
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Zibuyu Group Limited**, you should at once hand this circular with the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

This circular is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities mentioned herein.

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ZIBUYU

Zibuyu Group Limited

子不语集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2420)

**(1) PROPOSED ADOPTION OF THE
2023 SHARE AWARD SCHEME
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting (“EGM”) of the Company to be held at Room 410, No. 108, Xincheng Road, Nanyuan Street, Linping District, Hangzhou, Zhejiang Province, the PRC on Friday, 1 December 2023 at 10:30 a.m. is set out on pages 32 to 33 of this circular.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend and vote at the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Hong Kong Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) should you so desire and in such event, the form of proxy shall be deemed to be revoked.

15 November 2023

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DEFINITIONS

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

“2023 Share Award Scheme”	the share award scheme of the Company to be approved and adopted by the Shareholders at the EGM, the principal terms of which are set out in Appendix I to this Circular
“Acceptance Period”	the period to be set out in the letter of grant during which the grant of Awards will be open for acceptance by the Selected Participants (as the case may be) and this period cannot be longer than thirty Business Days from the date of the letter of grant
“Adoption Date”	the date on which the 2023 Share Award Scheme is adopted by ordinary resolution of the Shareholders at the EGM
“Articles of Association”	means the existing amended and restated articles of Association of the Company, as amended from time to time
“associate(s)”	has the meaning given to it under the Listing Rules
“Award(s)”	an award of the Awarded Shares by the Board to a Selected Participant
“Awarded Share(s)”	in respect of a Selected Participant, such number of Shares as awarded by the Board
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities
“close associate(s)”	has the meaning given to it under the Listing Rules
“Company”	Zibuyu Group Limited (子不语集团有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 2420)
“connected person(s)”	has the meaning given to it under the Listing Rules
“Control”	the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise
“controlling shareholder(s)”	has the meaning given to it under the Listing Rules

DEFINITIONS

“core connected person(s)”	has the meaning given to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to consider and, if thought fit, approve the resolution contained in the notice of EGM which is set out in Appendix II to this circular, or any adjournment thereof
“Eligible Participant(s)”	the individuals who may participate in the 2023 Share Award Scheme, who should be an Employee Participant
“Employee Participant”	the director(s) and employee(s) of the Employer, including persons who are granted Awards as an inducement to enter into employment contracts with the Employer but excluding an employee or director who has tendered resignation to the Employer or whose contract of employment has been terminated (summarily dismissal or otherwise) by the Employer
“Employer”	in relation to an Employee Participant, the member of the Group including wholly and non-wholly owned Subsidiaries of the Company which employs or has appointed him/her
“Excluded Participant”	any Eligible Participant who is resident in a place where the grant of an Award and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the 2023 Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board, to comply with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant
“Grant Date”	when an Award has been accepted by the Selected Participant according to the 2023 Share Award Scheme and a letter of grant, being the date of such letter of grant in respect of the accepted Award
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Individual Limit”	in respect of the 2023 Share Award Scheme, has the same meaning as defined in paragraph 11.1 of Appendix I to this circular

DEFINITIONS

“Latest Practicable Date”	9 November 2023, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Mandate Limit”	in respect of the 2023 Share Award Scheme, has the same meaning as defined in paragraph 10.1 of Appendix I to this circular
“Other Scheme”	other than the 2023 Share Award Scheme, any share option scheme involving the grant by the Company of options over Shares or any share award scheme (“ Other Share Award Scheme ”) involving the award of Shares (i) in accordance with Chapter 17 of the Listing Rules or (ii) which is determined by the Stock Exchange to be analogous to a share option scheme as described in Chapter 17 of the Listing Rules
“Other Scheme Awards”	awards to subscribe for Shares granted under any Other Share Award Scheme
“Other Scheme Options and Awards”	options to subscribe for Shares granted and Shares awarded under any Other Scheme
“Personal Representative”	the person or persons who, according to the laws of succession applicable in respect of the death of an individual, is or are entitled to deal with the property of that individual
“Remuneration Committee”	the remuneration committee of the Company
“Scheme Period”	in respect of the 2023 Share Award Scheme, has the same meaning as defined in paragraph 3.1 of Appendix I to this circular
“Scheme Rules”	the rules relating to the 2023 Share Award Scheme, in its present form or as amended from time to time
“Selected Participant”	any Eligible Participant who is notified by the Board that he/she is eligible to participate in a grant of Awards under the 2023 Share Award Scheme
“Share(s)”	ordinary shares of nominal value of US\$0.00005 each in the share capital of the Company

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“Share Award Scheme (Existing Shares)”	the share award scheme funded by existing Shares only adopted by the Company on 15 September 2023
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning given to it under the Listing Rules
“substantial shareholder”	has the meaning given to it under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended, modified or otherwise supplemented from time to time
“vesting”	in respect of an Award, when the relevant Awarded Shares are vested in such Selected Participant and “vest”, “vested” and “unvested” will be construed accordingly
“%”	per cent



Zibuyu Group Limited
子不语集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2420)

Executive Directors:

Mr. Hua Bingru (*Chairman*)
Mr. Wang Weiping
Mr. Dong Zhenguo

Non-executive Director:

Ms. Hua Hui

Independent non-executive Directors:

Mr. Yu Kefei
Mr. Shen Tianfeng
Dr. Lau Kin Shing Charles

Registered office:

ICS Corporate Services (Cayman) Limited
3-212 Governors Square
23 Lime Tree Bay Avenue
P.O. Box 30746, Seven Mile Beach
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Cayman Islands

*Headquarters and principal place of
business in Hong Kong:*

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

15 November 2023

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED ADOPTION OF THE
2023 SHARE AWARD SCHEME
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information and to seek your approval, *inter alia*, on the proposed adoption of the 2023 Share Award Scheme. A notice of the EGM containing the resolution to be proposed at the EGM is set out in Appendix II to this circular.

2. PROPOSED ADOPTION OF THE 2023 SHARE AWARD SCHEME

The Board proposes to recommend to the Shareholders at the EGM to adopt the 2023 Share Award Scheme with terms in compliance with the current provisions of Chapter 17 of the Listing Rules. The proposed adoption of the 2023 Share Award Scheme will involve grant of new Shares, and can provide an alternative channel for the Company to provide competitive and attractive remuneration package to incentivize Selected Participants in contributing to the Group. This is in line with the practice of other public companies adopting parallel share-based incentive schemes in order to allow the companies to better align the value of the Company with the interests of the participants under the schemes.

