Shareholders, instead of attending the Annual General Meeting physically, to attend and vote at the Annual General Meeting by electronic means. The Company also reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attending the Annual General Meeting in person.

The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of spreading COVID-19.

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of ANTA Sports Products Limited (the “**Company**”) will be held at ANTA Operations Center, No. 99, Jiayi Road, Guanyinshan, Xiamen, Fujian Province, China at 10:00 a.m. on Wednesday, 10 May 2023 to consider and, if thought fit, to pass the following resolutions as ordinary resolutions (with or without modifications) business:

ORDINARY RESOLUTIONS

1. to receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and the auditor of the Company for the year ended 31 December 2022;
2. to declare a final dividend of HK72 cents per ordinary share of the Company in respect of the year ended 31 December 2022;
3. to re-elect Mr. Ding Shijia as an executive director of the Company and to authorise the board of directors of the Company to fix his remuneration;
4. to re-elect Mr. Bi Mingwei as an executive director of the Company and to authorise the board of directors of the Company to fix his remuneration;
5. to re-elect Mr. Yiu Kin Wah Stephen as an independent non-executive director of the Company and to authorise the board of directors of the Company to fix his remuneration;
6. to re-elect Mr. Lai Hin Wing Henry Stephen as an independent non-executive director of the Company and to authorise the board of directors of the Company to fix his remuneration;
7. to re-elect Ms. Wang Jiaqian as an independent non-executive director of the Company and to authorise the board of directors of the Company to fix her remuneration;
8. to re-elect Ms. Xia Lian as an independent non-executive director of the Company and to authorise the board of directors of the Company to fix her remuneration;
9. to authorise the board of directors of the Company to fix the remuneration of the Company’s directors;
10. to re-appoint KPMG as the Company’s auditor and authorise the board of directors of the Company to fix their remuneration;

NOTICE OF THE ANNUAL GENERAL MEETING

and, as additional ordinary business, to consider and, if thought fit, to pass the following resolutions as ordinary resolutions (with or without modification):

11. **“THAT:**

- (a) subject to paragraph (c) below, pursuant to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**), the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with the unissued shares of HKD0.10 each in the capital of the Company (the **“Shares”** and each, a **“Share”**) and to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options which might require the exercise of the aforesaid powers after the expiry of the Relevant Period;
- (c) the total number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options and otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (defined below); or (ii) the issue of Shares in respect of options and awards granted under all share schemes of the Company adopted from time to time in compliance with Chapter 17 of the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:
 - (i) 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution; and
 - (ii) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the total number of Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

NOTICE OF THE ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 the articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the directors of the Company to holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the directors of the Company 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 existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong SAR or any recognised regulatory body or any stock exchange outside Hong Kong SAR).”

12. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to repurchase (or agree to repurchase) shares of HKD0.10 each in the capital of the Company (the “**Shares**” and each, a “**Share**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Act (2022 Revision) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the total number of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
 - (c) for the purposes of this resolution, “**Relevant Period**” means the period from the date of 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 the articles of association of the Company or the applicable laws of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”
13. “**THAT** conditional upon the passing of resolutions numbered 11 and 12 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 11 above be and it is hereby extended by the addition thereto the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of the total number of Shares repurchased or agreed to be repurchased by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 12 above.”

and, as special business, to consider and, if thought fit, pass the following resolution as an ordinary resolution (with or without modification):

14. “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the ordinary shares of HKD0.10 each in the share capital of the Company (the “**Shares**”) falling to be issued pursuant to the exercise of any options granted under the 2023 share option scheme of the Company (the “**2023 Share Option Scheme**”), the terms of which are set out in the document marked “**A**” produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the 2023 Share Option Scheme be approved and adopted to be one of the share option schemes of the Company with the Scheme Mandate Limit (as defined in the 2023 Share Option Scheme) of 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution and with effect from the date of the 2023 Share Option Scheme becoming unconditional and

