
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Cornerstone Technologies Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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CORNERSTONE TECHNOLOGIES HOLDINGS LIMITED

基石科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8391)

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES;
(3) ADOPTION OF THE 2025 SHARE AWARD SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company (“AGM”) to be held at 21/F., Grand Millennium Plaza, 181 Queen’s Road Central, Sheung Wan, Hong Kong on Monday, 30 June 2025 at 3:00 p.m. is set out from pages 52 to 57 of this circular.

Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same by 3:00 p.m. (Hong Kong time) on Saturday, 28 June 2025 or not later than 48 hours before the time appointed for any adjourned meeting of the AGM to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

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

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“2025 Share Award Scheme Rules”	the rules relating to the 2025 Share Award Scheme as amended from time to time
“Adoption Date”	the date on which the 2025 Share Award Scheme is approved and adopted by the Shareholders
“AGM”	the annual general meeting of the Company to be convened and held at 21/F., Grand Millennium Plaza, 181 Queen’s Road Central, Sheung Wan, Hong Kong on Monday, 30 June 2025 at 3:00 p.m., the notice of which is set out on pages 52 to 57 of this circular, or any adjournment thereof
“AGM Notice”	the notice convening the AGM which is set out on pages 52 to 57 of this circular
“Articles” or “Articles of Association”	the articles of association of the Company currently in force
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Award(s)”	the award(s) which may be granted by the Scheme Administrator under the 2025 Share Award Scheme subject to adoption of the 2025 Share Award Scheme by the Shareholders and vests in the form of the right to be issued such number of Shares as the Scheme Administrator may determine in accordance with the terms of the 2025 Share Award Scheme Rules
“Award Letter”	a letter issued by the Company on the Grant Date in respect of each grant of Awards in such form as the Scheme Administrator may from time to time determine setting out the terms and conditions of the Award
“Award Shares”	new Shares underlying an Award
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company

DEFINITIONS

“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Company”	Cornerstone Technologies Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are traded on GEM (stock code: 8391)
“Companies Act”	the Companies Act (revised) of the Cayman Islands
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant”	an Employee Participant
“Employee Participant”	has the meaning as described in “Appendix III – Summary of the Principal Terms of the 2025 Share Award Scheme – Eligible Participants” in this circular
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended, supplemented or otherwise modified from time to time
“Grant Date”	the date on which the grant of an Award is made to a Grantee, being the date of the Award Letter in respect of such Award

DEFINITIONS

“Grantee”	any Eligible Participant approved for participation in the 2025 Share Award Scheme and who has been granted any Award
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all the powers to allot, issue and otherwise deal with new Shares (including sale and transfer of treasury shares, if any) in the Company not exceeding 20% of the total number of issued Shares (excluding treasury shares, if any) as at the date of passing of the relevant resolution
“Latest Practicable Date”	6 June 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Memorandum” or “Memorandum of Association”	the memorandum of association of the Company currently in force
“Nomination Committee”	the nomination committee of the Board

DEFINITIONS

“New Chapter 23”	amended Chapter 23 of the GEM Listing Rules introduced by the Stock Exchange, which came into effect on 1 January 2023
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase the Shares on the Stock Exchange up to 10% of the total number of issued Shares as at the date of passing of the relevant resolution
“Scheme Administrator”	the Board and/or any committee of the Board or other person to whom the Board has delegated its authority to administer the 2025 Share Award Scheme in accordance with the 2025 Share Award Scheme Rules
“Scheme Mandate Limit”	has the meaning as set out on page 36 of this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“share schemes”	at any time, any other share scheme (as defined in Chapter 23 of the GEM Listing Rules) adopted by the Company pursuant to Chapter 23 of the GEM Listing Rules which is then operational
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission of Hong Kong as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“treasury shares”	has the meaning ascribed to it under the GEM Listing Rules
“Trust Deed”	the deed constituting and/or governing any trust or such other governing documents or custodian arrangements entered into between the Company and any Trustee as the Scheme Administrator considers appropriate
“Trustee”	any trustee or other third party appointed by the Company to hold Shares under a Trust pursuant to a Trust Deed in accordance with the GEM Listing Rules
“Vesting Date(s)”	the date or dates, as determined from time to time by the Scheme Administrator, on which an Award (or part thereof) is to vest in the relevant Grantee as determined by the Scheme Administrator pursuant to the 2025 Share Award Scheme Rules, unless a different Vesting Date is deemed to occur in accordance with the 2025 Share Award Scheme Rules
“%”	per cent

LETTER FROM THE BOARD



CORNERSTONE TECHNOLOGIES HOLDINGS LIMITED

基石科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8391)

Executive Directors:

Mr. Liang Zihao (*Co-chairman*)
Mr. Wu Jianwei (*Co-chairman*)
Mr. Li Man Keung Edwin (*Vice Chairman*)
Mr. Yip Shiu Hong (*Chief Executive Officer*)
Mr. Ho Karl (*Chief Financial Officer*)
Mr. Pan Wenyan
Ms. Wu Yanyan

Non-executive Director:

Mr. Koh Herbin Puay Teck

Independent Non-executive Directors:

Ms. Ip Ka Lai
Mr. Li Michael Hankin
Ms. So Sze Wan Lisa
Mr. Tam Ka Hei Raymond

Registered office:

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

*Head Office and Principal Place of
Business in Hong Kong:*

Office Units 1107-11
11th Floor, New East Ocean Centre
No. 9 Science Museum Road
Kowloon, Hong Kong

6 June 2025

To all Shareholders,

Dear Sir or Madam,

- (1) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(2) PROPOSED GRANTING OF GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES;
(3) ADOPTION OF THE 2025 SHARE AWARD SCHEME;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the AGM to be held on Monday, 30 June 2025. These include resolutions relating to, among other things, (i) the re-election of the retiring Directors; (ii) the granting of general mandates to issue shares and repurchase shares; and (iii) proposed adoption of the 2025 Share Award Scheme.

2. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors were Mr. Liang Zihao, Mr. Wu Jianwei, Mr. Li Man Keung Edwin, Mr. Yip Shiu Hong, Mr. Ho Karl, Mr. Pan Wenyan and Ms. Wu Yanyan, the non-executive Director is Mr. Koh Herbin Puay Teck and the independent non-executive Directors are Ms. Ip Ka Lai, Mr. Li Michael Hankin, Ms. So Sze Wan Lisa and Mr. Tam Ka Hei Raymond.

Article 112 of the Articles of Association states that “The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy or as an additional Director shall hold office only until the first annual general meeting of the Company after his appointment and be subject to re-election at such meeting.”

Article 108(a) of the Articles of Association states that “Notwithstanding any other provisions in these Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.”

In accordance with Articles 108(a) and 112 of the Articles of Association, Mr. Wu Jianwei, Mr. Yip Shiu Hong, Mr. Ho Karl, Ms. Wu Yanyan, Mr. Koh Herbin Puay Teck, Ms. Ip Ka Lai, Ms. So Sze Wan Lisa and Mr. Li Michael Hankin (collectively, the “**Retiring Directors**”) will retire at the AGM and are eligible for re-election at the AGM.

LETTER FROM THE BOARD

Pursuant to Rule 17.46A of the GEM Listing Rules, particulars of each of the Retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

As a good corporate governance practice, each of the Retiring Directors has abstained from voting at the relevant Board meeting on the respective proposals for re-election by the Shareholders.

Recommendations of the Nomination Committee

In reviewing the structure of the Board annually, the Nomination Committee will consider the structure, size and diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. All appointments to the Board are based on meritocracy. The candidates will be assessed based on criteria such as educational background and relevant skills and experience, with a view to maintaining a sound balance in the composition of the Board.

The Nomination Committee has evaluated the performance and the contribution of the above Directors to be re-elected, during the last financial year of the Company and the period thereafter up to the date of evaluation. The Nomination Committee is of the opinion that the performance of such Directors was satisfactory. Therefore, the Nomination Committee has recommended to the Board on re-election of them at the AGM.

In addition, the Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2024 and thereafter up to the date of assessment based on the independence criteria as set out in rule 5.09 of the GEM Listing Rules and confirmed that all of them, including Ms. Ip Ka Lai, Mr. Li Michael Hankin, Ms. So Sze Wan Lisa, remain independent.

