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FOSUN 复星
復星國際有限公司
FOSUN INTERNATIONAL LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00656)

**(1) PROPOSED ADOPTION OF 2023 SHARE OPTION SCHEME AND
TERMINATION OF 2017 SHARE OPTION SCHEME
AND
(2) PROPOSED ADOPTION OF 2023 SHARE AWARD SCHEME AND
TERMINATION OF 2015 SHARE AWARD SCHEME
AND
(3) PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM of the Company to be held at 10:00 a.m. on Thursday, 16 March 2023 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China and a form of proxy are despatched together with this circular. Such form of proxy is also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.fosun.com). Whether or not you are able to attend the EGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

A letter from the Board is set out on pages 7 to 16 of this circular.

27 February 2023

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	7
INTRODUCTION	8
PROPOSED ADOPTION OF THE 2023 SHARE SCHEMES AND TERMINATION OF EXISTING SCHEMES (NEW SHARES)	8
PROPOSED RE-ELECTION OF DIRECTORS	15
RESPONSIBILITY STATEMENT	15
THE EGM AND PROXY ARRANGEMENT	15
RECOMMENDATION	16
APPENDIX I – THE SUMMARY OF THE RULES OF THE 2023 SHARE OPTION SCHEME	APP I-1
APPENDIX II – THE SUMMARY OF THE RULES OF THE 2023 SHARE AWARD SCHEME	APP II-1
APPENDIX III – DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE EXTRAORDINARY GENERAL MEETING	APP III-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	EGM-1

DEFINITIONS

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

“2015 Share Award Scheme”	the existing share award scheme adopted by the Company pursuant to a resolution passed by the then Board on 25 March 2015
“2017 Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to a resolution passed by the then Shareholders at the annual general meeting held on 6 June 2017
“2023 Share Award Scheme”	the new share award scheme which is proposed to be adopted by the Company pursuant to a resolution to be passed by the Shareholders at the EGM, a summary of the principal terms of which is set out in Appendix II to this circular
“2023 Share Option Scheme”	the new share option scheme which is proposed to be adopted by the Company pursuant to a resolution to be passed by the Shareholders at the EGM, a summary of the principal terms of which is set out in Appendix I to this circular
“2023 Share Schemes”	the 2023 Share Option Scheme and the 2023 Share Award Scheme
“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, the Hong Kong Stock Exchange trading fee, the Securities and Futures Commission of Hong Kong transaction levy, Financial Reporting Council transaction levy and any other applicable costs) on vesting of an Award pursuant to the 2023 Share Award Scheme or in the case of a vesting when there is an event of change in control or privatization of the Company, the consideration receivable under the related scheme or offer
“Adoption Date”	the date on which the 2023 Share Schemes are adopted by ordinary resolutions to be passed by the Shareholders at the EGM
“Articles”	the articles of association of the Company from time to time
“associate(s)”	has the meaning as defined under the Listing Rules
“Auditors”	the auditors of the Company for the time being
“Award”	an award granted by the Board or its delegate(s) to a Selected Participant, which may vest in the form of Award Shares or the Actual Selling Price of the Award Shares in cash, as the Board or its delegate(s) may determine in accordance with the terms of the 2023 Share Award Scheme

DEFINITIONS

“Award Letter”	the letter issued by the Company to each Selected Participant in such form as determined from time to time by the Board or its delegate(s), specifying the date on which the grant of an Award is made to a Selected Participant (being the date of the Award Letter), the number of Award Shares, the vesting criteria and conditions, the vesting date and such other details as they may consider necessary
“Award Period”	the period commencing on the Adoption Date, and ending on the Business Day immediately prior to the tenth (10th) anniversary of the Adoption Date
“Award Shares”	the Shares granted under the 2023 Share Award Scheme to a Selected Participant in an Award
“Board”	the board of the Directors of the Company
“Business Day”	any day on which the Hong Kong Stock Exchange is open for the business of dealing in securities
“close associate(s)”	has the meaning as defined under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Fosun International Limited, a company incorporated under the laws of Hong Kong and the Shares are listed and traded on the Main Board of the Hong Kong Stock Exchange with Stock Code 00656
“connected person(s)”	has the meaning as defined under the Listing Rules
“Consultation Conclusions”	Consultation Conclusions on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers and Housekeeping Rule Amendment published by the Hong Kong Stock Exchange in July 2022
“Controlling Shareholder”	has the meaning as defined under the Listing Rules
“core connected person(s)”	has the meaning as defined under the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EGM”	an extraordinary general meeting of the Company to be held at 10:00 a.m. on Thursday, 16 March 2023 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China to consider and, if appropriate, to approve the resolutions contained in the notice of the EGM which is set out in this circular, or any adjournment thereof
“Eligible Person(s)”	any person belonging to the following classes of participants: (a) any Employee Participant; (b) any Related Entity Participant; and (c) any Service Provider.
“Employee Participant(s)”	any director (including independent non-executive director) and employee (whether full time or part time) of the Company or the Group who in the sole discretion of the Board has contributed or will contribute to the Group
“Existing Scheme (Existing Shares)”	a share scheme adopted by the Company on 30 August 2021 involving the award of certain existing shares of FTG held by the Company from time to time
“Existing Schemes (New Shares)”	the 2015 Share Award Scheme and the 2017 Share Option Scheme
“FTG”	Fosun Tourism Group, a limited liability company established in the Cayman Islands and a subsidiary of the Company, whose shares are listed on the Main Board of the Hong Kong Stock Exchange with Stock Code 01992
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant
“Grantee”	any Eligible Person who accepts an Offer in accordance with the terms of the 2023 Share Option Scheme or (where the context so permits) a person entitled to exercise any Share Option in consequence of the death of the original Grantee
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Latest Practicable Date”	20 February 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in the circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules
“Offer”	an offer of the grant of a Share Option made in accordance with the terms of the 2023 Share Option Scheme
“Offer Date”	the date on which an Offer is made to an Eligible Person, which must be a Business Day
“on-market”	the trading of Shares through one or more transactions through the facilities of the Hong Kong Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations
“PRC” or “China”	the People’s Republic of China, which for the purpose of this circular only shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“Related Entity”	the holding companies, fellow subsidiaries or associated companies of the Company
“Related Entity Participant(s)”	any director and employee of the Related Entity
“Related Income”	all cash income derived from the Award Shares (i.e. cash dividends declared and paid on the Award Shares) excluding any interest earned on such cash income and held on Trust for the benefit of the Selected Participant
“Returned Shares”	such Award Shares that are not vested and/or are forfeited in accordance with the terms of the 2023 Share Award Scheme, or such Shares being deemed to be Returned Shares under the 2023 Share Award Scheme
“Returned Trust Funds”	all cash income derived from the Returned Shares (i.e. cash dividends declared and paid on the Returned Shares) or otherwise derived pursuant to the 2023 Share Award Scheme, in either case excluding any interest earned on such cash income and held on Trust for the purpose of the 2023 Share Award Scheme

DEFINITIONS

“Scheme Mandate Limit”	has the same meaning as defined in paragraph 5 of Appendix I of this circular
“Selected Participant(s)”	any Eligible Person approved for participation in the 2023 Share Award Scheme and who has been granted any Award pursuant to the rules of the 2023 Share Award Scheme
“Service Provider(s)”	<p>any person providing services to the Group on a continuing and recurring basis in its ordinary and usual course of business of the Group, the grant of Share Options and Award Shares to whom is in the interests of the long-term growth of the Group as determined by the Board, namely:</p> <ul style="list-style-type: none">(i) any person providing advisory services and/or consultancy services to the Group after stepping down from an employment or director position with the Group; and(ii) any person providing, among others, advisory services, consultancy services, sales and marketing services, technology services and/or administrative services to the Group as consultants, independent contractors or agents where the continuity and frequency of their services are akin to those of employees; <p>but, for the avoidance of doubt, excluding (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions of the Company or its subsidiaries, and (ii) professional service providers such as the auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity</p>
“Service Provider Sublimit”	has the same meaning as defined in paragraph 5 of Appendix I of this circular
“Share(s)”	the ordinary share(s) each in the capital of the Company (or, if there has been a consolidation, reduction, re-classification, subdivision or reconstruction of the share capital of the Company, shares forming part of the equity share capital of the Company of such revised amount as shall result from such subdivision, consolidation, reduction, re-classification or reconstruction of such ordinary shares from time to time)
“Share Option(s)”	a right to subscribe for Shares pursuant to the 2023 Share Option Scheme

DEFINITIONS

“Share Option Period”	a period to be determined and notified by the Board to the Grantee during which the Share Option may be exercised and in any event shall not be more than 10 years commencing on the Offer Date and expiring on the last day of such ten-year period subject to the provisions for early termination in accordance with the terms of the 2023 Share Option Scheme
“Shareholder(s)”	the shareholders of the Company from time to time
“subsidiary(ies)”	a subsidiary(ies) for the time being of the Company within the meaning of the Companies Ordinance, Chapter 622 of the laws of Hong Kong, whether incorporated in Hong Kong or elsewhere
“substantial shareholder(s)”	has the meaning as defined under the Listing Rules
“Trust”	the trust constituted by the trust deed entered into between the Company and the Trustee, to service the 2023 Share Award Scheme
“Trustee”	the trustee appointed by the Company for the purpose of the Trust which will be an independent third party and not connected with the Company or the Company’s connected persons, and initially, Computershare Hong Kong Trustees Limited
“%”	per cent

LETTER FROM THE BOARD

FOSUN 复星
復星國際有限公司
FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

Directors:

Executive Directors:

Mr. Guo Guangchang (*Chairman*)
Mr. Wang Qunbin (*Co-Chairman*)
Mr. Chen Qiyu (*Co-Chief Executive Officer*)
Mr. Xu Xiaoliang (*Co-Chief Executive Officer*)
Mr. Gong Ping
Mr. Huang Zhen

Registered Office:

Room 808, ICBC Tower
3 Garden Road
Central
Hong Kong

Non-executive Directors:

Mr. Yu Qingfei
Mr. Li Shupe
Mr. Li Fuhua

Independent Non-executive Directors:

Mr. Zhang Shengman
Mr. Zhang Huaqiao
Mr. David T. Zhang
Dr. Lee Kai-Fu
Ms. Tsang King Suen Katherine

27 February 2023

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED ADOPTION OF 2023 SHARE OPTION SCHEME AND
TERMINATION OF 2017 SHARE OPTION SCHEME
AND
(2) PROPOSED ADOPTION OF 2023 SHARE AWARD SCHEME AND
TERMINATION OF 2015 SHARE AWARD SCHEME
AND
(3) PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with information and to seek your approval, inter alia, on the (i) proposed adoption of the 2023 Share Option Scheme and termination of the 2017 Share Option Scheme; (ii) proposed adoption of the 2023 Share Award Scheme and termination of the 2015 Share Award Scheme and (iii) proposed re-election of Directors. A notice of the EGM containing the resolutions to be proposed at the EGM is set out in this circular.