NOTICE OF THE ANNUAL GENERAL MEETING

coming into effect, the 2017 share option scheme of the Company which was adopted by the Company on 6 April 2017 be terminated and that the Directors be authorised:

- (a) to grant options thereunder and to allot and issue Shares pursuant to the 2023 Share Option Scheme;
 - (b) to alter and/or modify the 2023 Share Option Scheme from time to time provided that such alternation and/or modification is effected in accordance with the provisions of the 2023 Share Option Scheme relating to the alternation and/or modification and subject to Chapter 17 of the Listing Rules;
 - (c) to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the exercise of options granted under the 2023 Share Option Scheme and subject to the Listing Rules; and
 - (d) to take all such steps as may be necessary or desirable to implement such 2023 Share Option Scheme.”
15. “**THAT**, conditional upon the passing of resolution numbered 14, the Service Provider Sublimit (as defined in the 2023 Share Option Scheme) of 2 per cent. of the total number of issued Shares as at the date of the passing of this resolution be and is hereby approved and adopted.”
16. “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the ordinary shares of HKD0.10 each in the share capital of the Company (the “**Shares**”) falling to be issued pursuant to any awards granted under the 2023 share award scheme of the Company (the “**2023 Share Award Scheme**”), the terms of which are set out in the document marked “**B**” produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the 2023 Share Award Scheme be approved and adopted to be one of the share award schemes of the Company with the Scheme Mandate Limit (as defined in the 2023 Share Award Scheme) of 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution and that the Directors be authorised:
- (a) to grant awards thereunder and to allot and issue Shares pursuant to the 2023 Share Award Scheme;
 - (b) to alter and/or modify the 2023 Share Award Scheme from time to time provided that such alternation and/or modification is effected in accordance with the provisions of the 2023 Share Award Scheme relating to the alternation and/or modification and subject to Chapter 17 of the Listing Rules;

NOTICE OF THE ANNUAL GENERAL MEETING

- (c) to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the awards granted under the 2023 Share Award Scheme and subject to the Listing Rules; and
- (d) to take all such steps as may be necessary or desirable to implement such 2023 Share Award Scheme.”

17. “**THAT**, conditional upon the passing of resolution numbered 16, the Service Provider Sublimit (as defined in the 2023 Share Award Scheme) of 2 per cent. of the total number of issued Shares as at the date of the passing of this resolution be and is hereby approved and adopted.”

Proposed resolution numbered 14 is not conditional upon the passing of proposed resolution numbered 15, but proposed resolution numbered 15 is conditional upon the passing of proposed resolution numbered 14. In the event that proposed resolution numbered 14 is passed but proposed resolution 15 is not passed, the Company will adopt the 2023 Share Option Scheme but the Board shall alter the 2023 Share Option Scheme to remove references to the grant of options to service providers. In the event that proposed resolution numbered 15 is passed but proposed resolution 14 is not passed, the 2023 Share Option Scheme will not be adopted.

Proposed resolution numbered 16 is not conditional upon the passing of proposed resolution numbered 17, but proposed resolution numbered 17 is conditional upon the passing of proposed resolution numbered 16. In the event that proposed resolution numbered 16 is passed but proposed resolution 17 is not passed, the Company will adopt the 2023 Share Award Scheme but the Board shall alter the 2023 Share Award Scheme to remove references to the grant of awards to service providers. In the event that proposed resolution numbered 17 is passed but proposed resolution 16 is not passed, the 2023 Share Award Scheme will not be adopted.