The Board is of the view that the re-appointments of Ms. Ip Ka Lai, Mr. Li Michael Hankin, Ms. So Sze Wan Lisa will contribute to the diversity of the Board. Ms. Ip Ka Lai has extensive experience in human resources management and development gained from companies across different sectors. Her independent perspective enhances the formulation of robust HR policies and fosters a culture that supports sustainable growth. Ms. So Sze Wan Lisa has significant experience in legal by working in various listed and sizeable companies in Hong Kong. She can offer expert guidance on corporate

LETTER FROM THE BOARD

governance and regulatory compliance, ensuring the Company adheres to legal and ethical standards. Mr. Li Michael Hankin is familiar with financial and accounting, fundraising, mergers and acquisitions, restructuring and international business development and he has extensive experience for serving as an independent non-executive director. He can demonstrate continued independent judgement which contributes positively to the development of the Company's strategy and policies. In particular the re-appointment of Ms. Ip Ka Lai and Ms. So Sze Wan Lisa can increase the female representation in the Board.

With the recommendation of the Nomination Committee, the Board has proposed that Mr. Wu Jianwei, Mr. Yip Shiu Hong, Mr. Ho Karl, Ms. Wu Yanyan, Mr. Koh Herbin Puay Teck, Ms. Ip Ka Lai, Ms. So Sze Wan Lisa and Mr. Li Michael Hankin, stand for re-election as Directors at the AGM. As a good corporate governance practice, the above Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

3. RE-APPOINTMENT OF INDEPENDENT AUDITORS

The Board proposes to re-appoint D & PARTNERS CPA LIMITED as the independent auditors of the Company to hold office until the conclusion of the next annual general meeting. A resolution will be proposed to authorise the Board to fix the auditor's remuneration. D & PARTNERS CPA LIMITED has indicated its willingness to be re-appointed as the Company's independent auditors for the said period.

4. GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

The Issue Mandate

During the annual general meeting of the Company held on 28 June 2024, a general unconditional mandate was granted to the Directors on 28 June 2024 to allot, issue and deal with the Shares. The general mandate to issue Shares will remain in effect until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, the Companies Act or other applicable laws to be held; or

LETTER FROM THE BOARD

- (iii) the time when such mandate is varied or revoked by an ordinary resolution of the Shareholders at a general meeting.

In order to ensure that the flexibility and discretion be given to the Directors in the event that it becomes desirable to allot, issue and deal with the Shares, ordinary resolutions no. 4(A) as set out in the AGM Notice will be proposed to give the Directors fresh general mandates to allot, issue and deal with (i) new Shares not exceeding 20% of the total number of issued Shares at the date of passing of the resolution no. 4(A) as set out in the AGM Notice (being a maximum of 190,715,079 new Shares based on a total of 953,575,399 Shares in issue as at the Latest Practicable Date and assuming that no other Shares will be issued or repurchased between the Latest Practicable Date and the AGM) plus (ii) the total number of Shares of the Company repurchased by the Company (under the authority granted pursuant to the Repurchase Mandate) subsequent to the passing of such resolution.

The Issue Mandate shall remain in force until the earliest of:

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

The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme as may be approved by the Shareholders.

The Repurchase Mandate

During the annual general meeting of the Company held on 28 June 2024, a general unconditional mandate was granted to the Directors on 28 June 2024 to repurchase Shares. The general mandate to repurchase Shares will remain in effect until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

LETTER FROM THE BOARD

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, the Companies Act or other applicable laws to be held; or
- (iii) the time when such mandate is varied or revoked by an ordinary resolution of the Shareholders at a general meeting.

At the forthcoming AGM, an ordinary resolution, which if passed, will grant the Directors a general and unconditional mandate to repurchase Shares up to a maximum of 10% of the total number of issued Shares at the date of passing of the resolution no. 4(B) as set out in the AGM Notice (being a maximum of 95,357,539 new Shares based on a total of 953,575,399 Shares in issue as at the Latest Practicable Date and assuming that no other Shares will be issued or repurchased between the Latest Practicable Date and the AGM) at any time during the period ended on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable laws of Cayman Islands to be held; and (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

In accordance with Rule 13.08 of the GEM Listing Rules, an explanatory statement containing information reasonably necessary for the Shareholders to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate is set out in Appendix II to this circular.

5. EXTENSION MANDATE

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the aggregate number of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such Issue Mandate of an amount representing the aggregate number of the Shares repurchased by the Company pursuant to the Repurchase Mandate, provided that such number of Shares shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing the resolution for approving the Repurchase Mandate.

LETTER FROM THE BOARD

6. PROPOSED ADOPTION OF THE 2025 SHARE AWARD SCHEME

The Board proposes to adopt the 2025 Share Award Scheme, which will allow the grant of Awards to Eligible Participants providing them an incentive by way of an opportunity to become Shareholders and to align their interests with that of the Company in recognition of the contributions they have made or are expected to make to the Group. The ability for the Company to grant Awards provides alternative means for the Company to provide incentives which can be more tailored towards the specific Grantee and is in line with the purpose of the 2025 Share Award Scheme (as described below).

The 2025 Share Award Scheme will take effect subject to the passing of an ordinary resolution by the Shareholders to approve the adoption of the 2025 Share Award Scheme.

A summary of the principal terms of the proposed 2025 Share Award Scheme is set out in Appendix III to this circular. The full terms of the 2025 Share Award Scheme will be published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.cstl.com.hk for a period of 14 days before the date of the AGM (including the date of the AGM) and can be inspected at the AGM.

Explanation of the Terms of the 2025 Share Award Scheme

Purpose

The purpose of the 2025 Share Award Scheme is to provide the Company with a flexible means of attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to Eligible Participants through aligning the interests of Eligible Participants with those of the Company and Shareholders by providing them with an opportunity to acquire proprietary interests in the Company and become Shareholders, and thereby encouraging Eligible Participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

LETTER FROM THE BOARD

Awards

Awards granted under the 2025 Share Award Scheme shall be funded by new Shares.

Any grant of Awards under the 2025 Share Award Scheme shall be subject to the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares to be allotted and issued pursuant to the Awards.

Duration

Subject to any early termination as may be determined by the Board pursuant to the terms thereof, the 2025 Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date and ending on the 10th anniversary of the Adoption Date.

Eligible Participants

The Eligible Participants under the 2025 Share Award Scheme comprise Employee Participants only. An Employee Participant is a person who is an employee (whether full-time or part-time), director or officer of any member of the Group on the Grant Date, including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with any member of the Group, provided that a person shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) any transfer of employment amongst members of the Group or any successor, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment. In assessing the eligibility of Employee Participants, the Board will consider all relevant factors as appropriate, including, among others (i) their skills, knowledge, experience, expertise and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard; (iii) their contribution expected to be made to the growth of the Group with reference to their historical contribution; (iv) their length of engagement or employment with the Group; and (v) their educational and professional qualifications, and knowledge in the industry.

LETTER FROM THE BOARD

Vesting Period

Save for certain specific circumstances set out in the section headed “Vesting Period” in Appendix III to this circular, an Award must be held for at least 12 months before it vests in order to incentivise the Grantees to remain with the Group.

The Board considers that such circumstances allow flexibility for the Company to (i) provide competitive terms to attract and induce valuable talent to join the Group; (ii) address instances where the 12-month vesting period requirement would not be practicable or fair due to administrative or technical reasons; (iii) reward exceptional performers with accelerated vesting; and (iv) motivate Employee Participants based on performance metrics rather than time-based vesting criteria. Therefore, the Board is of the view that the vesting period requirements (including the circumstances in which a shorter vesting period may apply) are appropriate and align with the purpose of the 2025 Share Award Scheme.

LETTER FROM THE BOARD

Performance targets

The Scheme Administrator may in respect of each Award and subject to all applicable laws, rules and regulations determine such performance targets or other criteria or conditions for vesting of Awards in its sole and absolute discretion on a case-by-case basis. Any such performance targets, criteria or conditions shall be set out in the Award Letter.

The performance targets refer to any performance measures, or derivations of such performance measures that may be related to the individual Grantee or the Group as a whole, or to a subsidiary, division, department, region, function or business unit of the Company. The following general factors will be taken into account when deciding the performance targets to be attached to an Award, including but not limited to (i) the financial results, operation performance, business growth or other indicators of the Group (or any of its segments); and (ii) the contribution, work performance as well as other specific personal factors of the individual Grantee that the Scheme Administrator may consider relevant. The performance targets will be assessed periodically, on an absolute basis or a relative basis (such as relative to a pre-established target, to previous year's results or to a designated comparison group), in each case as specified by the Scheme Administrator in its sole discretion.