PROPOSED ADOPTION OF THE 2023 SHARE SCHEMES AND TERMINATION OF EXISTING SCHEMES (NEW SHARES)

The Existing Schemes (New Shares)

The 2015 Share Award Scheme and the 2017 Share Option Scheme were adopted by the Company on 25 March 2015 and 6 June 2017, respectively. The Existing Schemes (New Shares) are valid and effective for a period of ten years from the respective adoption date. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules will be amended with effect from 1 January 2023. In light of the above, the Company proposes to terminate the Existing Schemes (New Shares) and adopt the 2023 Share Schemes. The provisions of the 2023 Share Schemes will comply with the requirements of amended Chapter 17 of the Listing Rules which has taken effect from 1 January 2023.

Save for the Existing Scheme (Existing Shares) and the share option scheme adopted by the Company on 19 June 2007 and expired on 18 June 2017, the Company had no other subsisting share schemes apart from the Existing Schemes (New Shares) as at the Latest Practicable Date.

As at the Latest Practicable Date, (i) the Company had 180,859,600 outstanding share options granted under the 2017 Share Option Scheme which shall continue to be valid and exercisable during the prescribed exercisable period in accordance with the 2017 Share Option Scheme; (ii) the maximum number of share options that can be granted by the Company under the 2017 Share Option Scheme was 676,527,414; (iii) the Company had 46,006,530 unvested award shares granted under the 2015 Share Award Scheme which shall continue to be valid in accordance with the 2015 Share Award Scheme; (iv) the maximum number of award shares that can be granted by the Company under the 2015 Share Award Scheme was 266,571,983; and (v) the Company did not intend to grant further share options or award shares under the Existing Schemes (New Shares) prior to the EGM.

Adoption of the 2023 Share Schemes

Reasons for the adoption of the 2023 Share Schemes

The Board proposes the adoption of the 2023 Share Schemes, which will be valid for 10 years from the Adoption Date. The purpose of the 2023 Share Schemes is to replace the Existing Schemes (New Shares) and to enable the Company to grant Share Options and/or Award Shares to the selected Eligible Persons as incentives or rewards for their contribution or potential contribution to the development and long-term growth of the Group.

LETTER FROM THE BOARD

The Group is a global innovation-driven consumer group with mission to provide high-quality products and services for families around the world in Health, Happiness, Wealth and Intelligent Manufacturing segments. Equity compensation, including provision of long-term share-based incentives to participants, is common among public companies and innovation-driven companies. It is also in line with modern commercial practice for public companies to adopt parallel share-based incentive schemes to offer them with discretion to link the value of the companies with the interests of the participants thereunder, enabling those participants and the companies to develop together and promote the corporate culture of the companies. The 2015 Share Award Scheme has been used in parallel with the 2017 Share Option Scheme, the Existing Scheme (Existing Shares) and other share-based incentives which may be adopted by the Company from time to time. The Board has the sole discretion to choose between the 2015 Share Award Scheme, the 2017 Share Option Scheme and the Existing Scheme (Existing Shares).

(a) Scope of Eligible Persons

The Board considers that the 2023 Share Schemes will motivate more people to contribute to the Group's development. The 2023 Share Schemes, which will be in the form of Award Shares or Share Options, will enable the Group to recruit, incentivize and retain high-calibre staff, and as such, it is in the interests of the Group as a whole that more categories of people be eligible for the 2023 Share Schemes so as to give incentives to them to contribute to the Group's growth and development. Furthermore, the Board considers that the Eligible Persons will share the same interests and objectives with the Group upon the grant of Share Options and/or Award Shares. This is beneficial to the long-term development of the Group. In addition, the adoption of the 2023 Share Schemes is in line with modern commercial practice that full-time or part-time employees, directors, members of the management, advisors and consultants of the Group and the Shareholders be given incentives to work towards the goal of enhancing the enterprise value and attaining the long-term objectives of the Company for the benefit of the Group as a whole.

In assessing the eligibility of Employee Participants, the Board will consider, among others, their general working performance, time commitment (full-time or part-time), length of their service within the Group, working experience, responsibilities and/or employment conditions with reference to the prevailing market practice and industry standard.

In assessing the eligibility of Related Entity Participants, the Board will consider, among others, their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group.

Service Providers who are eligible under the 2023 Share Schemes shall include any person providing services to the Group on a continuing and recurring basis in its ordinary and usual course of business of the Group, the grant of Share Options and Award Shares to whom is in the interests of the long-term growth of the Group as determined by the Board, namely:

- (i) any person providing advisory services and/or consultancy services to the Group after stepping down from an employment or director position with the Group; and

LETTER FROM THE BOARD

- (ii) any person providing, including but not limited to, advisory services, consultancy services, sales and marketing services, technology services and/or administrative services to the Group as consultants, independent contractors or agents where the continuity and frequency of their services are akin to those of employees;

but, for the avoidance of doubt, excluding (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions of the Company or its subsidiaries, and (ii) professional service providers such as the auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity.

In assessing the eligibility of Service Providers, the Board will consider, among others, their experience and expertise, continuity and frequency of their services to the Group, their involvement in promoting the business of the Group, or where appropriate, contribution or potential contribution to the long-term growth of the Group. In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis, the Board shall take into consideration the length and type of services provided and the recurrences and regularity of such services, and will benchmark such metrics against the performance of the employees, officers and directors of the Group to whom the Group provides equity incentives, while taking into account the purpose of the 2023 Share Schemes and the objectives in engaging the Service Provider. In assessing whether the Service Provider provides services to the Group in the Company's ordinary and usual course of business, the Board or the committee of the Board shall take into consideration the 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, as disclosed in the Company's financial reports.

Considering the Company's hiring practices and organisational structures and that Service Providers and Related Entity Participants have contributed to the long-term growth of the Company's businesses, the Board is of the view that it would be in the Company's interest to also have the flexibility to grant Share Options and/or Award Shares to the Related Entity Participants and Service Providers in recognition of their contribution to the Company. The Directors (including the independent non-executive Directors) also consider that it is beneficial to include the Related Entity Participants and Service Providers since a sustainable and stable relationship with them is essential to the business development of the Group, and that the grant of Share Options and/or Award Shares to these non-employee participants will align their interests with the Group's, incentivizing them to provide better services to, create more opportunities for and/or contribute to the success of the Group in the long run.

More specifically, the Board (including the independent non-executive Directors) is of the view that:

- (i) 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 human resources to the Group given their close corporate and collaborative relationships, they may be involved in projects or other business engagements relating to or having connections with the Group's businesses. As such, certain Related Entity Participants have joint involvement in work projects from time to time. Given the mix of workload, the Company feels that it is important to recognize the contribution or future contribution of such

LETTER FROM THE BOARD

Related Entity Participants by giving them incentive through their participation in the 2023 Share Schemes. 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 companies. It is therefore in the interest of the Company and the Shareholders, and is in line with the objectives of the 2023 Share Schemes to include the Related Entity Participants, who the Company can incentivize with the grant of Share Options and/or Award Shares in order to strengthen their loyalty with the Group even though they may not be directly employed by the Group, and to in turn facilitate a higher degree of collaboration and closer business relationships and ties between the Related Entities and the Group; while the Related Entities may consider granting share options or award shares to those employees, given that the same employees may be utilized by the Company to assist with its projects, they would also provide service to the Company despite not being directly employed by the Group, and hence the Board is of the view that it would be in the Company's interest to also grant Share Options and/or Award Shares to those Related Entity Participants in recognition of their contribution to the Company; and

- (ii) the Group has collaborated with consultants, independent contractors or agents who have provided advisory services, consultancy services, sales and marketing services, technology services, and/or administrative services to the Group (but for the avoidance of doubt exclude placing agents or financial advisers providing advisory services for fundraising, mergers or acquisition, professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity) and they have played significant roles in the Group's business development by contributing their specialized skills in fields such as research and development, product commercialization, marketing, innovation upgrading, strategic/commercial planning on corporate image, investor relations in investment environment of the Company and other areas in relation to the Group's business operation, financial and management advisory and consulting. Furthermore, as the Group is operating as a global innovation-driven consumer group, the Group may require new types of professional services to be provided by the Service Providers on a continuing or recurring basis to cope with its demand for new initiatives, projects and focuses and to support its expansion plan(s) from time to time, such as its new initiatives in areas of new content digitization, e-commerce and comprehensive solutions. In such case, the Board will determine whether the Service Providers providing such professional services are eligible to participate in the 2023 Share Schemes based on whether such professional services provided are in line with the Company's business need and the industry norm, desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group, having regard to the Group's key business segments and focuses from time to time. Such consultants, independent contractors or agents may not be able to serve as full-time or part-time employees, directors or officers of the Group due to a variety of reasons. For example, these Service Providers may have stepped down from employment position with the Group, or they may be seasoned people in their own fields and professionals with many business connections which the Group may not be able to recruit them as employees, or they may prefer to be employed on self-employed basis which is in line with industry norm, and the Company may need to outsource such functions and procure services from external vendors or suppliers, or is unable to turn to internal resources for these kind of specialized support due to various restraints.

LETTER FROM THE BOARD

Therefore, the Board (including independent non-executive Directors) consider that the proposed categories of the Related Entity Participants and the Service Providers are in line with the Company's business needs and the industry norm, desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group. Through the grant of the Share Options and/or Award Shares, such Eligible Persons and the Group will have a common goal in the growth and development of the Group's business, and they could participate in the future prospect of the Group and share the additional reward through their sustainable contribution.

(b) *Scheme Mandate Limit and Service Provider Sublimit*

As at the Latest Practicable Date, there were 8,220,210,124 Shares in issue. Assuming that no further Shares will be allotted, issued, repurchased or cancelled prior to the EGM and after the resolutions regarding the proposed adoption of the 2023 Share Schemes are passed at the EGM, (i) the total number of Shares which may be issued in respect of all options and awards under the 2023 Share Schemes and other share schemes of the Company would be no more than 822,021,012 Shares, representing no more than approximately 10% of the total number of Shares in issue as at the Adoption Date; and (ii) the total number of Shares that may be issued under the 2023 Share Schemes and other share schemes of the Company to the Service Providers would be no more than 41,101,050 Shares, representing no more than approximately 0.5% of the total number of Shares in issue as at the Adoption Date.