(a) Scope of Eligible Participants

The Board considers that the 2023 Share Award Scheme, which will be in the form of Awards, will enable the Group to recruit, incentivize and retain high-calibre. The Board considers that the granting of Awards will enable the Eligible Participants to share the same interests and objectives with the Group, which is beneficial to the long-term development of the Group.

In assessing the eligibility of Employee Participant(s), the Board will consider, among others:

- (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities;
- (b) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
- (c) his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development;
- (d) his/her educational and professional qualifications, and knowledge in the industry; and
- (e) whether granting Awards to him/her is an appropriate incentive to motivate him/her to continue to contribute towards the betterment of the Group.

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(b) Mandate Limit

As at the Latest Practicable Date, there were 500,000,000 Shares in issue. Assuming that no further Shares will be allotted, issued, repurchased or cancelled prior to the EGM, the total number of Shares which may be issued in respect of all Awards under the 2023 Share Award Scheme and Other Scheme Options and Awards after the resolution regarding the proposed adoption of the 2023 Share Award Scheme is passed at the EGM would be no more than 25,000,000 Shares, representing no more than 5% of the total number of Shares in issue as at the Adoption Date.

(c) Vesting Period

The vesting period for an Award under the 2023 Share Award Scheme normally shall not be less than 12 months. However, to ensure the practicability in fully attaining the purpose of the 2023 Share Award Scheme, the Board (or the Remuneration Committee where the arrangements relate to the grant of Awards to the Directors and/or senior management of the Company) may in its sole discretion determine the vesting period to be less than 12 months for the Awards to be granted to the Employee Participants under the following specific circumstances:

- (a) grants of “make-whole” Awards to Employee Participants who newly joined the Group to replace the share awards or options they forfeited when leaving their previous employer;
- (b) grants of Awards with specific and objective performance-based vesting conditions in lieu of time-based vesting criteria;
- (c) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;
- (d) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;
- (e) grants of Awards with a total vesting and holding period of more than 12 months; and
- (f) the circumstances stipulated in paragraphs 13.4, 13.5 and 13.6 of Appendix I to this circular.

Hence, the Board and the Remuneration Committee are of the view that the specific circumstance(s) that warrant shorter vesting period as prescribed in paragraph 13.1A in Appendix I to this circular are in line with the Listing Rules and the market practice and are appropriate and align with the purpose of the 2023 Share Award Scheme. The Board and the Remuneration Committee also believe that the ability to provide for flexible accelerated exercisability or vesting of the Awards under specific

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circumstances allows the Company to provide competitive remuneration package to attract and retain individuals to provide services to the Group. The Company will disclose the specific circumstances that justify the shorter vesting period in the announcement on the grant of Awards, in compliance with the Listing Rules.

(d) Performance target and clawback mechanism

The Board or the Remuneration Committee (if authorised by the Board) may at its discretion specify any conditions (including performance targets (if any)) which must be satisfied before the Awards may be vested in the letter of grant.

The Board is of the view that it is impracticable to set out a generic set of performance targets that apply to all Selected Participants in the rules of the 2023 Share Award Scheme, as each Selected Participant contributes to the Group in different ways and thus his/her performance will be measured with different parameters, having considered their roles in the Group. When setting specific performance targets for each Selected Participant, the Board will have regard to the purpose of the 2023 Share Award Scheme (as the case may be) and various other factors including but not limited to, and where appropriate, (i) sales performance (e.g. revenue); (ii) operational performance (e.g. operation efficiency in terms of cost control); (iii) financial performance (e.g. profits, cash flow, earnings, market capitalization, return on equity) of the Group; (iv) the individual's overall performance indicators (e.g. strategic driving abilities, talent development capabilities, inter-departmental cooperation capabilities, adherence to corporate culture); and (v) discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal procedures).

The finance and human resources department will propose the performance targets (if any) of each Selected Participant to the Board or the Remuneration Committee (as the case may be) for consideration, who will then assess the reasonableness and suitability and confirm such performance targets. A description of the relevant performance targets will be included in the announcement of the grant of Awards, in accordance with the Listing Rules. In relation to the Awards granted to the Directors and senior management of the Company, the performance targets, or the absence of such, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

The Group will utilize its internal assessment system to appraise and evaluate the performance targets applicable to each grant of Awards on a case-by-case basis. The Company will evaluate the actual performance and contribution of a Selected Participant for the past financial year against the performance targets set and form a view as to whether the relevant performance targets have been fulfilled. The assessment will be based on the individual's overall performance, performance of the team or department that the Selected Participant belongs to and the performance of the Group as a whole. Specific weightings will be given to the various factors identified above, with reference to the position and role of the Selected Participant in the Group,

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in order to provide a fair and objective appraisal. The Board or the Remuneration Committee (if authorised by the Board) shall have the sole discretion in determining whether the relevant performance targets for the Selected Participant have been met.

In addition, Awards granted which are unvested shall automatically lapse under certain circumstances specified in the 2023 Share Award Scheme, such as the Selected Participant having been found guilty of misconduct, convicted of any criminal offence involving his/her integrity or honesty, or having caused material misstatement in the financial statements of the Company. For details of the circumstances in which Awards shall lapse, please refer to paragraph 9 in Appendix I to this circular.

The Board believes that the aforesaid will provide the Board with more flexibility in setting the terms and conditions of the Awards 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 interests of the Group and the Shareholders as a whole.

Conditions precedent of the 2023 Share Award Scheme

The adoption of the 2023 Share Award Scheme 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 Award Scheme; (2) authorize the Board to grant Awards under the 2023 Share Award Scheme; and (3) authorize the Board to allot and issue Shares in respect of any Awards to be granted pursuant to the 2023 Share Award Scheme; and
- (ii) the Listing Committee granting the approval for the listing of, and permission to deal in, any Shares on the Stock Exchange which may be issued in respect of all Awards to be granted in accordance with the terms and conditions of the 2023 Share Award Scheme.

General

None of the Directors is a trustee of the 2023 Share Award Scheme nor has a direct or indirect interest in the trustee(s) (if any) of the 2023 Share Award Scheme. The trustee and/or its ultimate beneficial owners are independent to and not connected with the Company under the Listing Rules.