By order of the Board of
ANTA Sports Products Limited
Ding Shizhong
Chairman

Date: 31 March 2023

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

NOTICE OF THE ANNUAL GENERAL MEETING

Principal place of business in Hong Kong SAR:

16/F, Manhattan Place
23 Wang Tai Road
Kowloon Bay, Kowloon
Hong Kong SAR

Notes:

1. The above meeting will be a hybrid meeting. Shareholders have the option of attending, participating and voting at the meeting through online access by visiting the website at <https://meetings.computershare.com/ANTAAGM2023> (the “**Online Platform**”). Shareholders attending the above meeting using the Online Platform will also be counted towards the quorum under the articles of association of the Company and they will be able to cast their votes and submit questions through the Online Platform. Details regarding the meeting arrangements including login details to access the Online Platform are included in the Company’s notification letter to shareholders sent together with the circular of the Company dated 31 March 2023. Shareholders should note that only one device is allowed per login. Shareholders are responsible for keeping the login details in safe custody for use at the meeting and should not disclose them to anyone else. Neither the Company nor any of its directors, officers or agents assumes any responsibility or has any liability whatsoever in connection with the loss or transmission of the login details or any use of the login details for voting or otherwise. Shareholders should also note that an active and stable internet connection is required in order to allow them to participate, vote and submit questions through the Online Platform. It is the user’s own responsibility to ensure that he have a sufficient and stable internet connection.
2. Due to the constantly evolving COVID-19 pandemic situation, the Company may be required to change the meeting arrangements at short notice. Shareholders should check the Company’s website at ir.anta.com or Hong Kong Exchanges and Clearing Limited’s HKEXnews website at www.hkexnews.hk for future announcements and updates on the meeting arrangements.
3. At the above meeting, the chairman of the meeting will demand a poll for every resolution put to the vote of the meeting pursuant to Article 66 of the Articles of Association of the Company.
4. Any member entitled to attend, speak and vote at the above meeting is entitled to appoint one or, if he is the holder of two or more shares, one or more proxies to attend and speak and, on a poll, vote in his stead. A proxy need not be a member of the Company.
5. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the offices of the Company’s Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong SAR, at least 48 hours before the time for holding the above meeting.
6. For the purpose of determining the shareholders’ eligibility to attend and vote at the annual general meeting, the transfer books and register of members of the Company will be closed from Friday, 5 May 2023 to Wednesday, 10 May 2023 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for attending and voting at the annual general meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong SAR, not later than 4:30 p.m. on Thursday, 4 May 2023 for registration.
7. In relation to proposed resolution numbered 2 above, subject to the approval of the resolution, the proposed final dividend will be payable to the shareholders whose names appear on the register of members of the Company as at 4:30 p.m. on Tuesday, 16 May 2023. Subject to the approval of the resolution, in order to qualify for the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the

NOTICE OF THE ANNUAL GENERAL MEETING

Company's Hong Kong SAR branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong SAR, not later than 4:30 p.m. on Tuesday, 16 May 2023 for registration.

8. In relation to proposed resolutions numbered 11 and 13 above, approval is being sought from the shareholders for the grant to the directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules.
9. In relation to proposed resolution numbered 12 above, the directors of the Company wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances which they deem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in the Appendix I to the circular of which this notice of the annual general meeting forms part.
10. In relation to proposed resolution numbered 14 above, summary of the principal terms of the 2023 Share Option Scheme are set out in the Appendix III to the circular of which this notice of the annual general meeting forms part.
11. In relation to proposed resolution numbered 16 above, summary of the principal terms of the 2023 Share Award Scheme are set out in the Appendix IV to the circular of which this notice of the annual general meeting forms part.
12. In the case of joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto in the meeting, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
13. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
14. The meeting will be held on Wednesday, 10 May 2023 as scheduled regardless of whether or not an amber, red or black rainstorm warning signal or any tropical cyclone warning signal (including no. 8 or above) is in force in Hong Kong SAR at any time on that meeting day. However, in case the chairman of the board of directors of the Company considers, at his sole discretion, the physical meeting is not able to be held due to local bad weather in Xiamen, the above meeting will be adjourned or postponed. The Company will post an announcement on the Company's website at ir.anta.com and Hong Kong Exchanges and Clearing Limited's HKEXnews website at www.hkexnews.hk to notify shareholders of the date, time and place of the adjourned or postponed meeting.
15. The Chinese translation of this notice is for reference only, and in case of any inconsistency, the English version shall prevail.