The basis for determining the Service Provider Sublimit (namely, 0.5% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sublimit) includes (i) the potential dilution effect arising from grants to the Service Providers, (ii) the importance of striking a balance between achieving the purpose of the 2023 Share Schemes and protecting the Shareholders from the dilution effect from granting a substantial amount of Share Options and Award Shares to the Service Providers, (iii) the extent of use of Service Provider in the Group's businesses, the current payment and/or settlement arrangement with the Service Providers, (iv) the expected contribution to the development and growth of the Company attributable to the Service Providers and (v) the fact that the Company expects that a majority of Share Options and Award Shares will be granted to the Employee Participants and as such there is a need to reserve a larger portion of the Scheme Mandate Limit for grants to the Employee Participants. Given the above, the Board considers that a Service Provider Sublimit of 0.5% would not lead to an excessive dilution of shareholding of the existing Shareholders.

Considering that there are no other share schemes over new Shares other than the 2023 Share Schemes after the termination of the Existing Schemes (New Shares), the Group's hiring practice and organizational structures and that the Service Providers have contributed to the long-term growth of the Company's businesses, the Board is of the view that, despite the Company did not grant any share options or award shares to its Service Providers in the past, the Service Provider Sublimit is appropriate and reasonable given the nature of the innovation-driven industry and the Group's business needs, and such 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 purpose of the 2023 Share Schemes.

LETTER FROM THE BOARD

(c) *Vesting Period*

To ensure the practicability in fully attaining the purpose of the 2023 Share Schemes, the Board and the remuneration committee of the Company are of the view that (a) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the holders of the Share Options and Awards, such as those set out in the paragraph headed “7. Vesting of Share Options” in the Appendix I and in the paragraph headed “12. Vesting of Awards” in the Appendix II to this circular; (b) there is a need for the Company to retain flexibility in certain cases to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, to provide for succession planning and the effective transition of employee responsibilities and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified; and (c) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances.

Hence, the Board and the remuneration committee of the Company are of the view that the shorter vesting period prescribed in the paragraph headed “7. Vesting of Share Options” in the Appendix I and in the paragraph headed “12. Vesting of Awards” in the Appendix II to this circular is in line with the market practice and is appropriate and aligns with the purpose of the 2023 Share Schemes.

(d) *Basis of determining the exercise price of Share Options and purchase price of Award Shares*

Grantees to whom Share Options shall be granted, are entitled to subscribe for the number of Shares at the exercise price as determined on the Offer Date. The basis for determining the exercise price is also specified precisely in the rules of the 2023 Share Option Scheme, which is summarized under paragraph headed “4. Exercise Price of Share Options” in the Appendix I to this circular. The Directors consider that such basis will serve to preserve the value of the Company and encourage the Eligible Persons to acquire proprietary interests in the Company.

The purchase price of the Award Shares (if any) shall be such price which shall be determined by the Board from time to time based on considerations such as the prevailing closing price of the Shares, the purpose of the Award and the characteristics and profile of the Selected Participant. Such room for discretion provides the Board with flexibility to stipulate, if necessary, a purchase price for Award Shares, while balancing the purpose of the Award and the interests of Shareholders.

(e) *Performance target and clawback mechanism*

The Board may at its discretion specify any conditions (including performance targets (if any)) which must be satisfied before the Share Options and Award Shares may be vested in the Offer and Award Letter. Such performance targets may include financial targets and management targets which shall be determined based on the (i) individual performance, (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Grantees and/or Selected Participants.

LETTER FROM THE BOARD

In addition, all Share Options and Award Shares granted which are unvested shall automatically lapse under certain circumstances specified in the 2023 Share Schemes, such as the Grantee and/or Selected Participant having been convicted of any criminal offence involving his/her integrity or honesty, or having done something which brings the Group into disrepute or cause damages to the Group (including, among others, causing material misstatement of the financial statements of the Company). For details of the circumstances in which Share Options and Award Shares which are unvested shall lapse, please refer to the paragraph headed “13. Rights on cessation of employment or retirement” in the Appendix I to this circular and the paragraph headed “15. Cessation as an Eligible Person” in the Appendix II to this circular. The Board believes that the aforesaid will provide the Board with more flexibility in setting the terms and conditions of the Share Options and Award Shares under particular circumstances of each grant and facilitate the Board’s aim to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

Conditions precedent of the 2023 Share Schemes

The adoption of the 2023 Share Schemes is conditional upon:

- (i) the passing of ordinary resolution(s) by the Shareholders at a general meeting of the Company to (1) approve and adopt the 2023 Share Schemes; (2) authorize the Board to grant Share Options and/or Award Shares under the 2023 Share Schemes; and (3) authorize the Board to allot and issue Shares in respect of any Share Options or Award Shares to be granted pursuant to the 2023 Share Schemes; and
- (ii) the Listing Committee of the Hong Kong Stock Exchange granting the approval for the listing of, and permission to deal in, any Share on the Hong Kong Stock Exchange which may be issued in respect of all Share Options and/or Award Shares to be granted in accordance with the terms and conditions of the 2023 Share Schemes.

General

None of the Directors is a trustee of the 2023 Share Schemes nor has a direct or indirect interest in the trustees of the 2023 Share Schemes (if any).

As at Latest Practicable Date, the Company had not granted or proposed to grant or intended to grant any Share Options or Award Shares under the 2023 Share Schemes.

A summary of the principal rules of the 2023 Share Schemes is set out in Appendix I and Appendix II to this circular. A copy of each of the 2023 Share Schemes will be made available for inspection at the EGM and will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.fosun.com) for not less than 14 days before the date of the EGM.

Application will be made to the Listing Committee of the Hong Kong Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of all Share Options and/or Award Shares to be granted under the 2023 Share Schemes.

LETTER FROM THE BOARD

As at the Latest Practicable Date, no Shareholder had a material interest in the adoption of the 2023 Share Schemes. As such, no Shareholder is required to abstain from voting on the resolution(s) in relation thereto.

PROPOSED RE-ELECTION OF DIRECTORS

Reference is made to the announcements of the Company dated 4 November 2022 and 2 February 2023 on the appointment of Mr. Li Shupeì (李樹培) and Mr. Li Fuhua (李富華) as non-executive Directors with effect from 4 November 2022 and 2 February 2023 respectively. Pursuant to Article 111 of the Articles, the Board shall have power to appoint any person who is willing to act as a Director, either to fill a casual vacancy on the Board or as an additional Director to the existing Board. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company after his appointment and shall then be eligible for re-election provided that any Director who so retires shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation at such meeting.

Ms. Chen Shucui (陳淑翠) resigned as a non-executive Director with effect from 4 November 2022 and Mr. Li Shupeì was appointed as a non-executive Director by the Board on 4 November 2022. Mr. Zhuang Yuemin (莊粵珉) resigned as a non-executive Director with effect from 2 February 2023 and Mr. Li Fuhua was appointed as a non-executive Director by Board on 2 February 2023. According to Article 111 of the Articles, Mr. Li Shupeì and Mr. Li Fuhua shall retire at the EGM and shall be eligible for re-election.

According to the Company's Board Diversity Policy, the Board endeavours to diversify professional backgrounds of Directors in order to meet the needs of the Company's development. The appointment of Mr. Li Shupeì and Mr. Li Fuhua can supplement the Board's professional requirements in various industries and facilitate the Group's balanced and sustainable development and succession planning of the Board.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any retiring director(s) proposed to be re-elected or new director(s) proposed to be elected in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of Mr. Li Shupeì and Mr. Li Fuhua are set out in Appendix III to this circular.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

THE EGM AND PROXY ARRANGEMENT

A notice convening the EGM of the Company to be held at 10 a.m. on Thursday, 16 March 2023 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China as set out in this circular and a form of proxy for the EGM are despatched together with this circular.

LETTER FROM THE BOARD

Whether or not you are able to attend the EGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

The register of members of the Company will be closed from Tuesday, 14 March 2023 to Thursday, 16 March 2023, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the EGM to be held on Thursday, 16 March 2023, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if any, must be lodged with Computershare Hong Kong Investor Services Limited, the share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Monday, 13 March 2023.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors are of the opinion that the proposed adoption of the 2023 Share Schemes and termination of the Existing Schemes (New Shares) and the proposed re-election of Directors are in the interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the resolution(s) relating to the proposed adoption of the 2023 Share Schemes and the termination of the Existing Schemes (New Shares) and the proposed re-election of Directors set out in the notice of the EGM contained therein.

Yours faithfully,
By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

The following is a summary of the principal rules of the 2023 Share Option Scheme but does not form part of, nor was it intended to be, part of the 2023 Share Option Scheme nor should it be taken as effecting the interpretation of the 2023 Share Option Scheme:

1. Purpose of the 2023 Share Option Scheme

The purpose of the 2023 Share Option Scheme is to provide incentive and/or reward to Eligible Persons for their contribution to, and continuing efforts to promote the interests of, the Group.

2. Administration of the 2023 Share Option Scheme

The 2023 Share Option Scheme shall be subject to the administration of the Board (or if the Board so resolves by a committee of the Board) whose decision (save as otherwise provided in the 2023 Share Option Scheme) shall be final and binding on all parties subject to the prior receipt of a statement in writing from the Auditors or the independent financial adviser of the Company if and as required by the 2023 Share Option Scheme.

3. Who may join

Subject to the provisions in the 2023 Share Option Scheme, the Board shall be entitled at any time within the period of ten (10) years after the Adoption Date to make an Offer to any Eligible Person as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may determine at the exercise price. In particular, the eligibility of each of the Eligible Persons shall be determined by the Board or a committee of the Board from time to time and on a case-by-case basis. Generally:

- (a) with respect to Employee Participants, the Board will consider, among others, their general working performance, time commitment (full-time or part-time), length of their service within the Group, working experience, responsibilities and/or employment conditions with reference to the prevailing market practice and industry standard;
- (b) with respect to Related Entity Participants, the Board will consider, among others, their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group; and
- (c) with respect to Service Providers, the Board will consider, among others, their experience and expertise, continuity and frequency of their services to the Group, their involvement in promoting the business of the Group, or where appropriate, contribution or potential contribution to the long-term growth of the Group. In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis, the Board shall take into consideration the length and type of services provided and the recurrences and regularity of such services, and will benchmark such metrics against the performance of the employees, officers and directors of the Group to whom the Group provides equity incentives, while taking into account the purpose of the 2023 Share Option Scheme and the objectives in engaging the Service Provider. In assessing whether the Service Provider provides services to the Group in

the Company's ordinary and usual course of business, the Board or the committee of the Board shall take into consideration the 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, as disclosed in the Company's financial reports.