The trustee holding unvested shares of 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.

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

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The Company has applied to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of all Awards to be granted under the 2023 Share Award Scheme.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder had a material interest in the adoption of the 2023 Share Award Scheme. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

3. THE 2023 SHARE AWARD SCHEME AND THE SHARE AWARD SCHEME (EXISTING SHARES)

Reference is made to the announcements of the Company dated 15 September 2023 and 19 September 2023 in relation to the adoption of the Share Award Scheme (Existing Shares). The Share Award Scheme (Existing Shares) is to be funded solely by existing Shares and the 2023 Share Award Scheme is to be funded by the issue of new Shares only. Set out below is a summary of the salient terms of the Share Award Scheme (Existing Shares) and the 2023 Share Award Scheme.

Main Terms	Share Award Scheme (Existing Shares)	2023 Share Award Scheme
Purpose of the scheme	<p>The purposes of the scheme are:</p> <ul style="list-style-type: none">(i) to recognise and reward certain Eligible Participants for their performance and contribution to the growth and development of the Group;(ii) to provide such eligible participants with incentives in order to encourage and retain them for the continual operation and development of the Group; and(iii) to attract suitable personnel for further development of the Group.	<p>The purpose of the 2023 Share Award Scheme is to provide the Selected Participants with an opportunity to obtain a proprietary interest in the Company, to provide incentives to Selected Participants to contribute to the Company and to enable the Company to recruit high-calibre employees and attract human resources that are valuable to the Group.</p>

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Main Terms	Share Award Scheme (Existing Shares)	2023 Share Award Scheme
Participants of the scheme	<p>The following persons are eligible to participate in, and be granted awards under the Share Award Scheme (Existing Shares):</p> <ul style="list-style-type: none">(i) employees of the Group; and(ii) any persons who have contributed to the Group in the past and/or are in the interests of the long-term growth of the Group.	<p>Subject to the terms and conditions of the 2023 Share Award Scheme, Eligible Participants include the Employee Participants who in the absolute discretion of the Board have contributed to the Group on the basis of their contribution to the development and growth of the Group may participate in the 2023 Share Award Scheme.</p>
Scheme Madate Limit	<p>The aggregate number of Shares to be awarded by the Board under the Share Award Scheme (Existing Shares) shall not exceed 10% of the issued share capital of the Company as at the adoption date of 15 September 2023 (i.e. being no more than 50,000,000 Shares).</p>	<p>Subject to paragraphs 10.2 to 10.5 of Appendix I to this circular, the total number of Shares which may be allotted and issued in respect of all Awards to be granted under the 2023 Share Award Scheme and Other Scheme Options and Awards must not exceed 5% of the Shares in issue as at the Adoption Date.</p>

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Main Terms	Share Award Scheme (Existing Shares)	2023 Share Award Scheme
Maximum entitlement of each participant under the scheme	The maximum number of Shares that may be granted to a selected participant under the Share Award Scheme (Existing Shares) shall not exceed 1% of the Company's total issued Shares during any 12-month period.	Unless approval by ordinary resolution of Shareholders in general meeting of the Company is obtained pursuant to paragraph 10.5 of Appendix I to this circular with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting and subject to other relevant requirements of the Listing Rules including but not limited to rules relating to grant of awards to connected persons, the Board cannot grant any Award (" Triggering Award ") to any Selected Participant which, if vested, would result in that Selected Participant becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued or to be issued to him/her upon exercise of all Awards and Other Scheme Options and Awards granted to him/her in the 12-month period immediately preceding the Grant Date of the Triggering Award to exceed 1% of the number of Shares in issue as at that Grant Date.

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Main Terms	Share Award Scheme (Existing Shares)	2023 Share Award Scheme
Life of the scheme	<p>Subject to any termination as may be determined by the Board pursuant to the scheme rules, the Share Award Scheme (Existing Shares) shall be valid and effective for the period commencing on the adoption date until the earlier of (i) the 10th anniversary of the adoption date; or (ii) such date that all outstanding awarded shares have been fully vested, settled, lapsed, forfeited or cancelled (as the case may be), after which period no further awards may be granted, but the scheme rules shall remain in full force and effect in all other respects.</p>	<p>Subject to paragraph 3.2 of Appendix I to this circular, the 2023 Share Award Scheme will take effect when all the conditions set out in paragraph 5 of Appendix I to this circular have been satisfied and will terminate or expire (as the case may be) on the earlier of:</p> <ul style="list-style-type: none">(a) the termination of the 2023 Share Award Scheme pursuant to paragraph 19 of Appendix I to this circular; and(b) ten years from the Adoption Date.

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Main Terms	Share Award Scheme (Existing Shares)	2023 Share Award Scheme
Vesting period of awards to be granted under the scheme	Subject to the receipt by the trustee of the requisite information and documents duly signed by the selected participant within the period stipulated in the vesting notice and the fulfillment of all vesting conditions as specified in the relevant grant letter, the awarded shares held by the trustee on behalf of the selected participant shall vest in such selected participant in accordance with the applicable vesting schedule, and the trustee shall transfer or procure nominee of the trust to transfer the relevant awarded shares to the relevant selected participant in accordance with the scheme rules.	<p>The minimum vesting period is 12 months. A shorter vesting period may be granted to Employee Participants at the discretion of the Board (or the Remuneration Committee of the Company where the arrangements relate to grants of Awards to the Directors and/or senior management of the Company) in any of the following specific circumstances:</p> <ul style="list-style-type: none"><li data-bbox="986 693 1414 885">(a) grants of “make-whole” Awards to Employee Participants who newly joined the Group to replace the share awards or options they forfeited when leaving their previous employer;<li data-bbox="986 917 1414 1076">(b) grants of Awards with specific and objective performance-based vesting conditions in lieu of time-based vesting criteria;<li data-bbox="986 1108 1414 1491">(c) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;<li data-bbox="986 1523 1414 1683">(d) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;<li data-bbox="986 1715 1414 1810">(e) grants of Awards with a total vesting and holding period of more than 12 months; and<li data-bbox="986 1842 1414 1940">(f) the circumstances stipulated in paragraphs 13.4, 13.5 and 13.6 of Appendix I to this circular.