Such performance targets serve as an incentive for Eligible Participants to work towards the development of the Group and align their interests, through contributions in meeting the performance targets, with the interests of the Group in line with the purpose of the 2025 Share Award Scheme.

LETTER FROM THE BOARD

Clawback mechanism

Under the terms of the 2025 Share Award Scheme, where certain events as set out in the section headed “Clawback” in Appendix III to this circular arise, the Scheme Administrator may determine that, with respect to a Grantee, Awards granted but not yet vested shall immediately lapse, and with respect to any Shares delivered to the Grantee, the Grantee be required to transfer the same value, whether in Shares and/or cash, back to the Company (or its nominee). These circumstances are:

- (a) a Grantee ceases to be an Eligible Participant by reason of the termination of his/her employment or contractual engagement with the Group for cause or without notice, or as a result of being charged/penalised/convicted of an offence involving the Grantee’s integrity or honesty;
- (b) a Grantee has engaged in serious misconduct or breaches the terms, including with respect to a policy or code of or other agreement with the Group, which is considered to be material; or
- (c) the Award to the Grantee will no longer be appropriate and aligned with the purpose of the 2025 Share Award Scheme.

The Directors are of the view that the above clawback mechanism enables the Company to clawback Awards (or the underlying Shares) received by those Grantees that have, for example, seriously violated the policies of the Group, put the Group into disrepute, adversely harmed the Group, or otherwise exposed the Group to significant risk. In these circumstances, the Company would not consider it in the Company or the Shareholders’ best interests to incentivise them with proprietary interests of the Company under the 2025 Share Award Scheme, nor would the Company consider such Grantees benefiting under the 2025 Share Award Scheme to be in alignment with the purpose of the 2025 Share Award Scheme. As such, the Company considers this clawback mechanism appropriate and reasonable.

LETTER FROM THE BOARD

Scheme Mandate Limit

The total number of Shares that may be issued pursuant to all Awards to be granted under this 2025 Share Award Scheme and all options and awards to be granted under any other share scheme(s) of the Company shall not exceed 10% of the Shares in issue (excluding treasury shares) as at the Adoption Date.

As at the Latest Practicable Date, there were 953,575,399 Shares in issue (excluding treasury shares). Assuming that there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the maximum number of Shares which may be issued by the Company in respect of all Awards to be granted under the 2025 Share Award Scheme and all options and awards to be granted under any other share scheme(s) of the Company, will be 95,357,539 Shares.

General

As at the Latest Practicable Date,

- (i) the Company has not engaged any trustee for administration of the 2025 Share Award Scheme. If the Company is to engage any trustee in the future, such trustee will not be a Director and no Director will have any direct or indirect interest in the trustee; and
- (ii) the Company has not formulated any plan to grant Awards under the 2025 Share Award Scheme except for in the manner as detailed in the announcements of the Company dated 20 November 2024 and 7 January 2025 (the “**Proposed Grant**”). The Proposed Grant is subject to the approval of independent Shareholders at a separate general meeting to be held by the Company after adoption of the 2025 Share Award Scheme. The Company will make further announcement(s) in relation to the Proposed Grant and despatch a circular to the Shareholders containing the information required under the GEM Listing Rules as and when appropriate.

Implications under the GEM Listing Rules

The 2025 Share Award Scheme constitutes a share scheme involving the issue of new Shares under Chapter 23 of the GEM Listing Rules and is accordingly subject to the approval of Shareholders in general meeting. At the AGM, ordinary resolutions will be proposed for the Shareholders to consider and, if thought fit, to adopt the 2025 Share Award Scheme and to approve a mandate for the allotment and issuance of new Shares for the satisfaction of any Awards and any Awards shall not exceed the Scheme Mandate Limit.

LETTER FROM THE BOARD

Mr. Yip Shiu Hong, Mr. Lau Wai Yan Lawson, Mr. Karl Ho and Mr. Ng Sze Chun, who are regarded as having a material interest in the adoption of the 2025 Share Award Scheme, are required, together with their respective associates, to abstain from voting on the resolution in relation thereto at the AGM. Save as aforesaid, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on any of the resolutions to be proposed at the AGM.

In view of the above, each of Mr. Yip Shiu Hong and Mr. Karl Ho, being an executive Director, had abstained from voting on the Board resolution approving the proposed adoption of the 2025 Share Award Scheme.

7. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 52 to 57 of this circular.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange at www.hkexnews.hk and the Company (www.cstl.com.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the AGM (i.e. not later than 3:00 p.m. on Saturday, 28 June 2025 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude the Shareholders from attending and voting at the AGM if so wish, in which case the form of proxy shall be deemed to be revoked.

8. VOTING BY POLL AT THE AGM

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith and in compliance with the GEM Listing Rules, decides to allow a resolution which relates purely a procedural or administrative matter to be voted on by a show of hands. Therefore, each resolution set out in the AGM Notice which is put to vote at the AGM shall be decided by poll. The Company will appoint a scrutineer to handle vote-taking procedures at the AGM. The results of the poll will be published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.cstl.com.hk as soon as possible after the conclusion of the AGM.

LETTER FROM THE BOARD

9. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 24 June 2025.

10. RESPONSIBILITY STATEMENT

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

11. RECOMMENDATION

The Directors consider that all the proposed resolutions are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend that the Shareholders vote in favour of all resolutions as set out in the AGM Notice.

By Order of the Board
Cornerstone Technologies Holdings Limited
LIANG Zihao
Co-Chairman and Executive Director

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

The details of the Directors, who will retire and will be proposed to be re-elected at the AGM are set out as follows:

EXECUTIVE DIRECTORS

Mr. Wu Jianwei (“Mr. Wu”)

Mr. Wu, aged 43, was appointed as a non-executive Director on 22 January 2020 and redesignated as executive Director on 21 November 2024. He has been appointed as the member of each of the Nomination Committee and the Remuneration Committee respectively on 21 November 2024. He obtained a diploma in information technology from the Temasek Polytechnic (Singapore). Mr. Wu has extensive experience in investing and managing companies. He is currently the chief executive officer of Chang Yuan Investments Pte Ltd, Chang He Holdings Pte Ltd and Champion Management Pte Ltd in Singapore. His business encompasses property investment, asset management, business restructuring, hotel management and electric vehicles. He is mainly responsible for overseeing his business’s performance and management and directing the formulation of business development strategies. From 2012 to 2015, under his management and leadership, his business has acquired the property investment portfolio aggregately valued over approximately SG\$150.0 million at the respective purchase dates including (i) commercial offices located at Marine Parade and Paya Lebar; (ii) hotels located at Joo Chiat and North Canal; and (iii) retail, food and beverage units at Katong in Singapore. Mr. Wu is primarily responsible for providing overall leadership in the strategic development of the Group and overseeing the management of the Board.

Mr. Wu is the younger brother of Ms. Wu, the executive Director.

Mr. Wu entered into a service agreement with the Company as an executive Director for a term of two years commencing from 21 November 2024. Pursuant to the service agreement, Mr. Wu is not entitled to any fixed salary. He is subject to retirement by rotation at the annual general meeting of the Company at least once every three years and his remuneration is determined in accordance with his experience, responsibilities and duties within the Company and shall be reviewed annually by the Remuneration Committee.

Save as disclosed above, Mr. Wu does not hold any other positions with the Company or other members of the Group. He has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

As at the Latest Practicable Date, Mr. Wu is interested in an aggregate of 288,111,225 Shares or approximately 30.21% of the issued share capital of the Company, in which 52,508,000 Shares is directly held by him and 235,603,225 Shares is held by Global Fortune Global Limited, a company 51% owned by him. As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Mr. Wu was interested in share options entitling him to subscribe for 10,400,000 Shares.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of GEM Listing Rules and there are no other matters relating to the re-election of Mr. Wu that need to be brought to the attention of the Shareholders.

Mr. Yip Shiu Hong (“Mr. Yip”)

Mr. Yip, aged 48, was appointed as an executive Director on 17 May 2023 and is currently the Chief Executive Officer of our Group. Mr. Yip is primarily responsible for carrying out executive functions including day-to-day business and operations management of the Group. Mr. Yip graduated from Keble College of the University of Oxford in 2000 with a Master’s degree in Engineering and Computer Science.