4. Exercise price of Share Options

The exercise price of any particular Share Option granted under the 2023 Share Option Scheme shall be a price determined by the Board and notified to an Eligible Person, and shall be at least the higher of (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; and (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the Offer Date. Where a Share Option is to be granted, the date of the Board meeting at which the grant was proposed shall be taken to be the Offer Date for such Share Option.

5. Maximum number of Shares

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 (the "**Scheme Mandate Limit**") must not in aggregate exceed 10% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Scheme Mandate Limit. Within the Scheme Mandate Limit, the 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 (the "**Service Provider Sublimit**") must not in aggregate exceed 0.5% of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sublimit, which shall not be valid unless:

- (a) the Service Provider Sublimit is separately approved by the Shareholders in general meeting; and
- (b) a circular regarding the Service Provider Sublimit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules (including, amongst others, the basis for determining the Service Provider Sublimit and an explanation as to why the Service Provider Sublimit is appropriate and reasonable).

For the purposes of calculating the Scheme Mandate Limit and the Service Provider Sublimit, Shares which are the subject matter of any options or awards that have already lapsed in accordance with the terms of the relevant share scheme(s) of the Company will not be regarded as utilized.

The Scheme Mandate Limit and the Service Provider Sublimit may be refreshed by ordinary resolution of the Shareholders in general meeting every three years from the date of the Shareholders' approval for the last refreshment (or the Adoption Date), provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) and the Service Provider Sublimit so refreshed shall not exceed 0.5%, respectively, of the total number of issued Shares as at the date of such Shareholders' approval of the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit;
- (b) for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit, options or awards lapsed will not be regarded as utilized and options or awards cancelled will be regarded as utilized; and
- (c) a circular regarding the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, Chapter 17 of the Listing Rules.

Further to the requirements set out above, any refreshment of the Scheme Mandate Limit and/or the Service Provider Sublimit within three years from the date of the Shareholders' approval for the last refreshment (or the Adoption Date) must be approved by the Shareholders in general meeting subject to the following provisions:

- (a) any Controlling Shareholder and their associates (or if there is no Controlling Shareholder, Directors (excluding independent non-executive Directors) and chief executive(s) of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting;
- (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules; and
- (c) the requirements under sub-paragraphs (a) and (b) above do not apply if the refreshment is made immediately after an issue of Shares by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit and the Service Provider Sublimit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit and the Service Provider Sublimit immediately before the issue of the Shares, rounded to the nearest whole Share.

The Company may seek separate approval from the Shareholders in general meeting for granting options or awards which will result in the Scheme Mandate Limit or the Service Provider Sublimit being exceeded, provided that:

- (a) the grant is only to Eligible Persons specifically identified by the Company before the approval is sought; and

- (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules and any other applicable laws and rules.

If the Company conducts any share consolidation or subdivision after the Scheme Mandate Limit or the Service Provider Sublimit has been approved in the general meeting, the maximum number of Shares that may be issued by the Company pursuant to the 2023 Share Option Scheme and all other share schemes of the Company under the unutilized Scheme Mandate Limit or the Service Provider Sublimit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

6. Grant of Share Options

- (a) An Offer shall be made to an Eligible Person in writing in such form as the Board may from time to time determine requiring the Eligible Person to undertake to hold the Share Option on the terms on which it is to be granted and to be bound by the provisions of the 2023 Share Option Scheme and shall remain open for acceptance by the Eligible Person to whom an Offer is made for a period as specified in the letter of Offer, by which the Eligible Person must accept the Offer or be deemed to have declined it, provided that no such Offer shall be opened for acceptance after the Share Option Period or after the 2023 Share Option Scheme has been terminated in accordance with the provisions of the 2023 Share Option Scheme or after the Eligible Person to whom the Offer is made has ceased to be an Eligible Person.
- (b) The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to an Eligible Person (including, without limitation, as to any performance criteria which must be satisfied by the Eligible Person and/or the Company and/or its subsidiaries before a Share Option may be exercised), provided that such conditions shall not be inconsistent with any other terms and conditions of the 2023 Share Option Scheme or the relevant requirements under applicable laws or the Listing Rules.
- (c) The Board shall not grant any Share Option under the 2023 Share Option Scheme after inside information has come to the Company's knowledge until (and including) the trading day on which it has announced the information. In particular, no Offer shall be made to any Eligible Person (a) during the period commencing one month immediately preceding the earlier of (1) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (2) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement, no Share Option shall be granted; or (b) who is subject to the Model Code during the periods or times in which such Eligible Person is prohibited from dealing in the Shares pursuant to the Model Code.

- (d) An Offer shall be deemed to have been accepted and the Share Option to which the Offer relates shall be deemed to have been granted and to have taken effect when the Company receives the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein no option price will be payable upon the acceptance of the Offer. Any Offer may be accepted in respect of all or less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Hong Kong Stock Exchange or an integral multiple thereof. To the extent that an Offer is not accepted within the time stated in the Offer for that purpose, it will be deemed to have been irrevocably declined and upon which, the subject Share Options with respect to the declined Offer will be lapsed and will not be utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

7. Vesting of Share Options

The Share Options to be granted under the 2023 Share Option Scheme shall be subject to a minimum vesting period of 12 months during which unvested Share Options shall not become vested and exercisable. Any shorter vesting period in respect of Share Options granted to Employees Participants must be approved by the Board and/or the remuneration committee of the Company (for Share Options granted to the Directors or senior managers) at the Directors' discretion, provided that such Grantee(s) has been specifically identified by the Board before granting such approval. The specific circumstances giving rise to a shorter vesting period are as follows:

- (a) grants of "make whole" Share Options to new Employee Participants to replace share options such Employee Participants forfeited when leaving their previous employers;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
- (c) grants of Share Options which are subject to the fulfilment of performance targets;
- (d) grants of Share Options that are made in batches during a year due to administrative or compliance requirements which may be subject to any changes made to the applicable laws, regulations and rules in the jurisdictions which the Employee Participants and the Group are subject to and not connected with the performance of the relevant Employee Participant, which include Share Options that should have been granted earlier if not for such administrative or compliance requirements but had to wait for subsequent batch, in which case the vesting date may be adjusted to take account of the time from which the Share Options would have been granted if not for such administrative or compliance requirements, which allows flexibility for the Company to reward Employee Participants in case of delays due to administrative or compliance requirements. In the event of any administrative or compliance requirements which give rise to a shorter vesting period of the Share Options granted to any Employee Participant, the Company will make further announcement as and when appropriate;

- (e) grants of Share Options with a mixed vesting schedule such that the Share Options vest evenly over a period of 12 months; or
- (f) grants of Share Options with a total vesting and holding period of more than 12 months.

8. Performance Targets

The Offer shall specify the performance target(s), if any, that must be duly fulfilled by the Grantee(s) before any of the Share Options may be vested in such Grantee(s) under such Offer. The Board or a committee of the Board may in respect of each Offer and subject to all applicable laws, rules and regulations determine such performance targets for vesting of Share Options in its sole and absolute discretion, such performance targets shall include, among others, financial targets and management targets which shall be determined based on the (i) individual performance, (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional department, projects and/or geographical area managed by the Grantees. For the avoidance of doubt, a Share Option shall not be subject to any performance targets, criteria or conditions if none is set out in the relevant Offer.

9. Maximum entitlements to each Eligible Person and Share Options granted to certain connected persons

- (a) Sub-paragraphs (a), (b) and (c) under this paragraph 9 are subject to any waiver or ruling granted by the Hong Kong Stock Exchange, and may be amended by the Board to reflect any amendments made by the Hong Kong Stock Exchange after the Adoption Date to the relevant provisions of the Listing Rules, which paragraphs have been drafted to reflect as at the Adoption Date. Share Options that have already lapsed in accordance with the 2023 Share Option Scheme shall not be counted. For the purpose of sub-paragraphs (a), (b) and (c) under this paragraph 9, “**Relevant Shares**” means Shares issued and to be issued in respect of all options and award shares granted (excluding any options or award shares lapsed) under all share schemes of the Company to the relevant Grantee in the 12-month period (or such other time period as may be specified by the Hong Kong Stock Exchange from time to time) up to and including the Offer Date of the relevant Share Option referred hereto.
- (b) No Share Option shall be granted to any Eligible Person (“**Relevant Eligible Person**”), if it would result in the number of Relevant Shares exceeding 1% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) of the total number of Shares in issue at the relevant time of grant, unless (1) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by resolution of the Shareholders in general meeting, at which the Relevant Eligible Person and his/her close associates (or his/her associates if the Relevant Eligible Person is a connected person) shall abstain from voting; (2) a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules; and (3) the number and terms of such Share Option are fixed before the general meeting of the Company at which the same are approved.

- (c) The grant of Share Options to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) requires the approval of the independent non-executive Directors (excluding any independent non-executive Director who is a prospective Grantee of the Share Option). Where a Share Option is to be granted to a substantial shareholder or an independent non-executive Director (or any of their respective associates), and the grant will result in the number of the Relevant Shares exceeding 0.1% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) of the total number of Shares in issue at the relevant time of grant and such grant shall not be valid unless (1) a circular containing the details of the grant has been despatched to the Shareholders in a manner complying with, and containing the information as required under the Listing Rules (including in particular a recommendation from the independent non-executive Directors (excluding the independent non-executive Director who is the prospective Grantee of the Share Option) to the independent Shareholders as to voting); and (2) the grant has been approved by the Shareholders in general meeting (taken on a poll) in accordance with the relevant provisions of the Listing Rules, in particular, the relevant Grantee, his/her associates and all core connected persons shall abstain from voting (except that a connected person may vote against the resolution if his/her intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules). The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.
- (d) Independent Shareholders' approval and the circular described in paragraph 9(c) above are also required for any change in the terms of Share Options granted to a Grantee who is a Director, chief executive or substantial shareholder of the Company or any of their respective associates.

10. Exercise of Share Option

A Share Option may be exercised in whole or in part by the Grantee (or his/her personal representatives) before the expiry of the Share Option Period by delivering to the Company a notice in writing in a form approved by the Board stating that the Share Option is to be exercised and the number of Shares in respect of which it is exercised.

11. Rights are personal to Grantee

A Share Option shall be personal to the Grantee. Unless a waiver is granted by the Hong Kong Stock Exchange or otherwise permitted or required under the applicable laws and regulations, a Share Option shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (whether legal or beneficial) in favor of any third party over or in relation to any Share Option.