LETTER FROM THE BOARD

Main Terms	Share Award Scheme (Existing Shares)	2023 Share Award Scheme
Voting, dividend, transfer and other rights	The trustee or the nominee of the trust shall not exercise the voting rights in respect of any Shares held under the trust (if any). All other rights and powers in respect of any Shares held under the trust (if any) shall be exercised by the trustee or the nominee of the trust (to the extent applicable) in accordance with the instructions of the Company.	A Selected Participant cannot vote or receive dividends and does not have any right of a Shareholder in respect of the Awarded Shares until the Awarded Shares are allotted and issued to the Selected Participant and the he/she has been registered in the register of members of the Company in respect of the Awarded Shares.
	A selected participant shall not have any interest or rights (including the right to receive dividends) other than a contingent interest in the awarded shares prior to the vesting date.	

4. EXTRAORDINARY GENERAL MEETING AND DATE OF BOOK CLOSURE

A notice convening the EGM for the purpose of considering the proposed adoption of the 2023 Share Award Scheme is set out in Appendix II to this circular.

For ascertaining Shareholders' right to attend and vote at the EGM, the register of members of the Company will be closed as set out below:

Latest time to lodge transfers documents	4: 30 p.m. on Tuesday, 28 November 2023
Period of closure of register of members	Wednesday, 29 November 2023 to Friday, 1 December 2023 (both days inclusive)
Record date	Friday, 1 December 2023
EGM date	Friday, 1 December 2023

In order to qualify for the right to attend and vote at the EGM, all relevant share certificates and properly completed transfer documents must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration before the above latest time. During the above closure period, no transfer of Shares will be registered.

LETTER FROM THE BOARD

If you are not able to attend and/or vote at the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

All the resolutions proposed to be approved at the EGM will be taken by poll pursuant to Rule 13.39(4) of the Listing Rules and an announcement will be made by the Company on the poll results of the EGM as soon as possible after the conclusion of the EGM in accordance with Rule 13.39(5) of the Listing Rules.

5. RESPONSIBILITY STATEMENT

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

6. RECOMMENDATION

The Board is of the opinion that the proposed adoption of the 2023 Share Award Scheme is in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM.

7. GENERAL

Your attention is drawn to the information set out in the appendices to this circular.

By order of the Board
Zibuyu Group Limited
Mr. Hua Bingru
Chairman

The following is a summary of the principal terms of the 2023 Share Award Scheme to be approved and adopted by ordinary resolution at the EGM, but such summary does not form part of, nor was it intended to be, part of the 2023 Share Award Scheme, nor should it be taken as affecting the interpretation of the rules of the 2023 Share Award Scheme:

1. PURPOSE

The purpose of the 2023 Share Award Scheme is to provide the Selected Participants with an opportunity to obtain a proprietary interest in the Company, to provide incentives to Selected Participants to contribute to the Company and to enable the Company to recruit high-calibre employees and attract human resources that are valuable to the Group.

2. ELIGIBLE PARTICIPANTS OF THE 2023 SHARE AWARD SCHEME AND THE BASIS OF DETERMINING ELIGIBILITY OF THE ELIGIBLE PARTICIPANTS

2.1 Subject to the terms and conditions of the 2023 Share Award Scheme, Eligible Participants include the Employee Participants who in the absolute discretion of the Board have contributed to the Group on the basis of their contribution to the development and growth of the Group may participate in the 2023 Share Award Scheme.

2.2 In assessing the eligibility of Employee Participant(s), the Board will consider all relevant factors as appropriate, including, among others:

- (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities;
- (b) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
- (c) his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development;
- (d) his/her educational and professional qualifications, and knowledge in the industry; and
- (e) whether granting Awards to him/her is an appropriate incentive to motivate him/her to continue to contribute towards the betterment of the Group.

3. DURATION

3.1 Subject to paragraph 3.2, the 2023 Share Award Scheme will take effect when all the conditions set out in paragraph 5 have been satisfied and will terminate or expire (as the case may be) on the earlier of:

- (a) the termination of the 2023 Share Award Scheme pursuant to paragraph 19; and

(b) ten years from the Adoption Date (the “**Scheme Period**”).

3.2 After the Scheme Period, no further grant of Awards shall be made but the 2023 Share Award Scheme will remain in full force and effect to the extent necessary to give effect to the acceptance of any granted Awards, vesting of any Awarded Shares or otherwise as may be required in accordance with the 2023 Share Award Scheme.

4. ADMINISTRATION OF THE 2023 SHARE AWARD SCHEME

4.1 The Board will administer the 2023 Share Award Scheme in accordance with the Scheme Rules. In addition, the Board may appoint a third-party professional service providers as the administrator in relation to the 2023 Share Award Scheme (or certain aspects of it) on such terms as the Board may determine.

4.2 The decision of the Board on the interpretation of the 2023 Share Award Scheme or whether a circumstance exists which may affect the treatment of any Award or Selected Participant thereunder will be final and binding (in the absence of manifest error) on all parties.

5. CONDITIONS OF THE 2023 SHARE AWARD SCHEME

5.1 The 2023 Share Award Scheme will take effect upon satisfaction of the following conditions:

(a) the approval by ordinary resolution of Shareholders in general meeting of the Company is obtained to adopt the 2023 Share Award Scheme and to authorise the Board to grant Awards under the 2023 Share Award Scheme and to allot, issue and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of the 2023 Share Award Scheme; and

(b) the Listing Committee grants approval for the listing of and permission to deal in such number of Shares to be allotted and issued by the Company pursuant to the grant of any Awards in accordance with the terms and conditions of the 2023 Share Award Scheme.

6. OPERATION OF THE 2023 SHARE AWARD SCHEME

6.1 Subject to the requirements in the 2023 Share Award Scheme and all applicable laws, rules and regulations, the Board may, from time to time at its absolute discretion, select any Eligible Participant (other than any Excluded Participant) to be a Selected Participant and to grant such Awarded Shares to such Selected Participant at nil consideration.

6.2 The Board will issue letter of grant to Selected Participants to grant Awards. The letter of grant will specify:

- (a) the name of the Selected Participant;
- (b) the date of the letter;
- (c) the Acceptance Period;
- (d) the vesting conditions (if any);
- (e) the performance targets and other eligibility criteria, if any, to be satisfied before the vesting of the Awarded Shares;
- (f) the number of Awarded Shares; and
- (g) such other terms and conditions to which the Award will be subject.