Mr. Yip has over 10 years of top management experience. Prior to joining the Group, Mr. Yip started working for McKinsey & Company, Inc, an international management consultant firm, as a business analyst in 2000 and was subsequently promoted to associate principal. In 2011, Mr. Yip co-founded Malvern College International (Asia Pacific), a British-styled boarding school with campuses in Mainland China and Hong Kong, he acted as a management board member and steered the overall direction of the school. He joined the G2000 (Apparel) Limited, a leading apparel retailer based in Hong Kong with over 1,000 point-of-sales in China and 13 countries across Asia, as group CEO in between 2015 and 2018. From 2018 to 2021, Mr. Yip was appointed as the CEO of K11 Cultural Enterprise Businesses by New World Development Company Limited (stock code: 0017). He was responsible for managing an ecosystem of family and children related businesses under the New World Group including family-focused shopping malls and education platforms.

As at the Latest Practicable Date, Mr. Yip is directly interested in 5,997,905 shares of the Company, representing approximately 0.73% of the total issued share capital of the Company.

Pursuant to the service agreement entered into between Mr. Yip and the Company (the “**Yip’s Service Agreement**”), Mr. Yip was appointed as an executive Director for a term of two years with effect from 17 May 2023 subject to early termination in accordance with the terms of the Yip’s Service Agreement. Mr. Yip is also subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

GEM Listing Rules. The director's remuneration of Mr. Yip has not yet been fixed and will be determined by the remuneration committee of the Company based on his duties and responsibilities, the Company's performance and profitability, industry norm and general market conditions.

Mr. Yip receives a monthly salary of HK\$270,000 as chief executive officer of the Company, and is entitled to receive discretionary performance bonus.

Save as disclosed above, Mr. Yip does not hold any other positions with the Company or other members of the Group. He has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to the re-election of Mr. Yip that need to be brought to the attention of the Shareholders.

Mr. Ho Karl ("Mr. Ho")

Mr. Ho, aged 44, was appointed as an executive Director on 21 November 2024 and is currently the chief financial officer of the Group since 1 May 2023. Mr. Ho is primarily responsible for carrying out executive functions including day-to-day business and financial management of the Group. Mr. Ho graduated from the University of Toronto in 2004 with an Honors Bachelor's Degree in Economics and Commerce. Mr. Ho's career in capital markets and investment banking spans over 20 years, marked by a steady progression through increasingly senior roles. He began his career at The Hongkong and Shanghai Banking Corporation Limited (HSBC), gaining foundational experience in investment banking between 2004 and 2007. His experience then progressed to Goldman Sachs in Hong Kong, where he worked in both Corporate Treasury, focusing on cash management and funding solutions, and Investment Banking, specializing in real estate transactions between 2007 and 2011. He further enhanced his investment banking career at Credit Suisse in Hong Kong between 2011 and 2012. A substantial portion of his career was dedicated to China Resources Power Holdings Co. Ltd, serving as Head of Investor Relations for close to 10 years, overseeing investor relations, corporate finance, and regulatory compliance between 2012 to 2021. Most recently, he took on leadership positions at Novotech Health Holdings Ltd, leading all investor relations, mergers and acquisitions (M&A), and capital markets activities, completing numerous M&A projects during his tenure between 2021 and 2022. Mr. Ho was appointed as the Chief Development Officer (CDO) of Cornerstone Technologies in September 2022, and subsequently in May 2023, he was appointed as the Chief Financial Officer (CFO) of the Group.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Pursuant to the service agreement entered into between Mr. Ho and the Company (the “**Ho’s Service Agreement**”), Mr. Ho was appointed as an executive Director for a term of two years with effect from 21 November 2024 subject to early termination in accordance with the terms of the Ho’s Service Agreement. Mr. Ho is also subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and the GEM Listing Rules. The director’s remuneration of Mr. Ho has not yet been fixed and will be determined by the remuneration committee of the Company based on his duties and responsibilities, the Company’s performance and profitability, industry norm and general market conditions.

Mr. Ho receives a monthly salary of HK\$132,000 as chief financial officer of the Company.

Save as disclosed above, Mr. Ho does not hold any other positions with the Company or other members of the Group. He has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to the re-election of Mr. Ho that need to be brought to the attention of the Shareholders.

Ms. Wu Yanyan (“Ms. Wu”)

Ms. Wu, aged 46, was appointed as an executive Director on 21 November 2024. She graduated from the University of Bradford with a bachelor of Science Business and Management. She has over 15 years of experience in management and operation. She is currently a director of Guangdong Dongheng Furniture Group Co., Ltd.* (廣東東恆家具集團有限公司), Lecong Oriental International Home Furnishing Exhibition Center Co., Ltd.* (樂從鎮之東方國際家居匯展中心有限公司), Guangdong Foshan Changhe Real Estate Co., Ltd.* (廣東省佛山市長河房產有限公司), Guangdong Foshan Lecong International Convention and Exhibition Center Co., Ltd.* (廣東省佛山市樂從國際會展中心有限公司), Guangdong Foshan Lecong Oriental Craftsman Furniture Co., Ltd.* (廣東省佛山市樂從東方名匠家具有限公司) and Guangdong Foshan Zhengye Trading Co., Ltd.* (廣東省佛山正業貿易有限公司). In addition, she is the director of Singapore Chang He Holdings Pte Ltd, Singapore Chang Yuan Investments Pte Ltd, Singapore Hong Ri Investments Pte Ltd and Singapore Scott’s Investments Pte Ltd.

Ms. Wu is the elder sister of Mr. Wu Jianwei, the executive Director.

* For identification purposes only

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

As at the Latest Practicable Date, Ms. Wu is interested in an aggregate of 47,550,000 Shares or approximately 5.77% of the issued share capital of the Company. As at the Latest Practicable Date, within the meaning of Part XV of the SFO, Ms. Wu was interested in share options entitling her to subscribe for 6,000,000 Shares.

Ms. Wu entered into a service agreement with the Company as an executive Director for a term of two years commencing from 29 August 2022. Pursuant to the service agreement, Ms. Wu is not entitled to any fixed salary. She is subject to retirement by rotation at the annual general meeting of the Company at least once every three years and her remuneration is determined in accordance with her experience, responsibilities and duties within the Company and shall be reviewed annually by the Remuneration Committee.

Save as disclosed above, Ms. Wu does not hold any other positions with the Company or other members of the Group. She has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and she has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to the re-election of Ms. Wu that need to be brought to the attention of the Shareholders.

NON-EXECUTIVE DIRECTOR

Mr. Koh Herbin Puay Teck (“Mr. Koh”)

Mr. Koh, aged 32, was appointed as non-executive Director on 21 November 2024. He is currently the Head of Growth Equity, Deputy Head of Infrastructure and Head of Climate Technology at Gaw Capital, a private equity fund management company that focuses on real estate markets in Asia Pacific and other high barrier-to-entry markets. With 8 years of experience, Mr. Koh has helped to build the growth equity business at Gaw Capital, deploying over US\$800 million in equity commitment across APAC.

Mr. Koh holds a Bachelor of Arts Degree in Economics from Yale-NUS College.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Pursuant to the letter of appointment entered into between Mr. Koh and the Company (the “**Koh’s Appointment Letter**”), Mr. Koh is appointed as a non-executive director for a term of two years with effect from 21 November 2024 subject to early termination in accordance with the terms of the Koh’s Appointment Letter. Mr. Koh is also subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and GEM Listing Rules. The remuneration of Mr. Koh has not yet been fixed and will be determined by the Remuneration Committee based on his duties and responsibilities, the Company’s performance and profitability, industry norm and general market conditions.

Save as disclosed above, Mr. Koh does not hold any other positions with the Company or other members of the Group. He has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to the re-election of Mr. Koh that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Ip Ka Lai (“Ms. Ip”)

Ms. Ip, aged 52, was appointed as an independent non-executive Director, the chairlady of the Remuneration Committee, and member of each of the Audit Committee and the Nomination Committee respectively on 21 November 2024. She has more than 25 years of experience in human resources management and development gained from companies from different sectors. From April 2005 to May 2011, she worked in Convoy Financial Services Limited, a subsidiary of Convoy Global Holdings Limited (a company whose shares were previously listed on the Stock Exchange with stock code: 1019 and delisted on 4 May 2021), with the last position as head of human resources, where she engaged in oversee all functions of the human resources department. She is also the founder and the director of Connexions Consulting Ltd., a consultancy firm providing services on recruitment and human resources management for listed and small and medium-sized enterprises in various sectors, since 2011.