12. Rights on cessation of employment by death

Where the Grantee of an outstanding Share Option dies before exercising the Share Option in full or at all, the Share Option may be exercised up to the entitlement of such Grantee or, if appropriate, an election made pursuant to a general offer, scheme of arrangement, scheme for the reconstruction or amalgamation or voluntary winding up of the Company by his/her personal representatives within 12 months of the date of death.

13. Rights on cessation of employment or retirement

Where the holder of an outstanding Share Option ceases to be an Eligible Person for any reason other than (i) death, (ii) re-employed after retirement or has changed in position but still be an Eligible Person before exercising the Share Option in full or at all or (iii) by reason of summary dismissal or being dismissed for misconduct or other breach of the terms of his/her employment contract or other contract constituting him an Eligible Person, the Share Option shall lapse on the date of cessation of such employment and not be exercisable unless the Board otherwise determines in which event the Share Option shall be exercisable to the extent and within such period as the Board may determine. The date of such cessation shall be (i) if he is an employee of the Company, any subsidiary or any Related Entity, his/her last actual working day at his/her work place with the Company, any subsidiary or any Related Entity whether salary is paid in lieu of notice or not; or (ii) if he is not an employee of the Company, any subsidiary or any Related Entity the date on which the relationship with the Group which has constituted him an Eligible Person ceases.

Where the Grantee of an outstanding Share Option is re-employed after retirement or has changed in position(s) but still be an Eligible Person before exercising the Share Option in full or at all, the Share Option may continue to be exercised by the Grantee.

Where the Grantee of an outstanding Share Option ceases to be an Eligible Person by reason of summary dismissal or being dismissed for misconduct or other breach of the terms of his/her employment contract or other contract constituting him an Eligible Person (including, among others, causing material misstatement of the financial statements of the Company), or the date on which he begins to appear to be unable to pay or has no reasonable prospect of being able to pay his/her debts or has become insolvent or has made any arrangements or composition with his/her creditors generally or on which he has been convicted of any criminal offence involving his/her integrity or honesty, the Share Option shall lapse on the date of his/her dismissal.

14. Cancellation of Share Options

The Board at its sole discretion may cancel a Share Option granted but not exercised with the approval of the grantee of such Share Option in certain circumstances, including where it is necessary to comply with the laws in the jurisdictions in which the Eligible Persons and the Company are subject to, or in order to comply with the requirements of any securities exchange. Share Options may be granted to an Eligible Person in place of his/her cancelled Share Options provided that there are available Scheme Mandate Limit and the Service Provider Sublimit approved by the Shareholders as

referred to in Rule 17.03B or Rule 17.03C of the Listing Rules. The Share Options cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

15. Alteration of capital structure

In the event of any alteration in the capital structure of the Company by way of capitalization issue, rights issue, Subdivision or consolidation of the Shares or reduction of the share capital of the Company (other than an issue of the Shares as consideration in respect of a transaction while any Share Option remains exercisable), such corresponding alterations (if any) will be made in (i) the numbers of the Shares subject to any outstanding Share Options and/or (ii) the exercise price per Share as the independent financial adviser of the Company for the time being or the Auditors shall at the request of the Company or any Grantee certify in writing to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that the Grantee shall have the same proportion of the total number of Shares in issue, rounded to the nearest whole Share, to which he was entitled before such alteration and the aggregate exercise price payable by the relevant holder of the Share Options on the full exercise of any Share Options shall remain as nearly as possible the same as (but not greater than) it was before such event. Save in the case of a capitalization issue, an independent financial adviser of the Company for the time being or the Auditors must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements and/or such other requirement prescribed under the Listing Rules from time to time.

16. Rights on a general offer

If a general offer by way of take-over is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Company shall give notice thereof to the Grantee and the Grantee (or his/her personal representatives) may, exercise the Share Option to its full extent or to the extent specified in such notice.

17. Rights on scheme of arrangement

If a general offer, by way of a scheme of arrangement, is made to all the Shareholders and the 2023 Share Option Scheme has been approved by the necessary number of Shareholders at the requisite meetings, the Company shall give notice thereof to the Grantee and the Grantee (or his/her personal representatives) may, by delivering a notice in writing to the Company within seven days of such shareholders' approval, exercise the Share Option to its full extent or to the extent specified in such notice.

18. Rights on voluntary winding up

In the event a notice is given by the Company to its members to convene a general meeting for the purpose 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 (together with a notice of the existence of

the provisions) and thereupon, each Grantee (or his/her legal personal representatives) shall be entitled to exercise all or any of his/her Share Options at any time not later than seven days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate 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, issue and allot the relevant Shares to the Grantee credited as fully paid.

19. Rights on reconstruction or amalgamation

In the event of a compromise or arrangement, other than a scheme of arrangement contemplated in paragraph 17 above between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its members or creditors to consider such a scheme or arrangement and the Grantee (or his/her personal representatives) may at any time thereafter, but before such time as shall be notified by the Company, exercise all or any of his/her Share Options, and 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 meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such Share Options. In the event that the Grantees do not exercise all or any of his/her Share Options before the specified timing, and provided that the then market price of the Share Option is higher than the exercise price of the Share Option, the Board may in its sole discretion, sell the Share Option on behalf of the Grantee, whereby the Grantee will be entitled to receive the cash equivalent from such sale (less any costs incurred by the Company (if any)). In the event that the market price of the Share Option is lower than the exercise price of the Share Option or the Board in its sole discretion decides not to sell the Share Option on the market, the Share Option will automatically lapse.

20. Period of the 2023 Share Option Scheme

Subject to earlier termination by the Company in general meeting or by the Board, the 2023 Share Option Scheme shall be valid and effective for a period to be determined and notified by the Board to the Grantee during which the Share Option may be exercised and in any event shall not be more than 10 years commencing on the date on which the Offer in relation to such Share Option is deemed to have been accepted in accordance with the terms of the 2023 Share Option Scheme and expiring on the last day of the ten-year-period.

21. Termination of the 2023 Share Option Scheme

The 2023 Share Option Scheme shall be terminated on the earlier of:

- (a) the tenth (10) anniversary date of the Adoption Date; and
- (b) such date of early termination as determined by the Board by a resolution of the Board,

provided that such termination shall not affect any subsisting rights of any Grantee hereunder, following which no further grant of Share Options shall be offered but in all other respects the 2023 Share Option Scheme shall continue in full force and effect to the extent necessary to give effect to the exercise of any Share Option granted prior to the termination or otherwise as may be required in accordance with the provisions of the 2023 Share Option Scheme. Any Share Options granted prior to such termination, including Share Options exercised or outstanding under the 2023 Share Option Scheme, shall continue to be valid and exercisable in accordance with the 2023 Share Option Scheme.

22. Ranking of Shares

The Shares to be issued and allotted upon the exercise of a Share Option shall be subject to the Company's constitutional documents for the time being in force and shall rank *pari passu* in all respects with the Shares in issue as at the date of allotment and will entitle the holders to participate in all dividends or other distributions declared or recommended or resolved to be paid or made in respect of a record date falling on or after the date of allotment. A Share allotted and issued upon the exercise of a Share Option shall not carry voting rights until the name of the Grantee has been duly entered on the register of members of the Company as a holder thereof.

23. Alterations to the 2023 Share Option Scheme

The Directors may from time to time in their absolute discretion alter the definition of "Eligible Persons", "Grantee" and "Share Option Period" and the provisions in paragraphs 1, 3, 4, 5, 6(d), 7 to 23 of this appendix which are of a material nature or provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Grantees or prospective Grantees provided that approval from the Shareholders in general meeting (with Grantees and their associates abstaining from voting) has been obtained. Save for the above, the Board or a committee of the Board may alter the terms of the 2023 Share Option Scheme without the approval of the Shareholders in a general meeting. No such alteration shall operate to affect adversely the terms of issue of any Share Option granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such majority of the Grantees as would be required of the Shareholders under the constitutional documents for the time being of the Company for a variation of the rights attached to the Shares.

Any change to the authority of the Board to alter the terms of the 2023 Share Option Scheme shall not be valid unless approved by the Shareholders in general meeting.

Any change to the terms of Share Options granted to a Grantee must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) if the initial grant of the Share Options requires such approval (except where the alterations take effect automatically under the existing provisions of the 2023 Share Option Scheme).

The amended terms of the 2023 Share Option Scheme or the Share Options must comply with Chapter 17 of the Listing Rules.

24. Conditions of the 2023 Share Option Scheme

The 2023 Share Option Scheme is conditional upon the passing of ordinary resolution(s) by the Shareholders at a general meeting of the Company to (1) approve and adopt the 2023 Share Option Scheme; (2) authorise the Board to grant Share Options under the 2023 Share Option Scheme; (3) authorise the Board to allot and issue Shares in respect of any Share Options to be granted pursuant to the 2023 Share Option Scheme; and (4) the Listing Committee of the Hong Kong Stock Exchange granting the approval for the listing of, and permission to deal in, any Shares on the Hong Kong Stock Exchange which may be issued by the Company in respect of all Share Options to be granted in accordance with the terms and conditions of the 2023 Share Option Scheme.

Application will be made to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in the Shares which may fall to be allotted and issued in respect of the Share Options to be granted under the 2023 Share Option Scheme.

25. Miscellaneous

Should there be any discrepancy between English and Chinese versions of the 2023 Share Option Scheme, the English version shall prevail.

The following is a summary of the principal rules of the 2023 Share Award Scheme but does not form part of, nor was it intended to be, part of the 2023 Share Award Scheme nor should it be taken as effecting the interpretation of the 2023 Share Award Scheme:

1. Eligible Persons to the 2023 Share Award Scheme

Subject to the criteria and conditions set out in paragraph 15 below, any individual, being an employee, a director, an officer, a consultant or an advisor of any member of the Group or any Related Entity whom the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group is eligible to receive an Award. In particular, the eligibility of each of the Eligible Persons shall be determined by the Board or a committee of the Board from time to time and on a case-by-case basis. Generally:

- (a) with respect to Employee Participants, the Board will consider, among others, their general working performance, time commitment (full-time or part-time), length of their service within the Group, working experience, responsibilities and/or employment conditions with reference to the prevailing market practice and industry standard;
- (b) with respect to Related Entity Participants, the Board will consider, among others, their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group; and
- (c) with respect to Service Providers, the Board will consider, among others, their experience and expertise, continuity and frequency of their services to the Group, their involvement in promoting the business of the Group, or where appropriate, contribution or potential contribution to the long-term growth of the Group. In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis, the Board shall take into consideration the length and type of services provided and the recurrences and regularity of such services, and will benchmark such metrics against the performance of the employees, officers and directors of the Group to whom the Group provides equity incentives, while taking into account the purpose of the 2023 Share Award Scheme and the objectives in engaging the Service Provider. In assessing whether the Service Provider provides services to the Group in the Company's ordinary and usual course of business, the Board or the committee of the Board shall take into consideration the 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, as disclosed in the Company's financial reports.