The letter of grant will contain provisions requiring the Selected Participant to agree to be bound by the 2023 Share Award Scheme.

6.3 An Award will be open for acceptance by the Selected Participant during the Acceptance Period.

6.4 Upon receipt of the letter of grant, the Selected Participant shall accept an Award by returning to the Company a notice of acceptance (the “**Acceptance Notice**”) within the Acceptance Period. If any Selected Participant fails to return the Acceptance Notice before the expiry of the Acceptance Period, the Award will automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date.

7. GRANT AWARDS TO DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY

7.1 Any grant of Awards to a Director, chief executive or substantial shareholder (or any of their respective associates) must be approved by the independent non-executive Directors of the Company (excluding any Director who is the proposed Selected Participant).

7.2 Where:

- (a) the grant of Awards to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Awards and Other Scheme Awards granted (excluding any awards lapsed in accordance with the terms of the relevant share scheme) to him/her in the 12-month period immediately preceding the Grant Date to exceed 0.1% of the number of Shares in issue as at the Grant Date; or

- (b) the grant of Awards to an independent non-executive Director or a substantial shareholder, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Awards and Other Scheme Options and Awards granted (excluding any awards and options lapsed in accordance with the terms of the relevant share scheme) to him/her in the 12-month period immediately preceding the Grant Date to exceed 0.1 per cent. of the number of Shares in issue as at the Grant Date.

In the circumstances described in (a) and (b) above, a circular containing the details of the grant shall be 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 Selected Participant of the Award) to the independent Shareholders as to voting at general meeting of the Company). Also, an approval by ordinary resolution of Shareholders must be obtained in general meeting of the Company with such Selected Participant, his/her associates and all core connected persons of the Company abstaining 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 shall comply with the requirements under Rule 13.40, 13.41 and 13.42 of the Listing Rules.

8. RESTRICTION ON GRANT OF AWARD

8.1 The Board will not grant any Award to any Eligible Participant:

- (a) if any inside information (as defined in the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong)) has come to the knowledge of the Company until (and including) the trading day after such inside information has been published in accordance with the Listing Rules;
- (b) within the one month period immediately preceding the earlier of (i) the date of a meeting of the Board (as such date is first notified to the Stock Exchange) for the approval of the Company's results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish its quarterly, interim, annual or other interim period results announcement for any such period (whether or not required under the Listing Rules), and ending on the date of such announcement (no award may be granted during any period of delay in publishing a results announcement); and
- (c) in any circumstances where dealings by Selected Participants (including Directors) which are prohibited under the Listing Rules, the SFO or any other applicable laws and regulations or where the requisite approval from any applicable regulatory authorities has not been granted.

9. LAPSE OF AWARDS

9.1 If a Selected Participant who on the Grant Date was an Eligible Participant, that individual ceases to be an Eligible Participant because of:

- (a) death; or
- (b) (in the case of an Employee Participant) ill health, serious injury or disability which in the opinion of the board of the relevant Employer renders the individual unfit to perform his/her duties of his/her employment or his/her office for a continuous period of twelve months and provided such illness or injury or disability is not self-inflicted; or
- (c) (in the case of an Employee Participant) redundancy, retirement or expiration of the term of the employment according to his/her contract of employment with his/her Employer; or
- (d) (in the case of an Employee Participant) early retirement or termination by mutual agreement with his/her Employer; or
- (e) materially violated the internal rules and procedures of any member of the Group, or material breach of employment contract, expert collaboration agreement, consulting agreement or other similar agreement or arrangement between such Selected Participants and the Company; or
- (f) (in the case of an Employee Participant) his/her employment or office being in a company which ceases to be a member of the Group or under the Control of the Group or relating to a business, or a part of the business which is transferred to a person who is not a member of the Group or is not under the Control of a member of the Group or if the Company or the relevant Employer or member of the Group is reorganised or merged or consolidated with another entity (and paragraphs 13.4, 13.5 and 13.6 do not apply) such that such Employer or the new entity ceases to be a member of the Group or under the Control of a member of the Group,

and situations in paragraph 9.3 do not apply, the relevant Award will lapse, in the case of (a), (c), (d), (e) and (f) on the day of the occurrence of the relevant event, and in the case of (b) on the day when the board of the relevant Employer arrived at its decision, and the relevant Awarded Shares shall not vest on the relevant Vesting Date.

- 9.2 When a person who is a Selected Participant ceases to be an Eligible Participant because he/she has tendered resignation from his/her employment or office with the Employer (and paragraph 9.1(a) does not apply), whether or not he/she is still in the employment of the Employer during the relevant employment resignation notice period or the relevant Employer has terminated the employment or office (and paragraph 9.3 does not apply), then:
- (a) the relevant Award made to such Selected Participant will automatically lapse forthwith; and
 - (b) the relevant Awarded Shares shall not vest on the relevant Vesting Date.
- 9.3 If the Board or the board of directors (or a committee thereof) of the relevant Subsidiary determines that a person who is a Selected Participant (this includes a person who has ceased to be an Eligible Participant but his/her Awards continue to subsist in accordance with power of Directors as set out in the 2023 Share Award Scheme), that person:
- (a) is guilty of misconduct, whether or not in connection with his/her relationship with the Group, or wilful disobedience or non-compliance with the terms of his/her employment, service agency, consultancy, engagement contract or lawful orders or instructions given by any member of the Group; or
 - (b) has been convicted of any criminal offense involving his/her integrity or honesty, whether or not in connection with his/her relationship with the Group; or
 - (c) has been charged, convicted or held liable for any offence under the relevant securities laws in Hong Kong or any other applicable laws or regulations from time to time; or
 - (d) has caused a material misstatement in the Group's financial statements; or
 - (e) has committed any act or offence which would justify (as determined by the Board) the termination of his/her employment contract or office, his/her engagement or contract with the relevant member of the Group at common law or pursuant to any applicable law, rule or regulation (or, in the case of a person who was an Employee Participant but has subsequently ceased to be an Employee Participant, his/her behaviour while he/she was an Employee Participant would have justified the termination of his/her employment contract but which does not become known to the Group until after he/she has ceased to be an Employee Participant); or
 - (f) has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally; or

- (g) has disclosed confidential information of the Group; or
- (h) has done anything (as determined by the Board) adversely affecting his/her ability to perform his/her duties properly or bring the Group into disrepute; or
- (i) has entered into competition with the Group or breached any non-solicitation provisions or any other undertakings in his/her employment, service agency, consultancy or engagement contract with any member of the Group (irrespective of whether such provisions are upheld or declared void and unenforceable by a court with competent jurisdiction),

then whether or not he/she is summarily dismissed by the Employer or is still employed by the Employer, the relevant Award made to such Selected Participant will automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date.