Ms. Ip obtained her Master of Business Administration from the University of Hull in 2014, Bachelor of Arts Degree in Human Resource Management from University of Teesside in 1997. She is also a member of Hong Kong Institute of Human Resource Management.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Pursuant to the letter of appointment entered into between Ms. Ip and the Company (the “**Ip’s Appointment Letter**”), Ms. Ip is appointed as an independent non-executive director for a term of two years with effect from 21 November 2024 subject to early termination in accordance with the terms of the Ip’s Appointment Letter. Ms. Ip is also subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and GEM Listing Rules. Ms. Ip is entitled to a remuneration of HK\$10,000 per month which has been determined and will be reviewed annually by the Remuneration Committee and the Board with reference to her duties and responsibilities, the Company’s performance and profitability, industry norm and general market conditions.

Save as disclosed above, Ms. Ip does not hold any other positions with the Company or other members of the Group. She has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and she has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to the re-election of Ms. Ip that need to be brought to the attention of the Shareholders.

The Board has received from Ms. Ip a confirmation of her independence pursuant to Rule 5.09 of the GEM Listing Rules. Ms. Ip also confirmed that (i) she meets the independence criteria as set out in Rule 5.09(1) to (8) of the GEM Listing Rules; (ii) she has no past or present financial or other interests in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the GEM Listing Rules) of the Company; and (iii) there are no other factors that may affect her independence at the time of her appointment.

Ms. So Sze Wan Lisa (“Ms. So”)

Ms. So, aged 48, was appointed as an independent non-executive Director, and member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee respectively on 21 November 2024. She has accumulated over 20 years of experience in legal by working in various listed and sizeable companies in Hong Kong. Since 2017, she has been the head of legal of K11 Concepts Limited, a subsidiary of New World Development Company Limited (a company whose shares listed on Main Board of the Stock Exchange (Stock Code: 0017)). From 2016 to 2017, she was the head of legal of Nikon Holdings Hong Kong Limited. From 2015 to 2016, she was the assistant general counsel of LCW Management Limited. From 2010 to 2015, she was the general counsel and company secretary of Yip’s Chemical Holdings Limited (a company whose shares listed on Main Board of the Stock Exchange (Stock Code: 0408)).

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Ms. So graduated from the University of Hong Kong with a Bachelor of Laws degree in 2000 and obtained a Master of Laws degree from King's College London in 1999. She is a practising solicitor in Hong Kong.

Pursuant to the letter of appointment entered into between Ms. So and the Company (the “**So’s Appointment Letter**”), Ms. So is appointed as an independent non-executive director for a term of two years with effect from 21 November 2024 subject to early termination in accordance with the terms of the So’s Appointment Letter. Ms. So is also subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and GEM Listing Rules. Ms. So is entitled to a remuneration of HK\$10,000 per month which has been determined and will be reviewed annually by the Remuneration Committee and the Board with reference to her duties and responsibilities, the Company’s performance and profitability, industry norm and general market conditions.

Save as disclosed above, Ms. So does not hold any other positions with the Company or other members of the Group. She has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and she has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to the re-election of Ms. So that need to be brought to the attention of the Shareholders.

The Board has received from Ms. So a confirmation of her independence pursuant to Rule 5.09 of the GEM Listing Rules. Ms. So also confirmed that (i) she meets the independence criteria as set out in Rule 5.09(1) to (8) of the GEM Listing Rules; (ii) she has no past or present financial or other interests in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the GEM Listing Rules) of the Company; and (iii) there are no other factors that may affect her independence at the time of her appointment.

Mr. Li Michael Hankin (“Mr. Li”)

Mr. Li, aged 60. He is a member of the American Institute of Certified Public Accountants. He has more than 30 years’ experience in financial and accounting, fundraising, mergers and acquisitions, restructuring and international business development.

He has been an independent non-executive director of COFCO Meat Holdings Limited (now known as COFCO Joycome Foods Limited), a company listed on the Main Board of the Stock Exchange (stock code: 1610) since May 2016 and an independent non-executive director of China Mengniu Dairy Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2319) since December 2021.

Mr. Li worked at several Hong Kong listed companies as head of corporate finance, general manager of investor relations and mergers and acquisitions, including as head of corporate finance of GCL-Poly Energy Holdings Limited (stock code: 3800) during January 2014 to June 2015 and as general manager of investor relations & mergers and acquisitions of Newton Resources Limited (stock code: 1231) in 2013. Mr. Li also worked at several international banks where he had led numerous fund raising exercises in Hong Kong and the United States. During the period from March 1994 to June 2004, Mr. Li was the executive director (corporate finance) at BNP Paribas Capital (Asia Pacific) Limited. During the period from July 2004 to December 2005, Mr. Li was employed at GoldBond Capital (Asia) Limited and was a managing director (investment banking) of Rothschild (Hong Kong) Limited during the period from March 2007 to May 2011. From November 2017 to August 2019, he was the deputy general manager of Shougang Concord Grand (Group) Limited, a company listed in Hong Kong (stock code: 730). Mr. Li obtained a bachelor’s degree in accountancy from California State University, Los Angeles in June 1985, and a master’s degree in business administration from Columbia University, New York in May 1992. He was an independent non-executive director of Clarity Medical Group Holding Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1406) from March 2019 to November 2024

Pursuant to the letter of appointment entered into between Mr. Li and the Company (the “**Li’s Appointment Letter**”), Mr. Li is appointed as an independent non-executive Director for a term of two years with effect from 27 February 2025 subject to early termination in accordance with the terms of the Li’s Appointment Letter. Mr. Li is also subject to retirement by rotation and re-election and other related provisions as stipulated in the articles of association of the Company and GEM Listing Rules. Mr. Li is entitled to a remuneration of HK\$10,000 per month which has been determined and will be reviewed annually by the Remuneration Committee and the Board with reference to his duties and responsibilities, the Company’s performance and profitability, industry norm and general market conditions.

APPENDIX I DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed above, Mr. Li does not hold any other positions with the Company or other members of the Group. He has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company and he has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above, there was no further information to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there are no other matters relating to the re-election of Mr. Li that need to be brought to the attention of the Shareholders.

The Board has received from Mr. Li a confirmation of her independence pursuant to Rule 5.09 of the GEM Listing Rules. Mr. Li also confirmed that (i) he meets the independence criteria as set out in Rule 5.09(1) to (8) of the GEM Listing Rules; (ii) he has no past or present financial or other interests in the business of the Company or its subsidiaries or any connection with any core connected person (as defined under the GEM Listing Rules) of the Company; and (iii) there are no other factors that may affect his independence at the time of his appointment.

APPENDIX II EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The GEM Listing Rules permit companies with primary listing on the Stock Exchange to repurchase their fully paid-up Shares on the Stock Exchange subject to certain restrictions.

The following is the explanatory statement required to be sent to the Shareholders under the GEM Listing Rules to enable them to make an informed decision on whether to vote for or against the resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. REPURCHASES OF SHARES

As at the Latest Practicable Date, the issued share capital of the Company comprised 953,575,399 Shares.

Subject to the passing of the resolution set out in item 4(B) of the AGM Notice in respect of the granting of the Repurchase Mandate and assuming no Shares will be issued or repurchased by the Company during the period between the Latest Practicable Date and the date of the AGM, the Directors would be allowed under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, up to a maximum total of 95,357,539 Shares, representing 10% of the total number of issued Shares as at the date of the AGM.

As at the Latest Practicable Date, the Company has no intention to cancel the Shares bought back following settlement of any such buy back or hold them as treasury shares. If the Company buys back any Shares pursuant to the Repurchase Mandate, the Company will either (i) cancel the Shares bought back and/or (ii) hold such Shares in treasury, subject to market conditions and the Company's capital management needs at the relevant time any buy-back of Shares are made.

2. REASONS FOR SHARE REPURCHASE

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

3. STATUS OF BOUGHT BACK SHARES

To the extent that any treasury shares are deposited with CCASS pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those shares were registered in the Company's own name as treasury shares. These measures may include approval by the Board that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury shares deposited with CCASS, (ii) in the case of dividends or distributions, the Company will withdraw the treasury shares from CCASS, and either re-register them in its own name as treasury shares or cancel them, in each case before the record date for the dividends or distributions; and (iii) take any other appropriate measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasure shares.

4. FUNDING OF REPURCHASES

Any repurchases will be made out of funds which are legally available for such purpose in accordance with the memorandum of association and the Articles, the applicable laws of the Cayman Islands and the GEM Listing Rules. The Cayman Islands laws provide that the amount of capital repaid in connection with a share repurchase may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on redemption may only be paid out of either the profit that would otherwise be available for distribution by way of dividend or out of share premium of the Company. Under the Cayman Islands laws, the repurchased shares will remain part of the authorised but unissued share capital of the Company.