However, no individual who is a resident in a place where the grant, acceptance or vesting of an Award pursuant to the 2023 Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the 2023 Share Award Scheme.

2. Purposes of the 2023 Share Award Scheme

The purposes of the 2023 Share Award Scheme are (i) to align the interests of the Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) to encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group.

3. Awards

An Award gives a Selected Participant a conditional right, when the Award Shares vest, to obtain the Award Shares or, if in the absolute discretion of the Board or its delegate(s), it is not practicable for the Selected Participant to receive the Award in Shares, the cash equivalent from the sale of the Award Shares. An Award includes all cash income from dividends in respect of those Shares from the date the Award is granted to the date the Award vests. For the avoidance of doubt, the Board at its discretion may from time to time determine that any dividends declared and paid by the Company in relation to the Award Shares would be paid to the Selected Participant even though the Award Shares have not yet vested.

4. Grant of Award

The Board or the committee of the Board or person(s) to which the Board has delegated its authority may, from time to time, at their absolute discretion, grant an Award to a Selected Participant (in the case of the Board's delegate(s), to any Selected Participant other than a Director or an officer of the Company) by way of an Award Letter. The Award Letter will specify the Grant Date, the number of Award Shares underlying the Award, the vesting criteria and conditions, the vesting date and such other details as the Board or its delegate(s) may consider necessary.

No Award Shares shall be granted to any Eligible Person if such grant of Award Shares to such person would result in the number of Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and options lapsed) in accordance with the terms of the 2023 Share Award Scheme and other share scheme(s) adopted by the Company to such person in the 12 month period (or such other time period as may be specified by the Hong Kong Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 1% (or such other percentage as may be specified by the Hong Kong Stock Exchange from time to time) of Shares in issue, unless:

- (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by resolution of the Shareholders in general meeting, at which such person and his/her close associates (or his/her associates if such person is a connected person) shall abstain from voting;
- (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules; and

- (c) the number and terms of such Award Share are fixed before the general meeting of the Company at which the same are approved.

Each grant of an Award to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of an Award). The Company will comply with the relevant requirements under Chapter 14A of the Listing Rules for any grant of Shares to connected persons of the Company. In addition:

- (a) where any grant of Award Shares to any 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 award shares granted (excluding any award shares lapsed) in accordance with the terms of the 2023 Share Award Scheme and other share award scheme(s) of the Company (if any) to such person in the 12-month period (or such other time period as may be specified by the Hong Kong Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Hong Kong Stock Exchange from time to time) of the Shares in issue as at the date of such grant, such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules; or
- (b) where any grant of Award Shares to an independent non-executive Director or 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 award shares and options granted (excluding any award shares and options lapsed) in accordance with the terms of the 2023 Share Award Scheme and other share scheme(s) adopted by the Company to such person in the 12 month period (or such other time period as may be specified by the Hong Kong Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Hong Kong Stock Exchange from time to time) of Shares in issue as at the date of such grant, such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

In the circumstances described (a) and (b) above, the Company must send a circular to the Shareholders. The Selected Participants, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

5. Restrictions on Grants and Timing of Grants

No Award shall be made to Selected Participants under the 2023 Share Award Scheme and no directions or recommendation shall be given to the Trustee with respect to a grant of an Award under the 2023 Share Award Scheme:

- (a) after inside information has come to the Company's knowledge until (and including) the trading day on which it has announced the information. In particular, no Awards shall be granted during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to publish an announcement of 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 results announcement, no Awards may be granted; nor should any Award be made to any Eligible Person during any other periods of time stipulated by the relevant sections of the Listing Rules from time to time in relation to any restriction on the time of grant of awards, or

- (b) who is subject to the Model Code during the periods or times in which such Eligible Person is prohibited from dealing in the Shares pursuant to the Model Code.

6. Maximum Number of Shares to be Granted

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 (the "**Scheme Mandate Limit**") must not in aggregate exceed 10% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Scheme Mandate Limit. Within the Scheme Mandate Limit, 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 (the "**Service Provider Sublimit**") must not in aggregate exceed 0.5% of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sublimit, which shall not be valid unless:

- (a) the Service Provider Sublimit is separately approved by the Shareholders in general meeting; and

- (b) a circular regarding the Service Provider Sublimit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules (including, amongst others, the basis for determining the Service Provider Sublimit and an explanation as to why the Service Provider Sublimit is appropriate and reasonable).

For the purposes of calculating the Scheme Mandate Limit and the Service Provider Sublimit, Shares which are the subject matter of any options or award that have already lapsed in accordance with the terms of the relevant share scheme(s) of the Company will not be regarded as utilized.

The Scheme Mandate Limit and the Service Provider Sublimit may be refreshed by ordinary resolution of the Shareholders in general meeting every three years from the date of the Shareholders' approval for the last refreshment (or the Adoption Date), provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) and the Service Provider Sublimit so refreshed shall not exceed 0.5%, respectively, of the total number of issued Shares as at the date of such Shareholders' approval of the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit;
- (b) for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit, options or awards lapsed will not be regarded as utilized and options or awards cancelled will be regarded as utilized; and
- (c) a circular regarding the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, Chapter 17 of the Listing Rules.

Further to the requirements set out above, any refreshment of the Scheme Mandate Limit and/or the Service Provider Sublimit within three years from the date of the Shareholders' approval for the last refreshment (or the Adoption Date) must be approved by the Shareholders in general meeting subject to the following provisions:

- (a) any Controlling Shareholder and their associates (or if there is no Controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting;
- (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules; and
- (c) the requirements under sub-paragraphs (a) and (b) above do not apply if the refreshment is made immediately after an issue of Shares by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit and the Service Provider Sublimit (as a percentage of the Shares in

issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit and the Service Provider Sublimit immediately before the issue of the Shares, rounded to the nearest whole Share.

The Company may seek separate approval from the Shareholders in general meeting for granting options or awards which will result in the Scheme Mandate Limit or the Service Provider Sublimit being exceeded, provided that:

- (a) the grant is only to Eligible Persons specifically identified by the Company before the approval is sought; and
- (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules and any other applicable laws and rules.

If the Company conducts any share consolidation or subdivision after the Scheme Mandate Limit or the Service Provider Sublimit has been approved in the general meeting, the maximum number of Shares that may be issued by the Company pursuant to the 2023 Share Award Scheme and all other share schemes of the Company under the unutilized Scheme Mandate Limit or the Service Provider Sublimit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole share.

7. Purchase price of Share Award

The purchase price of the Award Shares (if any) shall be such price determined by the Board, the committee of the Board, or person(s) to which the Board has delegated its authority from time to time based on considerations such as the prevailing closing price of the Shares, the purpose of the Award and the characteristics and profile of the Selected Participant. No acceptance price of Award Shares will be payable on the acceptance of such an Award.

8. Rights Attached to the Award

Save that the Board at its discretion may from time to time determine that any dividends declared and paid by the Company in relation to the Award Shares would be paid to the Selected Participants even though the Award Shares have not yet vested, the Selected Participant only has a contingent interest in the Award Shares underlying an Award unless and until such Award Shares are actually transferred to the Selected Participant, nor does he/she have any rights to any cash or non-cash income until the Award Shares and Related Income vest.

Neither the Selected Participant nor the Trustee may exercise the voting rights in respect of any Shares held under the Trust (including but not limited to the Award Shares, any Returned Shares, any bonus Shares and any scrip Shares). In particular, the Trustee holding unvested Shares under the 2023 Share Award Scheme, 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.

In the event the Company undertakes a scrip dividend scheme, the Trustee shall elect to receive the cash component, unless otherwise instructed by the Company, which shall be treated as Related Income (for the cash income derived from Award Shares) or Returned Trust Funds (for the cash income derived from Returned Shares).

9. Rights Attached to the Shares

Any Award Shares transferred to a Selected Participant in respect of any Awards will be subject to all the provisions of the Articles and will form a single class with the fully paid Shares in issue on the relevant date.

10. Issue of Shares and/or Transfer of Funds to the Trustee

The Company shall (i) issue and allot Shares to the Trustee, and/or (ii) transfer to the Trustee the necessary funds and instruct the Trustee to acquire Shares through on-market transactions at the prevailing market price (which the Trustee shall do so as soon as reasonably practicable for the purpose of satisfying the Awards). The Award Shares will be held in trust for the Selected Participants until the end of each vesting period. When the Selected Participant has satisfied all vesting conditions specified by the Board at the time of making the Award and become entitled to the Award Shares, the Trustee shall transfer the relevant Award Shares to that Selected Participant.

11. Assignment of Awards

Any Award Shares granted under the 2023 Share Award Scheme but not yet vested are personal to the Selected Participants to whom they are granted and cannot be assigned or transferred. Unless a waiver is granted by the Hong Kong Stock Exchange or otherwise permitted or required under the applicable laws and regulations, a Selected Participant shall not in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

12. Vesting of Awards

Subject to the Listing Rules, the Board or the committee of the Board or person(s) to which the Board delegated its authority may from time to time while the 2023 Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested. The vesting date in respect of any Award shall be not less than 12 months from the Grant Date, provided that for Employee Participants, the vesting date may be less than 12 months from the Grant Date (including on the Grant Date) in the following circumstances where:

- (a) grants of “make whole” Awards to new Employee Participants to replace share awards such Employee Participants forfeited when leaving their previous employers;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;

- (c) grants of Awards which are subject to the fulfilment of performance targets;
- (d) grants of Awards that are made in batches during a year due to administrative or compliance requirements which may be subject to any changes made to the applicable laws, regulations and rules in the jurisdictions which the Employee Participants and the Group are subject to and not connected with the performance of the relevant Employee Participant, which include Awards that should have been granted earlier if not for such administrative or compliance requirements but had to wait for subsequent batch, in which case the vesting date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements, which allows flexibility for the Company to reward Employee Participants in case of delays due to administrative or compliance requirements. In the event of any administrative or compliance requirements which give rise to a shorter vesting period of the Awards granted to any Employee Participant, the Company will make further announcement as and when appropriate;
- (e) grants of Awards with a mixed vesting schedule such that the Awards vest evenly over a period of 12 months;
- (f) grants of Awards with a total vesting and holding period of more than 12 months; or
- (g) there is an event of change in control of the Company by way of a merger, a privatization of the Company by way of a scheme or by way of an offer, the Board or the committee of the Board or person(s) to which the Board has delegated its authority, at their sole discretion, determine that the vesting date of any Awards shall be accelerated to an earlier date, whereby the vesting date may be less than 12 months from the Grant Date (including on the Grant Date).