A resolution of the Board or the board of directors (or a committee thereof) of the relevant Subsidiary to the effect that the employment or engagement of the person has or has not been terminated on one or more of the grounds specified in this paragraph or that one or more of the grounds specified in this paragraph 9.3 and paragraph 9 has arisen in respect of the person will be conclusive and binding on the person, and where appropriate, the person's Personal Representative(s).

- 9.4 For the purpose of this paragraph 9, an Employee Participant will be regarded as remaining as an Employee Participant notwithstanding that he/she ceases to be an employee of a member of the Group if he/she immediately becomes or stays as an Employee Participant of another member of the Group.

10. MAXIMUM NUMBER OF SHARES

- 10.1 Subject to paragraphs 10.2 to 10.5, the total number of Shares which may be allotted and issued in respect of all Awards to be granted under the 2023 Share Award Scheme and Other Scheme Options and Awards must not exceed 5% of the Shares in issue as at the Adoption Date (subject to adjustment in the event of a capitalisation issue or rights issue or open offer of Shares, or a consolidation, sub-division or reduction of share capital of the Company (other than an issue of Shares as consideration in respect of a transaction)) (the "**Mandate Limit**"). Unless approved pursuant to paragraphs 10.2 to 10.5, no Awards or Other Scheme Options and Awards may be granted if such grant will result in the Mandate Limit being exceeded. Awards and Other Scheme Options and Awards lapsed according to the terms of the 2023 Share Award Scheme or Other Scheme(s) will not be regarded as utilised for the purpose of calculating the Mandate Limit.

- 10.2 Subject to an approval by ordinary resolution of Shareholders in general meeting of the Company, the Company may after three years from the Adoption Date (or from the date of approval by ordinary resolution of Shareholders in general meeting of the Company for the last refreshment) “refresh” a Mandate Limit provided that the total number of Shares which may be allotted and issued in respect of all Awards to be granted under the 2023 Share Award Scheme and Other Scheme Options and Awards to be granted under the Mandate Limit as “refreshed” must not exceed 5% of the Shares in issue at the date of the resolution to approve the “refreshed” limit (“**Refresher Date**”). Awards and Other Scheme Options and Awards previously granted (whether outstanding, cancelled, lapsed (according to the 2023 Share Award Scheme or the Other Scheme(s)) or exercised) will not be regarded as utilised for the purpose of calculating the Mandate Limit as “refreshed”. For any additional refreshment within three years of the Adoption Date (or within three years from the date of approval by ordinary resolution of Shareholders in general meeting of the Company for the last refreshment), approval of Shareholders must be obtained in general meeting with controlling shareholders and their associates (or if there is no controlling shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) abstaining from voting.
- 10.3 The requirements above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Mandate Limit (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.
- 10.4 The Company will comply with all applicable laws, rules and regulations in seeking a refreshment of a Mandate Limit. Unless approved pursuant to paragraph 10.5, the Board cannot grant any Award on or after the Refresher Date if such grant will result in the Mandate Limit as refreshed being exceeded.
- 10.5 Subject to a specific approval by ordinary resolution of Shareholders in general meeting of the Company, the Board may grant Awards to Selected Participants specifically identified by the Board beyond the Mandate Limit, provided the Awards in excess of the Mandate Limit are granted only to Selected Participants specifically identified by the Company before such approval is sought. If the approval by ordinary resolution of Shareholders in general meeting of the Company is obtained, the Board may grant Awards to any Selected Participant in respect of such number of Awarded Shares and on such terms as specified in that approval by ordinary resolution of Shareholders in general meeting of the Company.

11. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

11.1 Unless approval by ordinary resolution of Shareholders in general meeting of the Company is obtained pursuant to paragraph 10.5 with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting and subject to the Listing Rules including but not limited to rules relating to grant of options/awards to connected persons, the Board cannot grant any Award (“**Triggering Award**”) to any Selected Participant which, if vested, would result in that Selected Participant becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued or to be issued to him/her upon exercise of all Awards and Other Scheme Options and Awards granted to him/her in the 12-month period immediately preceding the Grant Date of the Triggering Award to exceed 1% of the number of Shares in issue as at that Grant Date (the “**Individual Limit**”).

12. TRANSFERABILITY OF AWARDS

12.1 A Selected Participant cannot sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any third party over or otherwise dispose of any of his/her Awards or purport to do any of the foregoing. If a Selected Participant does any of the foregoing, whether voluntarily or involuntarily, the Award will immediately and automatically lapse.

13. VESTING OF AWARDS

13.1 Subject to paragraph 9 and other provisions of the 2023 Share Award Scheme, all applicable laws, rules and regulations and with its terms and conditions, the respective Awarded Shares shall vest on the Selected Participant on the date or dates when all the vesting conditions set out in the letter of grant are met, and the Board shall cause the Company to allot and issue to such Selected Participant such number of new Awarded Shares as set out in the letter of grant and the Board shall cause to be paid the subscription money for the new Awarded Shares, representing the nominal value of the new Awarded Shares multiplied by the number of new Awarded Shares to be issued, from the Company’s resources.

13.1A The minimum vesting period is 12 months. A shorter vesting period may be granted to Employee Participants at the discretion of the Board (or the Remuneration Committee of the Company where the arrangements relate to grants of Awards to the Directors and/or senior management of the Company) in any of the following specific circumstances:

- (a) grants of “make-whole” Awards to Selected Participants who newly joined the Group to replace the share awards or options they forfeited when leaving their previous employer;
- (b) grants of Awards with specific and objective performance-based vesting conditions in lieu of time-based vesting criteria;

- (c) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;
- (d) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;
- (e) grants of Awards with a total vesting and holding period of more than 12 months; and
- (f) the circumstances stipulated in paragraphs 13.4, 13.5 and 13.6 below.

13.2 The Board shall send to each Selected Participant a vesting notice not less than 7 days prior to each Vesting Date or the date a general offer (as further described in paragraph 13.4) involving the Shares of the Company is announced (the “**Vesting Notice**”).