If the Repurchase Mandate is exercised, the Directors intend to apply the profits that would otherwise be available for distribution by way of dividend for any purchase of its Shares. There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2024) in the event that the Repurchase Mandate is exercised in full. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

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

	Trading Prices	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2024		
June	0.540	0.510
July	0.670	0.500
August	0.850	0.600
September	0.720	0.600
October	0.790	0.580
November	0.640	0.550
December	0.580	0.500
2025		
January	0.610	0.450
February	0.620	0.500
March	0.540	0.450
April	0.480	0.385
May	0.475	0.370
June (up to the Latest Practicable Date)	0.410	0.380

6. UNDERTAKING AND GENERAL

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the Memorandum of Association and the Articles and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she/it has any present intention to sell Shares to the Company, nor has he/she/it undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. TAKEOVERS CODE

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

As at the Latest Practicable Date and to the best of the knowledge and belief of the Directors based on the register kept by the Company under Section 336 of the SFO, (i) Mr. Wu Jianwei and Mr. Liang Zihao, together with their associates and parties acting in concert with them, directly or indirectly, owns an aggregate of 296,911,225 Shares, representing approximately 31.14% of the issued share capital of the Company; and (ii) Mr. Li Man Keung Edwin, together with his associates and parties acting in concert with him, directly or indirectly, owns an aggregate of 104,104,613 Shares, representing approximately 10.92% of the issued share capital of the Company. Upon full exercise of the Repurchase Mandate and assuming that no further Shares are issued or repurchased prior to the date of the AGM, the aggregate shareholding of Mr. Wu Jianwei and Mr. Liang Zihao and their associates and parties acting in concert with them would be increased to approximately 34.60% of the issued share capital of the Company and the aggregate shareholding of Mr. Li Man Keung Edwin and his associates and parties acting in concert with him would be increased to approximately 12.13% of the issued share capital of the Company.

The Directors consider that such increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to repurchase Shares to an extent that will trigger the obligations under the Takeovers Code to make a mandatory offer. Further, the Directors will ensure that the Company will fully comply with the Takeovers Code when exercising the Repurchase Mandate. Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchase pursuant to the Repurchase Mandate.

In addition, in exercising the Repurchase Mandate (whether in full or otherwise), the Directors will ensure that the Company shall comply with the requirements of the GEM Listing Rules, including the minimum percentage of Shares being held in public hands.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares have been made by the Company during the past six months immediately preceding the Latest Practicable Date (whether on GEM or otherwise).

The following is a summary of the principal terms of the 2025 Share Award Scheme Rules to be considered and approved by Shareholders at the AGM. It does not form part of, nor is it intended to be part of, the 2025 Share Award Scheme Rules.

Purpose	The purpose of the 2025 Share Award Scheme is to provide the Company with a flexible means of, attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits Eligible Participants through aligning the interests of Eligible Participants with those of the Company and Shareholders by providing them with an opportunity to acquire proprietary interests in the Company and become Shareholders, and thereby encouraging Eligible Participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.
Awards	Awards granted under the 2025 Share Award Scheme shall be funded by new Shares.
Scheme administration	The 2025 Share Award Scheme shall be administered by the Scheme Administrator, being either the Board, the Remuneration Committee of the Board, and/or any committee of the Board or other person to whom the Board has delegated its authority to administer the 2025 Share Award Scheme in accordance with the 2025 Share Award Scheme Rules.
Eligible Participants	Eligible Participants are determined by the Scheme Administrator from time to time to be eligible to participate as grantees under the 2025 Share Award Scheme, and shall comprise Employee Participants only.

An Employee Participant is any person who is an employee (whether full-time or part-time), director or officer of any member of the Group on the Grant Date, including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with any member of the Group, provided that a person shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) any transfer of employment amongst members of the Group or any successor, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment.

In assessing the eligibility of Employee Participants, the Board will consider all relevant factors as appropriate, including, among others (i) their skills, knowledge, experience, expertise and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard; (iii) their contribution expected to be made to the growth of the Group with reference to their historical contribution; (iv) their length of engagement or employment with the Group; and (v) their educational and professional qualifications, and knowledge in the industry.

**Scheme Mandate
Limit**

The total number of Shares that may be issued pursuant to all Awards to be granted under this 2025 Share Award Scheme and all options and awards to be granted under any other share schemes of the Company (the “**Scheme Mandate Limit**”) shall not exceed 10% of the Shares in issue (excluding treasury shares) as at the Adoption Date.

Awards that have lapsed in accordance with the terms of the 2025 Share Award Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

Awards that have been cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

Refreshing the scheme limit

The Company may refresh the Scheme Mandate Limit as currently in place from time to time, with the approval of Shareholders at general meeting and in accordance with the New Chapter 23 (namely, Rule 23.03C of the GEM Listing Rules).

Maximum entitlement of each Eligible Participant

Unless approved by the Shareholders in the manner set out herein, the total number of Shares issued and to be issued in respect of all Awards granted under the 2025 Share Award Scheme together with all options and awards granted under any other share schemes of the Company to each Eligible Participant (excluding any options and awards lapsed) in any 12-month period up to and including the date of such grant shall not exceed 1% of the total number of Shares in issue (excluding Treasury Shares) on the date of such grant. Any further grant of Awards to an Eligible Participant which would exceed this limit shall be subject to the relevant requirements in the GEM Listing Rules, including:

- (a) separate approval of the Shareholders in general meeting with the relevant Eligible Participant and their close associates (or associates if the relevant Eligible Participant is a connected person) abstaining from voting;

- (b) a circular shall be sent to the Shareholders disclosing the information required to be disclosed under the GEM Listing Rules; and
- (c) the number and terms of the Awards to be granted to such Eligible Participant shall be fixed before the Shareholders' approval is sought.

Further approval requirements

Any grant of Awards 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 remuneration committee of the Board (excluding any member who is the proposed grantee) and the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee). In addition:

- (a) where any grant of Awards 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 the Awards granted under the 2025 Share Award Scheme and (if any) all awards granted under any other share scheme(s) (excluding any Awards and any other awards lapsed in accordance with the terms of the share schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares) on the date of such grant; or

- (b) where any grant of Awards to an independent non-executive Director or substantial shareholder of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued in respect of all the Awards granted under the 2025 Share Award Scheme and (if any) all options and awards granted under any other share scheme(s) (excluding any Awards and any other options and awards lapsed in accordance with the terms of the share schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of Shares in issue (excluding Treasury Shares) on the date of such grant;

such further grant of Awards must be approved by the Shareholders in general meeting in the manner required, and subject to the requirements set out, in the GEM Listing Rules. In particular, the Company must send a circular to the Shareholders. The Grantee, his 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 relevant requirements under Rules 17.47A, 17.47B and 17.47C of the GEM Listing Rules.

Grant of Awards

The Scheme Administrator may, from time to time, in its absolute discretion select any Eligible Participant to be a Grantee and, subject to the 2025 Share Award Scheme Rules and all applicable laws, rules and regulations (including the GEM Listing Rules), grant an Award to such Grantee at any time within the period of 10 years from the Adoption Date. The nature, amount, terms and conditions of any such Award so granted shall be determined by the Scheme Administrator in its sole and absolute discretion.

In determining the number of Shares to be subject to the Award, the Scheme Administrator shall specify the number of Shares the Grantee shall receive upon vesting.

The Company shall, in respect of each Award, on the Grant Date issue an Award Letter to each Grantee in such form as the Scheme Administrator may from time to time determine setting out the terms and conditions of the Award, which may include the number of Shares the Grantee will receive upon vesting, the vesting criteria and conditions, the Vesting Date, any minimum performance targets that must be achieved and any such other details as the Scheme Administrator may consider necessary, and requiring the Grantee to undertake to hold the Award on the terms of the Award Letter and be bound by the provisions of the 2025 Share Award Scheme Rules.

Acceptance

The Scheme Administrator may determine in its absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the Award Letter. Unless otherwise specified in the Award Letter, the Grantee shall have 10 Business Days from the Grant Date to accept the Award, following which, the portion not accepted by the Grantee shall automatically lapse.