Within a reasonable time period as agreed between the Trustee and the Board or its delegate(s) from time to time prior to any vesting date, the Board or its delegate(s) will send a vesting notice to the relevant Selected Participant which states the extent to which the Award Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant. Subject to the receipt of the vesting notice and notification from the Board or its delegate(s), the Trustee will transfer and release the relevant Award in the manner as determined by the Board or its delegate(s).

If, in the absolute discretion of the Board or its delegate(s), it is not practicable for the Selected Participant to receive the Award in Shares, solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or its delegate(s) will direct and procure the Trustee to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds arising from such sale based on the Actual Selling Price of such Award Shares and Related Income derived from such Award Shares in cash as set out in the vesting notice.

13. Performance target

Subject to the rules of the 2023 Share Award Scheme, the Listing Rules and any applicable laws and regulations, the Board or the committee of the Board or person(s) to which the Board has delegated its authority shall have the power from time to time to establish and administer performance targets (if any) in respect of the grant and/or vesting of the Award and such performance targets shall include, among others, financial targets and management targets which shall be determined based on the (i) individual performance, (ii) performance of the Group and/or (iii) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Selected Participants. For the avoidance of doubt, an Award Share shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Award Letter.

14. Consolidation, Subdivision, Reduction, Bonus issue and Other distribution

In the event the Company undertakes a Subdivision, consolidation or reduction of the Shares, corresponding changes will be made to the number of outstanding Award Shares that have been granted provided that the adjustments shall be made in such manner as the Board or its delegate(s) determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2023 Share Award Scheme for the Selected Participants. All fractional shares (if any) arising out of such consolidation, subdivision or reduction in respect of the Award Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant vesting date. The Trustee shall hold Returned Shares to be applied in accordance with the provisions of the rules of the 2023 Share Award Scheme for the purpose of the 2023 Share Award Scheme.

In the event of an issue of Shares by the Company credited as fully paid to the holders of the Shares by way of capitalization of profits or reserves, the Shares attributable to any Award Shares held by the Trustee shall be deemed to be an accretion to such Award Shares and shall be held by the Trustee as if they were Award Shares purchased by the Trustee hereunder and all the provisions hereof in relation to the original Award Shares shall apply to such additional Shares.

In the event of any non-cash distribution or other events not referred to above by reason of which the Board or its delegate(s) considers an adjustment to an outstanding Award to be fair and reasonable, an adjustment shall be made to the number of outstanding Award Shares of each Selected Participant as the Board or its delegate(s) shall consider as fair and reasonable, in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2023 Share Award Scheme for the Selected Participants. The Company shall provide such funds, or such directions on application of the Returned Shares or Returned Trust Funds, as may be required to enable the Trustee to purchase Shares on-market at the prevailing market price to satisfy the additional Award.

In the event of other non-cash and non-scrip distributions made by the Company not otherwise referred to in the rules of the 2023 Share Award Scheme in respect of the Shares held upon Trust, the Trustee shall sell such distribution and the net sale proceeds thereof shall be deemed as Related Income of the Award Shares or Returned Trust Funds of the Returned Shares held upon Trust.

In the event the Company undertakes an open offer of new securities, the Trustee shall not subscribe for any new Shares. In the event of a rights issue, the Trustee shall seek instructions from the Company on the steps or actions to be taken in relation to the nil-paid rights allotted to it.

Any adjustments required under rule 17.03(13) must give a Selected Participants the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value (if any). The issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalization issue, an independent financial adviser or auditors of the Company must confirm to the Directors in writing that the adjustments satisfy the requirements set out in the note to Rule 17.03(13) of the Listing Rules.

15. Cessation as an Eligible Person

If there is a change in position(s) or duty(ies) of a Selected Participant's employment or contractual engagement with the Group or a Related Entity and such Selected Participant is still regarded as an Eligible Person, any outstanding Award Shares and Related Income not yet vested shall continue to vest in accordance with the vesting date set out in the Award Letter, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

If a Selected Participant ceases to be an Eligible Person by reason of (i) retirement of the Selected Participant at his/her normal retirement age as specified in his/her terms of employment or contractual engagement with the Group or a Related Entity or as prescribed by State; or (ii) his/her job-related permanent physical or mental disablement or job-related death, any outstanding Award Shares and Related Income not yet vested shall continue to vest in accordance with the vesting date set out in the Award Letter, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

If a Selected Participant ceases to be an Eligible Person by reason of (i) death of the Selected Participant, (ii) termination of the Selected Participant's employment or contractual engagement with the Group or a Related Entity by reason of his/her permanent physical or mental disablement, (iii) termination of the Selected Participant's employment or early termination of the contractual engagement with the Group by reasons of misconduct or otherwise pursuant to law or employment or engagement contract; (iv) termination of the Selected Participant's employment or contractual engagement with the Group by reason of redundancy or unsatisfactory performance, (v) resignation of the Selected Participant's employment; (vi) winding up of any member of the Group in which the Selected Participant is employed or is contractually engaged, (vii) end of the term of the Selected Participant's contract for provision of services, goods or otherwise with the Group; or (viii) end of the

term of the contract of the Selected Participant's engagement with the Group as contractual staff, any outstanding Award Shares and Related Income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

If a Selected Participant, being an employee whose employment is terminated by the Group or a Related Entity by reason of the employer terminating the contract of employment without notice or payment in lieu of notice, or the Selected Participant having been convicted of any criminal offence involving his/her integrity or honesty, or the Selected Participant having done something which brings the Group into disrepute or causes damages to the Group (including, among others, causing material misstatement of the financial statements of the Company), any outstanding Award Shares and Related Income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

If a Selected Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his/her creditors generally, any outstanding Award Shares and Related Income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion. If a Selected Participant is not in good standing or is subject to disciplinary action, performance review or internal investigation by reasons of unsatisfactory performance or misbehaviour or non-compliance with its terms of employment or contractual engagement with the Group or a Related Entity or otherwise and such Selected Participant is still regarded as an Eligible Person, any outstanding Award Shares and Related Income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

If a Selected Participant ceases to be an Eligible Person for reasons other than those stated in this paragraph, any outstanding Award Shares and Related Income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

16. Cancellation of Awards

The Board in its sole discretion may cancel an Award Share granted but remained unvested with the approval of the Selected Participant of such Award Share in certain circumstances, including where it is necessary to comply with the laws in the jurisdictions in which the Eligible Persons and the Company are subject to, or in order to comply with the requirements of any securities exchange.

Award Shares may be granted to an Eligible Person in place of his/her cancelled Award Shares provided that there are available Scheme Mandate Limit and the Service Provider Sublimit approved by the Shareholders as referred to in Rule 17.03B or Rule 17.03C of the Listing Rules. The Award Shares cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

17. Alteration of the 2023 Share Award Scheme

The Directors may from time to time in their absolute discretion alter the definition of "Eligible Persons" and the provisions in paragraphs 1, 2, 4, 6, 7, 8, 11 to 20 of this appendix which are of a material nature or provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the

advantage of Selected Participants or prospective Selected Participants provided that approval from the Shareholders in general meeting (with the Selected Participants and their associates abstaining from voting) has been obtained. Save for the above, the Board or its delegate(s) may alter the terms of the 2023 Share Award Scheme without the approval of the Shareholders in a general meeting. No such alteration shall operate to affect adversely the terms of issue of any Award Shares granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such majority of the Selected Participants as would be required of the Shareholders under the constitutional documents for the time being of the Company for a variation of the rights attached to the Shares.

Any change to the authority of the Board to alter the terms of the 2023 Share Award Scheme shall not be valid unless approved by the Shareholders in general meeting.

Any change to the terms of Award Shares granted to a Selected Participant must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) if the initial grant of the Award Shares requires such approval (except where the alterations take effect automatically under the existing provisions of the 2023 Share Award Scheme).

The amended terms of the 2023 Share Award Scheme or the Award Shares must comply with Chapter 17 of the Listing Rules.

18. Termination

The 2023 Share Award Scheme shall terminate on the earlier of:

- (a) the end of the Award Period except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the 2023 Share Award Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the 2023 Share Award Scheme; and
- (b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant under the rules of the 2023 Share Award Scheme, provided further that for the avoidance of doubt, the change in the subsisting rights of a Selected Participant in this paragraph 18(b) refers solely to any change in the rights in respect of the Award Shares already granted to a Selected Participant.

19. Administration of the 2023 Share Award Scheme

The Board has the power to administer the 2023 Share Award Scheme, including the power to construe and interpret the rules of the 2023 Share Award Scheme, the terms of the Awards granted under the 2023 Share Award Scheme, and where applicable, the trust deed to be entered into with the Trustee. The Board may delegate the authority to administer the 2023 Share Award Scheme to a committee of the Board or other person(s) as deemed appropriate at the sole discretion of the Board. The Board or its delegate(s) may also appoint one or more independent third party contractors to assist in the administration of the 2023 Share Award Scheme as they think fit.

20. Duration

Subject to any early termination as may be determined by the Board, the 2023 Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date.

21. Conditions of the 2023 Share Award Scheme

The 2023 Share Award Scheme is conditional upon the passing of ordinary resolution(s) by the Shareholders at a general meeting of the Company to (1) approve and adopt the 2023 Share Award Scheme; (2) authorise the Board to grant Award Shares under the 2023 Share Award Scheme; (3) authorise the Board to allot and issue Shares in respect of any Award Shares to be granted pursuant to the 2023 Share Award Scheme; and (4) the Listing Committee of the Hong Kong Stock Exchange granting the approval for the listing of, and permission to deal in, any Shares on the Hong Kong Stock Exchange which may be issued by the Company in respect of all Award Shares to be granted in accordance with the terms and conditions of the 2023 Share Award Scheme.

Application will be made to the Listing Committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in the Shares which may fall to be allotted and issued in respect of the Award Shares to be granted under the 2023 Share Award Scheme.

22. Miscellaneous

Should there be any discrepancy between English and Chinese versions of the 2023 Share Award Scheme, the English version shall prevail.

**APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED
AT THE EXTRAORDINARY GENERAL MEETING**

Pursuant to Rule 13.51(2) of the Listing Rules, details of the Directors proposed to be re-elected at the EGM according to the Articles are provided below.