13.3 The Board or the Remuneration Committee (if authorised by the Board) is entitled to impose any conditions, as it deems appropriate in its absolute discretion with respect to the vesting of the Awarded Shares to the Selected Participant and shall set out such conditions in the letter of grant to the Selected Participant. Notwithstanding any other provisions of the Scheme, subject to applicable laws and regulations, the Board or the Remuneration Committee (if authorised by the Board) shall be at liberty to waive any vesting conditions (for the avoidance of doubt, in any event, a vesting period of less than 12 months is only permitted in the circumstances described in paragraph 13.1A). The Board or the Remuneration Committee (if authorised by the Board) may in its absolute discretion set performance targets to be achieved before the vesting of the Awarded Shares to the Selected Participant, and various factors will be considered in setting performance targets, including but not limited to, and where appropriate, (i) sales performance (e.g. revenue); (ii) operational performance (e.g. operation efficiency in terms of cost control); (iii) financial performance (e.g. profits, cash flow, earnings, market capitalization, return on equity) of the Group; (iv) the individual’s overall performance indicators (e.g. strategic driving abilities, talent development capabilities, inter-departmental cooperation capabilities, adherence to corporate culture); and (v) discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal procedures). The finance and human resources department will propose the performance targets (if any) of each Selected Participant to the Board or the Remuneration Committee (as the case may be) for consideration, who will then assess the reasonableness and suitability and confirm such performance targets. In relation to the Awards granted to the Directors and senior management of the Company, the performance targets, or in the absence of such, shall be further subject to the approval of the Remuneration Committee and any other requirements under the

Listing Rules. The Group will utilize its internal assessment system to appraise and evaluate the performance targets applicable to each grant of Awards on a case-by-case basis. The Company will evaluate the actual performance and contribution of a Selected Participant for the past financial year against the performance targets set and form a view as to whether the relevant performance targets have been fulfilled. The assessment will be based on the individual's overall performance, performance of the team or department that the Selected Participant belongs to and the performance of the Group as a whole. Specific weightings will be given to the various factors identified above, with reference to the position and role of the Selected Participant in the Group, in order to provide a fair and objective appraisal. The Board or the Remuneration Committee (if authorised by the Board) shall have the sole discretion in determining whether the relevant performance targets for the Selected Participant have been met. For the avoidance of doubt, an Award shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant letter of grant.

13.4 If a general offer to acquire Shares (whether by way of a takeover offer, share repurchase offer, privatisation proposal by a scheme of arrangement between the Company and its members or otherwise in like manner) is made to the Shareholders pursuant to the Takeovers Code, resulting in a change in Control (as defined in the Takeovers Code), and the offer becomes or is declared unconditional in all respects prior to the vesting of Awarded Shares to the Selected Participants, then:

- (a) notwithstanding the requirement to satisfy vesting condition referred to in paragraph 13.1 and the vesting schedule as set out in the letter of grant, such Awarded Shares shall immediately so vest; and
- (b) the Board shall cause the Company to allot and issue to such Selected Participant such number of new Awarded Shares, provided that none of the events set out in paragraphs 9.1, 9.2 and 9.3 has occurred prior to vesting under this paragraph 13.4.

13.5 If a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, all Awarded Shares not yet vested will immediately and automatically vest and 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 Selected Participants (together with a notice of the existence of the provisions of this paragraph 13.5), and the Company shall allot and issue to such Selected Participant such number of new Awarded Shares in accordance with the terms of the 2023 Share Award Scheme.

13.6 If a compromise or arrangement between the Company and its members or creditors is proposed in connection with a scheme for the reconstruction of the Company or amalgamation of the Company with another company or companies (other than a relocation scheme as contemplated in Rule 7.14(3) of the Listing Rules):

- (a) the Company will give notice to all Selected Participants on the same date as it gives notice to its members or creditors to hold a meeting to consider, and if thought fit approve, such a compromise or arrangement;
- (b) thereupon all Awarded Shares not vested will vest; and
- (c) the Company shall allot and issue to such Selected Participant such number of new Awarded Shares in accordance with the terms of the 2023 Share Award Scheme,

provided that the arrangements and mechanisms in this paragraph 13.6 shall be subject to the laws relevant to the compromise or arrangement and to the sanction of the relevant court.

The Company may require any Selected Participant to transfer or otherwise deal with the Awarded Shares issued as a result of the vesting of the Awards so as to place the Selected Participant in the same position as nearly as would have been the case had such Awarded Shares been subject to such compromise or arrangement.

13.7 In addition to paragraphs 3.2, 6.4 and 12 and subject to paragraph 9, unless the Board exercises its discretion pursuant to the powers granted by under the 2023 Share Award Scheme, an Award will automatically lapse and will not vest on the earlier of:

- (a) the failure to satisfy the vesting conditions, or such conditions are not waived;
- (b) the Selected Participant is found to be an Excluded Participant; or
- (c) the Selected Participant failing to obtain all necessary consents or file all necessary registrations referred to in the 2023 Share Award Scheme within 30 Business Days from the date of the Vesting Notice.

14. RIGHTS OF SELECTED PARTICIPANTS

A Selected Participant cannot vote or receive dividends and does not have any right of a Shareholder in respect of the Awarded Shares until the Awarded Shares are allotted and issued to the Selected Participant and he/she has been registered in the register of members of the Company in respect of the Awarded Shares.

15. RANKING OF SHARES

The Awarded Shares will be subject to all the provisions of the Articles of Association and will rank equally in all respects with the fully paid Shares in issue on the date when the name of the Selected Participant is registered on the register of members of the Company.

16. REORGANISATION OF CAPITAL STRUCTURE

16.1 In the event of a capitalisation issue or rights issue or open offer of Shares, or a consolidation, sub-division or reduction of share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), the Company will make corresponding adjustments (as necessary and in accordance with the Listing Rules and any guidance materials published by the Stock Exchange from time to time) to:

- (a) the number of Shares subject to the Mandate Limit (as refreshed from time to time); and/or
- (b) the number of Awarded Shares pursuant to the outstanding Awards.

16.2 No adjustments required in paragraph 16.1 may be made to the advantage of any Selected Participant unless with the prior approval by ordinary resolution of Shareholders in general meeting of the Company.