Vesting period

The Scheme Administrator may determine the vesting period and specify such period in the Award Letter. The vesting period may not be for a period 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:

- (a) grants of “make whole” Awards to a new Employee Participant to replace the awards that the Employee Participant forfeited when leaving their previous employers;

- (b) grants of Awards that are subject to the fulfilment of performance targets as determined in the conditions of the Grantee's grant;
- (c) grants of Awards that are made in batches during a year for administrative and compliance reasons, in which case the vesting period may be shortened to take into account of the time from which the Award would have been granted if not for such administrative or compliance requirements;
- (d) grants of Awards with a mixed or accelerated vesting schedule such that the Awards vest evenly over a period of 12 months or such that the Awards vest by several batches with the first batch to vest within 12 months from the Grant Date and the last batch to vest after 12 months from the Grant Date; or
- (e) grants of Awards with a total vesting and holding period of more than 12 months.

Performance targets The Scheme Administrator may in respect of each Award and subject to all applicable laws, rules and regulations determine such performance targets or other criteria or conditions for vesting of Awards in its sole and absolute discretion on a case-by-case basis. Any such performance targets, criteria or conditions shall be set out in the Award Letter. The performance targets refer to any performance measures, or derivations of such performance measures that may be related to the individual Grantee or the Group as a whole, or to a subsidiary, division, department, region, function or business unit of the Company. The following general factors will be taken into account when deciding the performance targets to be attached to an Award, including but not limited to (i) the financial results, operation performance, business growth or other indicators of the Group (or any of its segments); and (ii) the contribution, work performance as well as other specific personal factors of the individual Grantee that the Scheme Administrator may consider relevant. The performance targets will be assessed periodically, on an absolute basis or a relative basis (such as relative to a pre-established target, to previous year's results or to a designated comparison group), in each case as specified by the Scheme Administrator in its sole discretion.

Where a Grantee is an independent non-executive Director, the vesting of Awards shall not be subject to performance target, unless the Scheme Administrator is satisfied that the existence of such target will not lead to any bias in the decision-making or compromise the objectivity and independence of such Grantee in the course of performance by him of his duties as an independent non-executive Director.

**Voting, dividend,
transfer and
other rights**

Awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights (including those arising on a liquidation of the Company). No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Shares underlying an Award are delivered to the Grantee pursuant to the vesting of such Award. Subject to the foregoing, the Shares to be delivered to the Grantee upon the vesting of the Award shall be subject to all the provisions of the Articles and shall rank *pari passu* in all respects with, and shall have the same dividends, transfer or other rights (including those arising on a liquidation of the Company) as the existing fully paid Shares in issue on the date on which those Shares are delivered pursuant to the vesting of the Award.

Clawback

In the event that:

- (a) a Grantee ceases to be an Eligible Participant by reason of the termination of his/her employment or contractual engagement with the Group for cause or without notice, or as a result of being charged/penalised/convicted of an offence involving the Grantee's integrity or honesty;
- (b) a Grantee has engaged in serious misconduct or breaches the terms, including with respect to a policy or code of or other agreement with the Group, which is considered to be material;
or
- (c) the Award to the Grantee will no longer be appropriate and aligned with the purpose of the Scheme,

then the Scheme Administrator may make a determination at its absolute discretion that: (A) any Awards issued to that Grantee but not yet vested shall immediately lapse, regardless of whether such Awards have vested or not, (B) with respect to any Award Shares issued or transferred to that Grantee, the Grantee shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a combination of (1) and (2), and/or (C) with respect to any Award Shares held by the Trustee for the benefit of the Grantee, those Award Shares shall no longer be held on trust for nor inure to the benefit of the Grantee.

Lapse of Awards

An Award shall lapse automatically upon the following events:

- (a) the clawback mechanism being triggered;
- (b) the expiry of any of the periods for accepting such Award;
- (c) in respect of Awards which are subject to performance target(s) or other vesting condition(s), the Grantee fails to satisfy any performance target(s) or such other condition(s) as set out in the Award Letter;
- (d) the Grantee breaching the rule against transferring such Award; and
- (e) the Grantee forfeiting such Award.

**Cancellation of
Awards**

The Scheme Administrator may cancel an Award with the prior consent of the Grantee.

Where the Company cancels an Award granted to an Eligible Participant and makes a new grant to the same Eligible Participant, such new grant may only be made within the available Scheme Mandate Limit approved by the Shareholders. The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

Duration of the 2025 Share Award Scheme	10 years commencing on the Adoption Date unless terminated earlier.
Amendment	<p>The Scheme Administrator may amend the 2025 Share Award Scheme or an Award granted under the 2025 Share Award Scheme, provided that:</p> <ul style="list-style-type: none">(a) the amendment must comply with the New Chapter 23; and(b) Shareholders' approval at general meeting is required for the following:<ul style="list-style-type: none">(i) any amendment or alteration to the terms and conditions of the 2025 Share Award Scheme that is of a material nature or any amendment or alteration to those provisions that relate to the matters set out in Rule 23.03 of the GEM Listing Rules to the advantage of Eligible Participants;(ii) any change to the authority of the Board or the Scheme Administrator to alter the terms of the 2025 Share Award Scheme; and(c) any amendment or alteration to the terms of an Award the grant of which was subject to the approval of a particular body shall be subject to approval by such body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of the 2025 Share Award Scheme.
Termination	<p>The 2025 Share Award Scheme shall terminate on the earlier of: (a) the 10th anniversary of the Adoption Date; and (b) such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights in respect of the Awards already granted to any Grantee.</p>

**Restrictions on
Transferability**

Awards shall be personal to the Grantee to whom they are made and shall not be assignable or transferable, except in circumstances where the written consent of the Company has been obtained and a waiver has been granted by the Stock Exchange for such transfer in compliance with the requirements of the GEM Listing Rules and provided that any such transferee agrees to be bound by the 2025 Share Award Scheme Rules and the relevant Award Letter as if the transferee were the Grantee.

**Restrictions on
Granting and
Vesting of Awards**

No Award shall be granted to any Eligible Participant nor shall a Vesting Date occur:

- (a) in circumstances prohibited by the GEM Listing Rules or at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the GEM Listing Rules (including the restriction on dealing in any securities of the listed issuer set out in GEM Listing Rules 5.56(a)) or by any other applicable rules, regulations or law;
- (b) where the Company is in possession of any unpublished inside information in relation to the Company, until (and including) the trading day after such inside information has been announced;
- (c) if any member of the Group is required under applicable laws, rules or regulations to issue a prospectus or other offer documents in respect of such grant or the Scheme;
- (d) where such grant or dealing in the Shares in respect of such grant would result in a breach by any member of the Group or any of its directors of any applicable laws, rules, regulations or codes in any jurisdiction from time to time;
- (e) in circumstances where the requisite approval from any applicable governmental or regulatory authority has not been obtained, provided that to the extent permissible in accordance with applicable laws, rules and regulations, an Award may be made conditional upon such approval being obtained;

- (f) in circumstances which would result in a breach of the Scheme Mandate Limit, provided that to the extent permissible in accordance with applicable laws, rules and regulations, an Award may be made conditional upon the Scheme Mandate Limit being refreshed or approval of Shareholders being otherwise obtained; or
- (g) where such Award is to a connected person and under the GEM Listing Rules requires the specific approval of Shareholders, until such approval of Shareholders is obtained, provided that to the extent permissible in accordance with applicable laws, rules and regulations, an Award may be made conditional upon such specific shareholder approval being obtained,

and any such grant or vesting so made (or made without being subject to the necessary conditions contemplated above) shall be null and void to the extent (and only to the extent) that it falls within the circumstances described above.

**Alterations in share
capital**

If there is an event of change in control of the Company as a result of a merger, scheme of arrangement or general offer, the Scheme Administrator shall at its sole discretion determine whether the Vesting Dates of any Awards will be accelerated and/or the vesting conditions or criteria of any Awards will be amended or waived, and notify the Grantees accordingly.

In the event of any alteration in the capital structure of the Company by way of capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of the share capital of the Company (other than as a result of an issue of Shares as consideration in a transaction) after the Adoption Date, the Scheme Administrator shall make such corresponding adjustments as the Scheme Administrator in its discretion may deem appropriate to reflect such change with respect to:

- (a) the number of Shares comprising the Scheme Mandate Limit, provided that in the event of any Share subdivision or consolidation the Scheme Mandate Limit as a percentage of the total issued Shares at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision; and
- (b) the number of Shares comprised in each Award to the extent any Award has not vested,

or any combination thereof, as the auditors or an independent financial adviser engaged by the Company for such purpose have certified to the Directors in writing that the adjustments (other than any made on a capitalisation issue) satisfy the relevant requirements of the GEM Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular Grantee, provided always that: (i) such adjustment should give each Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Grantee was previously entitled prior to such adjustments; and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The capacity of the auditors or the independent financial adviser (as the case may be) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees.