(1) Mr. Li Shupeï

Position, Experience and Length of Service

Li Shupeï, aged 41, has been a non-executive Director of the Company since November 2022.

Mr. Li Shupeï has joined China Everwin Asset Management Co., Ltd. since 2018 and currently serves as a deputy head of the equity investment center and the head of research and development department of the equity center. He also currently serves as a non-executive director of Ronshine China Holdings Limited (listed on the Hong Kong Stock Exchange with stock code 03301). From 2015 to 2018, Mr. Li Shupeï served as a macro strategist and non-bank financial analyst and first-level researcher at the securities investment department of China Life Asset Management Company Limited. From 2010 to 2015, Mr. Li Shupeï served as a macro analyst, strategist and vice president at the research and development department of CSC Financial Co., Ltd. (listed on the Hong Kong Stock Exchange with stock code 06066). Mr. Li Shupeï graduated from Zhengzhou University with a bachelor's degree in management in 2005, and graduated from Nankai University with a master's degree in economics in 2007 and a doctor's degree in economics in 2010, respectively.

Save as disclosed above and as at the Latest Practicable Date, Mr. Li Shupeï has not held any other directorship in the last three years in public companies with securities listed on any securities market in Hong Kong or overseas.

Relationships

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Li Shupeï does not have any relationships with any other Directors, senior management, substantial shareholders or Controlling Shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr. Li Shupeï was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

Director's emoluments

Mr. Li Shupeï entered into a service contract with the Company for a fixed term of services of one year commencing from 4 November 2022. Mr. Li Shupeï will not receive any remuneration for holding his office as a non-executive Director.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

As at the Latest Practicable Date, there is no information which is disclosable nor is/was Mr. Li Shupeï involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Li Shupeï that need to be brought to the attention of the Shareholders.

(2) Mr. Li Fuhua*Position, Experience and Length of Service*

Mr. Li Fuhua, aged 52, has been a non-executive Director of the Company since February 2023.

Mr. Li Fuhua, aged 52, is currently the financial director, the head of finance and the general manager of the planning and finance department of AEON Life Insurance Co., Ltd. (“**AEON Life Insurance**”), the head of finance of AEON Insurance Asset Management Co., Ltd., a director of Shanghai Zhuli Investment Co., Ltd. (a subsidiary of the Company) and an executive director of Wangjin Holdings (Dalian) Co., Ltd.. From 1993 to 1997, Mr. Li Fuhua served as the accounting supervisor of the financial department of Jinan silk factory of Shandong Provincial Silk Corporation. From 1997 to 2000, he served as the financial supervisor and financial manager of the financial department of China Ping An Life Insurance Co., Ltd. (“**Ping An Life Insurance**”) Jinan Branch. From 2000 to 2002, he served as the director of the financial department and the project manager of financial enterprise resource planning (ERP) of Ping An Life Insurance. From 2002 to 2004, he was the director of the financial management office of the financial planning department of Ping An Insurance (Group) Company of China, Ltd. (listed on the Hong Kong Stock Exchange with stock code 02318 and the Shanghai Stock Exchange with stock code 601318). From 2004 to 2008, he served as the assistant general manager of the financial department of Taikang Life Insurance Co., Ltd. (“**Taikang Life Insurance**”). From 2009 to 2013, he served as the deputy general manager of the financial department of Taikang Life Insurance. From 2013 to 2017, he served as the general manager of the accounting department of AEON Life Insurance. Mr. Li Fuhua graduated from Shandong College of Finance (currently known as Shandong University of Finance and Economics) with a bachelor’s degree in accountancy in 1998. Mr. Li Fuhua holds certificates of qualification of Senior International Finance Manager and International Certified Management Accountant.

Save as disclosed above and as at the Latest Practicable Date, Mr. Li Fuhua has not held any other directorship in the last three years in public companies with securities listed on any securities market in Hong Kong or overseas.

Relationships

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Li Fuhua does not have any relationships with any other Directors, senior management, substantial shareholders or Controlling Shareholders of the Company.

**APPENDIX III DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED
AT THE EXTRAORDINARY GENERAL MEETING**

Interests in Shares

As at the Latest Practicable Date, Mr. Li Fuhua was not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Director's emoluments

Mr. Li Fuhua entered into a service contract with the Company for a fixed term of services of one year commencing from 2 February 2023. Mr. Li Fuhua will not receive any remuneration for holding his office as a non-executive Director.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

As at the Latest Practicable Date, there is no information which is disclosable nor is/was Mr. Li Fuhua involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters concerning Mr. Li Fuhua that need to be brought to the attention of the Shareholders.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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FOSUN 复星

復星國際有限公司
FOSUN INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00656)

**(1) PROPOSED ADOPTION OF 2023 SHARE OPTION SCHEME AND
TERMINATION OF 2017 SHARE OPTION SCHEME
AND
(2) PROPOSED ADOPTION OF 2023 SHARE AWARD SCHEME AND
TERMINATION OF 2015 SHARE AWARD SCHEME
AND
(3) PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

Unless otherwise specified, capitalized terms used in this notice shall have the same meanings as defined in the circular of the Company date 27 February 2023 in respect of the adoption of the 2023 Share Schemes and termination of Existing Schemes (New Shares) and the proposed re-election of Directors (the “Circular”). Details regarding the resolutions in this notice are set out in the Circular.

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Fosun International Limited (the “Company”) will be held at 10:00 a.m. on Thursday, 16 March 2023 at 39th Floor, Tower S1, the Bund Finance Center, 600 Zhongshan No. 2 Road (E), Huangpu District, Shanghai, China for the following purposes:

1. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

“THAT:

- (a) subject to and conditional upon the Listing Committee of the Hong Kong Stock Exchange granting the approval for the listing of, and the permission to deal in, the ordinary shares of the Company (or such shares as shall result from a capitalization issue, rights issue, Subdivision, consolidation, re-classification, reconstruction or reduction of share capital of the Company from time to time) (the “Share(s)”) which may be issued in respect of the share options to be granted under the 2023 Share Option Scheme, a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose, the 2023 Share Option Scheme be and is hereby approved and adopted; and any director of the

NOTICE OF EXTRAORDINARY GENERAL MEETING

Company and/or his/her delegate(s) be and are hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2023 Share Option Scheme, including but without limitation:

- (i) to administer the 2023 Share Option Scheme under which share options will be granted to the Eligible Persons eligible under the 2023 Share Option Scheme to subscribe for Shares, including but not limited to determining and granting the share options in accordance with the terms of the 2023 Share Option Scheme;
 - (ii) to modify and/or amend the 2023 Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2023 Share Option Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Listing Rules;
 - (iii) to grant share options under the 2023 Share Option Scheme and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued in respect of the share options to be granted under the 2023 Share Option Scheme and subject to the Listing Rules and the Companies Ordinance;
 - (iv) to make application at appropriate time or times to the Hong Kong Stock Exchange and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued in respect of the share options to be granted under the 2023 Share Option Scheme and subject to the Listing Rules and the Companies Ordinance; and
 - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2023 Share Option Scheme and subject to the Listing Rules and the Companies Ordinance;
- (b) 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 must not in aggregate exceed 10% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Scheme Mandate Limit; and
- (c) within the Scheme Mandate Limit, the 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 must not in aggregate exceed 0.5% of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sublimit.”

2. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

NOTICE OF EXTRAORDINARY GENERAL MEETING

“THAT:

- (a) subject to and conditional upon the Listing Committee of the Hong Kong Stock Exchange granting the approval for the listing of, and the permission to deal in, the Shares to be issued in respect of the award shares to be granted under the 2023 Share Award Scheme, a copy of which is tabled at the meeting and marked “B” and initialled by the chairman of the meeting for identification purpose, the 2023 Share Award Scheme be and is hereby approved and adopted; and any director of the Company or his/her delegate(s) be and are hereby authorized to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2023 Share Award Scheme, including but without limitation:
- (i) to administer the 2023 Share Award Scheme under which award shares will be granted to the Eligible Persons eligible under the 2023 Share Award Scheme to subscribe for Shares, including but not limited to determining and granting the award shares in accordance with the terms of the 2023 Share Award Scheme;
 - (ii) to modify and/or amend the 2023 Share Award Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2023 Share Award Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Listing Rules;
 - (iii) to grant award shares under the 2023 Share Award Scheme and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued in respect of the award shares to be granted under the 2023 Share Award Scheme and subject to the Listing Rules and the Companies Ordinance;
 - (iv) to make application at appropriate time or times to the Hong Kong Stock Exchange and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued in respect of the award shares to be granted under the 2023 Share Award Scheme and subject to the Listing Rules and the Companies Ordinance; and
 - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2023 Share Award Scheme and subject to the Listing Rules and the Companies Ordinance;
- (b) 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 must not in aggregate exceed 10% (or such other percentage which may be specified by the Hong Kong Stock Exchange from time to time) of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Scheme Mandate Limit; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) within the Scheme Mandate Limit, the 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 must not in aggregate exceed 0.5% of the total number of Shares in issue as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sublimit.”
3. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT:**
- Conditional upon resolution no. 1 above being passed, the 2017 Share Option Scheme which was adopted by the Company on 6 June 2017 be and is hereby terminated with effect from the adoption of the 2023 Share Option Scheme.”
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:
- “**THAT:**
- Conditional upon resolution no. 2 above being passed, the 2015 Share Award Scheme which was adopted by the Company on 25 March 2015 be and is hereby terminated with effect from the adoption of the 2023 Share Award Scheme.”
5. (a) To re-elect Mr. Li Shupeí as a non-executive director of the Company.
- (b) To re-elect Mr. Li Fuhua as a non-executive director of the Company.

By Order of the Board
Guo Guangchang
Chairman

27 February 2023

Notes:

1. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy needs not to be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. To be effective, 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 of that power or authority, must be deposited at the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. The register of members of the Company will be closed from Tuesday, 14 March 2023 to Thursday, 16 March 2023, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the EGM, all share transfer documents accompanied by the relevant share certificates and other relevant documents, if any, must be lodged with Computershare Hong Kong Investor Services Limited, the share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Monday, 13 March 2023.

As at the date of this notice, the executive directors of the Company are Mr. Guo Guangchang, Mr. Wang Qunbin, Mr. Chen Qiyu, Mr. Xu Xiaoliang, Mr. Gong Ping and Mr. Huang Zhen; the non-executive directors are Mr. Yu Qingfei, Mr. Li Shupeii and Mr. Li Fuhua; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Zhang Huaqiao, Mr. David T. Zhang, Dr. Lee Kai-Fu and Ms. Tsang King Suen Katherine.