16.3 An adjustment will be made, to the extent practicable, in accordance with the following principles:

- (a) on the basis that each Selected Participant will have the same proportion of the Awarded Shares to which he/she would have been entitled immediately prior to the event leading to the requirement to perform the adjustment; and
- (b) Shares will not be issued at less than its nominal value.

16.4 In respect of any adjustment required in paragraph 16.1, other than adjustments made on a capitalisation issue, the Company will seek a written certification from an independent financial adviser or the auditors that the adjustments satisfy the conditions set out in paragraph 16.3 (“**Adjustment Certificate**”). In giving the Adjustment Certificate the independent financial adviser or the auditors will act as experts and not as arbitrators and their confirmation will (in the absence of manifest error) be final and binding on the Company and the Selected Participants. The costs of the Adjustment Certificate will be borne by the Company.

16.5 An adjustment will be deemed to have taken effect on the earlier of (i) the date of completion of the relevant corporate event leading to the requirement to perform the adjustment and (ii) if necessary, the issue of the Adjustment Certificate.

16.6 The Company will within thirty Business Days of the announcement of the relevant corporate event leading to the requirement to perform the adjustment inform each Selected Participant of the adjustment.

17. ALTERATIONS TO THE 2023 SHARE AWARD SCHEME

17.1 Subject to paragraphs 17.2 and the Listing Rules, the Board may change any of the provisions of the 2023 Share Award Scheme except that:

- (a) any alterations to the terms and conditions of the 2023 Share Award Scheme which are of a material nature, including but not limited to the provisions of the 2023 Share Award Scheme as to the definitions of “Eligible Participant(s)” and “Selected Participant(s)”; and
- (b) the provisions of the 2023 Share Award Scheme relating to matters governed by Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants,

shall not be altered except with the prior approval by ordinary resolution of Shareholders in general meeting of the Company, provided that no such alteration shall operate to affect adversely the terms of any Award granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Selected Participants as would be required of the holders of the Shares under the Articles of Association for the time being of the Company for a variation of the rights attached to the Shares.

17.2 Prior approval by ordinary resolution of Shareholders in general meeting of the Company must be obtained before any change to the authority of the Board to alter the terms of the 2023 Share Award Scheme.

17.3 Any change to the terms of Awards granted to a Selected Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the 2023 Share Award Scheme.

17.4 The amended terms of the 2023 Share Award Scheme and the Awards will comply with the relevant requirements of all laws, rules and regulations including but not limited to the Listing Rules.

18. CANCELLATION OF AWARDS

18.1 The Board may cancel any Award(s) granted on such terms and conditions with the consent of the relevant Selected Participant. If the Board cancels outstanding Awards and grants new Awards (or Other Scheme Options and Awards) to the same Selected Participant, the grant of such replacement Awards (or Other Scheme Options and Awards) should not cause the Mandate Limit set out in paragraph 10.1 to be breached and may only be made under a scheme with available scheme mandate limit.

18.2 The cancelled Awards will be regarded as utilised for the purpose of calculating the Mandate Limit set out in paragraph 10.1.

19. TERMINATION OF THE 2023 SHARE AWARD SCHEME

19.1 The 2023 Share Award Scheme may be terminated at any time by ordinary resolution of Shareholders in general meeting of Company or by the Board when it resolves that no further Awards will be granted thereunder.

19.2 Subject to paragraph 19.1, no further grant of Awards shall be made but the 2023 Share Award Scheme will remain in full force and effect to the extent necessary to give effect to the acceptance of any granted Awards, vesting of any Awarded Shares or otherwise as may be required in accordance with the 2023 Share Award Scheme.



Zibuyu Group Limited
子不语集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2420)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Zibuyu Group Limited (the “Company”) will be held at Room 410, No. 108, Xincheng Road, Nanyuan Street, Linping District, Hangzhou, Zhejiang Province, the PRC on Friday, 1 December 2023 at 10:30 a.m., for the purpose of considering and, if thought fit, to pass with or without amendments, the following ordinary resolution of the Company. Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 15 November 2023 in relation to the EGM (the “Circular”).

ORDINARY RESOLUTION

To consider and, if thought fit, to pass with or without amendments, the following resolution as an ordinary resolution:

1. “**THAT:**

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares of the Company may be issued under the 2023 Share Award 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 Award Scheme be and is hereby approved and adopted; and any director 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 Award Scheme, including but without limitation:
 - (i) administering the 2023 Share Award Scheme under which awards will be granted to Selected Participants (as defined in the 2023 Share Award Scheme) eligible for Awarded Shares under the 2023 Share Award Scheme;

- (ii) modifying and/or amending 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 modification and/or amendment and subject to Chapter 17 of the Listing Rules;
 - (iii) granting Awarded Shares under the 2023 Share Award Scheme and allotting and issuing from time to time such number of Shares as may be required to be allotted and issued in respect of the Awarded Shares to be granted under the 2023 Share Award Scheme and subject to the Listing Rules;
 - (iv) making application at the appropriate time to the Stock Exchange, and any other stock exchanges upon which the issued Shares of the Company may for the time being be listed, for the listing of, and permission to deal in, any Shares that may hereafter from time to time be allotted and issued in respect of the Awarded Shares to be granted under the 2023 Share Award Scheme and subject to the Listing Rules;
 - (v) consenting, if it so deemed 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
- (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 Other Scheme(s) of the Company must not in aggregate exceed 5% of the total number of Shares in issue as at the Adoption Date (the “**Mandate Limit**”) or the relevant date of approval of the refreshment of the Mandate Limit.”

By order of the Board
Zibuyu Group Limited
Mr. Hua Bingru
Chairman

Hong Kong, 15 November 2023

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the EGM. A proxy need not be a member of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorised in writing, or if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised on its behalf.

3. Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or any adjournment thereof), either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
4. In order to be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Hong Kong Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. The transfer books and the register of members of the Company will be closed from Wednesday, 29 November 2023 to Friday, 1 December 2023 both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the EGM, all duly completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Hong Kong Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 28 November 2023.
7. A form of proxy for use by shareholders at the EGM is enclosed.

As at the date of this notice, the Board comprises Mr. Hua Bingru, Mr. Wang Weiping and Mr. Dong Zhenguang as the executive Directors; Ms. Hua Hui as the non-executive Director; and Mr. Yu Kefei, Mr. Shen Tianfeng and Dr. Lau Kin Shing Charles as the independent non-executive Directors.