To the extent not otherwise determined by the Scheme Administrator in accordance with the above and the requirements of the GEM Listing Rules, the default method of adjustment for various alterations in share capital events are set out below:

Capitalisation issue *Adjustment of number of Shares underlying outstanding Awards*

$$Q = Q_0 \times (1 + n)$$

Where: Q_0 represents the number of Shares underlying outstanding Awards prior to adjustment; n represents the rate of increase per Share resulting from the capitalisation issue; Q represents the number of Shares underlying outstanding Awards after adjustment.

Rights issue*Adjustment of number of Shares
underlying outstanding Awards*

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: Q_0 represents the number of Shares underlying outstanding Awards prior to adjustment; P_1 represents the closing price of Shares on the record date; P_2 represents the subscription price of the rights issue of Shares; n represents the ratio of the rights issue allotment; Q represents the number of Shares underlying outstanding Awards after adjustment.

Share consolidation,
share subdivision
or reduction of
share capital

*Adjustment of number of Shares
underlying outstanding Awards*

$$Q = Q_0 \times n$$

Where: Q_0 represents the number of Shares underlying outstanding Awards prior to adjustment; n represents the ratio of share consolidation, share subdivision or reduction of share capital; Q represents the number of Shares underlying outstanding Awards after adjustment.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith and in compliance with the GEM Listing Rules, decides to allow a resolution which relates purely a procedural or administrative matter to be voted on by a show of hands. Therefore, each resolution set out in the AGM Notice which is put to vote at the AGM shall be decided by poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representatives, shall have one vote for every Share of which he/she is the holder.

A Shareholder present in person or by proxy or by authorised representatives who is entitled to more than one vote does not have to use all his/her votes (i.e., he/she can cast less votes than the number of Shares he/she holds or represents) or to cast all his/her votes the same way (i.e. he/she can cast some of his/her votes in favour of the resolution and some of his/her votes against the resolution).

The poll voting slip will be distributed to the Shareholders or their proxies or authorised representatives upon registration of attendance at the AGM. Shareholders who want to cast all their votes entitled may mark a “✓” in either “FOR” or “AGAINST” box corresponding to the resolution to indicate whether he/she supports that resolution. For Shareholders who do not want to use all their votes or want to split votes in casting a particular resolution shall indicate the number of votes cast on a particular resolution in the “FOR” or “AGAINST” box, where appropriate, but the total votes cast must not exceed his/her entitled votes, or otherwise, the voting slip will be spoiled and the Shareholder’s vote will not be counted.

After closing the poll, the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, will act as scrutineer and count the votes and the poll results will be published after the AGM.

NOTICE OF ANNUAL GENERAL MEETING



CORNERSTONE TECHNOLOGIES HOLDINGS LIMITED

基石科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8391)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of Cornerstone Technologies Holdings Limited (the “Company”) will be held at 21/F., Grand Millennium Plaza, 181 Queen’s Road Central, Sheung Wan, Hong Kong on Monday, 30 June 2025 at 3:00 p.m. for the purposes of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements and, together with the report of the Directors and report of the independent auditors of the Company for the year ended 31 December 2024.
2. To pass the following resolutions, each as a separate resolution:
 - (a) To re-elect Mr. Wu Jianwei as an executive Director;
 - (b) To re-elect Mr. Yip Shiu Hong as an executive Director;
 - (c) To re-elect Mr. Ho Karl as an executive Director;
 - (d) To re-elect Ms. Wu Yanyan as an executive Director;
 - (e) To re-elect Mr. Koh Herbin Puay Teck as a non-executive Director;
 - (f) To re-elect Ms. Ip Ka Lai as an independent non-executive Director;
 - (g) To re-elect Ms. So Sze Wan Lisa as an independent non-executive Director;
 - (h) To re-elect Mr. Li Michael Hankin as an independent non-executive Director;
 - (i) To authorise the board of Directors to fix the remuneration of the Directors.

NOTICE OF ANNUAL GENERAL MEETING

3. To re-appoint D & PARTNERS CPA LIMITED as independent auditors of the Company and to authorize the board of Directors to fix their remuneration.
4. As special business, to consider and, if thought fit, pass, with or without modification, the following resolutions as ordinary resolutions:

(A) **“THAT:**

- a. subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to allot, issue or deal with additional shares in the share capital of the Company or securities convertible into such shares and to make or grant offers, agreements, and options which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- b. the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- c. the total number of Shares to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to adoption or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of the subscription rights or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company and from time to time outstanding;

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the exercise of any option granted under the share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants as stipulated in such share option scheme or similar arrangement of shares or rights to acquire shares of the Company; or
- (iv) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time;

shall not exceed 20 per cent. of the total number of issued Shares as at the date of passing of this resolution and the said approval be limited accordingly; and

- d. for the purpose of this resolution:

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

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

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares of the Company open for a period fixed by the directors of the Company to holders of shares of the Company in the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangement as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or such stock exchange in any territory outside Hong Kong).”

(B) **“THAT:**

- a. subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase its own shares on the GEM of The Stock Exchange of Hong Kong Limited, subject to and in accordance with all applicable laws and regulations of Cayman Islands, articles of association of the Company and the requirements of the GEM Listing Rules as amended from time to time, be and is hereby generally and unconditionally approved;
- b. the total number of Shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent. of the total number of issued Shares as at the date of passing of this resolution and the said approval be limited accordingly; and
- c. for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of Cayman Islands to be held; and

NOTICE OF ANNUAL GENERAL MEETING

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

(C) “**THAT** subject to the passing of resolutions numbered 4(A) and 4(B), the total number of Shares which are to be purchased by the Company pursuant to the authority granted to the directors of the Company mentioned in resolution numbered 4(B) shall be added to the total number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to resolution numbered 4(A) above, provided that such amount shall not exceed 10 per cent. of the total number of issued Shares as at the date of passing of this resolution.”

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** the share award scheme, named as the 2025 Share Scheme (the “**2025 Share Award Scheme**”) proposed by the Board, a copy of which is produced to this meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification, with the Scheme Mandate Limit (as defined in the 2025 Share Award Scheme) of 10% of the total issued and outstanding Shares as at the date of the Shareholders’ approval of the 2025 Share Award Scheme, be and is hereby approved and adopted, and the Scheme Administrator (as defined in the 2025 Share Award Scheme) be and are hereby authorised to grant the awards (“**Awards**”), and do all such acts and execute all such documents as the Scheme Administrator may consider necessary or expedient in order to give full effect to the 2025 Share Award Scheme.”

By Order of the Board

Cornerstone Technologies Holdings Limited

LIANG Zihao

Co-Chairman and Executive Director

Hong Kong, 6 June 2025

Principal Place of Business in Hong Kong:

Office Units 1107-11

11th Floor, New East Ocean Centre

No. 9 Science Museum Road

Kowloon, Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the AGM (or at any adjournment thereof) is entitled to appoint one or (if he holds two or more shares) more proxies to attend and vote in his stead. 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 of his/her attorney duly authorised in writing, or if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.
3. Where there are joint registered holders of any shares, any one of such persons may vote at the AGM (or at any adjournment thereof), either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM 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 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 of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practise in Hong Kong), must be deposited with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time fixed for holding the AGM (i.e. not later than 3:00 p.m. on Saturday, 28 June 2025) or any adjournment thereof.
5. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 25 June 2025 to Monday, 30 June 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Tuesday, 24 June 2025.
6. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the AGM or any adjourned meeting (as the case may be) should he so wish and in such event, the proxy form previously served will be deemed to be revoked.
7. In compliance with the GEM Listing Rules, all resolutions to be proposed at the AGM will be voted by way of poll.
8. If a tropical cyclone warning signal No.8 or above is hoisted or "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force at any time after 7:00 a.m. on the date of the AGM, the AGM will be postponed. The Company will post an announcement on the respective websites of The Stock Exchange of Hong Kong Limited and the Company to notify members of the date, time and venue of the rescheduled meeting.
9. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this notice, the Board comprises Mr. LIANG Zihao, Mr. WU Jianwei, Mr. LI Man Keung Edwin, Mr. YIP Shiu Hong, Mr. HO Karl, Mr. PAN Wenyuan and Ms. WU Yanyan, the non-executive Director is Mr. KOH Herbin Puay Teck and the independent non-executive Directors are Ms. IP Ka Lai, Mr. LI Michael Hankin, Ms. SO Sze Wan Lisa and Mr. TAM Ka Hei Raymond.