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 your licensed securities dealer or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Star Shine Holdings Group Limited, 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 the transferee.

STAR SHINE HOLDINGS GROUP LIMITED
應星控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1440)

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO RENEWAL OF THE EXISTING FRAMEWORK AGREEMENT; (2) ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF EXISTING SHARE OPTION SCHEME; AND (3) NOTICE OF EGM

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

INCU Corporate Finance Limited

Capitalised terms used in this cover page have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 6 to 22 of this circular. A letter from the Independent Board Committee in respect of the New Framework Agreement and the Proposed Annual Caps is set out on page 23 of this circular. A letter of advice from INCU Corporate Finance Limited, the Independent Financial Adviser, in respect of the same to the Independent Board Committee and the Independent Shareholders is set out on pages 24 to 37 of this circular.

A notice convening the extraordinary general meeting of the Company to be held at 2102, 21/F, World Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Friday, 19 December 2025 at 11:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy is enclosed with this circular. Whether or not you are able to attend the EGM in person, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not later than 48 hours (i.e. 11:00 a.m. on Wednesday, 17 December 2025) before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. If you attend and vote in person at the EGM, the instrument appointing your proxy will be deemed to have been revoked. Such form of proxy is also published on the respective website of the Stock Exchange (www.hkexnews.hk) and the Company (www.starshineholdings.com).

2 December 2025

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

"30%-controlled company"	has the meaning ascribed to it in the Listing Rules
"Adoption Date"	the date of on which the New Share Option Scheme is conditionally adopted by resolution of the Company at a generally meeting of the Company
"Articles of Association"	the articles of association of the Company as amended, supplemented or otherwise modified from time to time and "Article" shall mean an article of the Articles of Association
"associate(s)"	has the meaning ascribed to it in the Listing Rules
"Board"	the board of Directors
"Business Day"	a day (other than a Saturday or a Sunday) on which licensed banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities
"Company"	Star Shine Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1440)
"connected person(s)"	has the meaning ascribed to it in the Listing Rules
"controlling shareholder"	has the meaning ascribed to it in the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	the extraordinary general meeting of the Company to be convened for the purpose of considering and approving (i) by the Independent Shareholders, and by way of ordinary resolution(s), the transactions contemplated under the New Framework Agreement (including the relevant Proposed Annual Caps); and (ii) by the Shareholders, and by way of an ordinary resolution, the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme

"Employee Participants"	directors (including executive, non-executive or independent non-executive Directors), chief executive and employees of the Company or any of its subsidiaries (including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts or director's service contracts with the Company or any of its subsidiaries), provided that the Board shall have absolute discretion to determine whether or not one falls within such category
"Existing Annual Caps"	the proposed annual cap(s) contemplated under the Existing Framework Agreement
"Existing Framework Agreement"	the framework agreement entered into by the Company and Mr. Tsoi dated 10 July 2023, in relation to the sales of footwear manufactured by Mr. Tsoi's Associated Companies to the Group
"Existing Share Option Scheme"	the existing share option scheme of the Company adopted on 16 December 2020
"family member(s)"	has the meaning ascribed to it in the Listing Rules
"Grantee"	any Participant who accepts an Offer in accordance with the terms of the New Share Option Scheme or (where the context permits) the personal representative(s) entitled to any such Option in consequence of the death of the original Grantee
"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"immediate family member(s)"	has the meaning ascribed to it in the Listing Rules
"Independent Board Committee"	the independent board committee of the Board, comprising all independent non-executive Directors, namely Mr. Chow Kit Ting, Dr. Chiu Kwok Hung, Justin and Mr. Mak Ming Hoi, established for the purpose of advising the Independent Shareholders in respect of the transactions contemplated under the New Framework Agreement (including the relevant Proposed Annual Caps)

"Independent Financial Advisor" or "INCU"	INCU Corporate Finance Limited, a corporation licensed to carry out business in Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions contemplated under the New Framework Agreement (including the relevant Proposed Annual Caps)
"Independent Shareholder(s)"	the Shareholder(s) other than Mr. Tsoi and his associates who will abstain from voting on the resolutions at the EGM in respect of the transactions contemplated under the New Framework Agreement
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which is/are independent and not connected with (within the meaning of the Listing Rules) any of the Directors, chief executive, substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates
"Latest Practicable Date"	28 November 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the main board maintained and operated by the Stock Exchange
"majority-controlled company"	has the meaning ascribed to it in the Listing Rules
"Mr. Tsoi"	Mr. Tsoi Wing Sing, an executive Director, the chairman of the Board and a controlling shareholder of the Company
"Mr. Tsoi's Associated Companies"	(i) a 30%-controlled company directly or indirectly held by Mr. Tsoi, his immediate family member(s) and/or the trustees (individually or together), or any of its subsidiaries; or (ii) a majority-controlled company held, directly or indirectly, by Mr. Tsoi's family members (individually or together), or held by Mr. Tsoi's family members together with Mr. Tsoi, his immediate family members and/or the trustees, or any of its subsidiaries.

"Ms. Tsoi"	Ms. Tsoi Lam Ki, an executive Director of the Company and the daughter of Mr. Tsoi
"New Delta"	New Delta Limited (新創基有限公司), a private limited company incorporated in Hong Kong
"New Framework Agreement"	the framework agreement entered into by the Company and Mr. Tsoi dated 7 November 2025, in relation to the sales of footwear manufactured by Mr. Tsoi's Associated Companies to the Group
"New Share Option Scheme"	the new share option scheme proposed to be adopted by the Company at the EGM under Ordinary Resolution No. 2
"Offer"	the offer of the grant of an Option to be made by the Board in accordance with the New Share Option Scheme
"Offer Date"	the date on which an Offer is made to a Participant
"Option(s)"	right(s) granted to the Participants to subscribe for Shares or (as the case may be) be transferred Treasury Shares (if any) pursuant to the terms of the New Share Option Scheme
"Option Period"	a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular Option is granted in accordance with the New Share Option Scheme
"Participants"	Employee Participants
"PRC"	the People's Republic of China, which shall for the purpose of this circular, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Proposed Annual Cap(s)"	the proposed annual cap(s) contemplated under the New Framework Agreement
"Putian Qiming"	莆田啟明鞋業有限公司 (Putian Qiming Shoes Co., Ltd.*), a limited company established in the PRC
"Qi Heng Xin"	QI HENG XIN FACTORY CO., LTD., a private limited company incorporated in Cambodia

"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	the price per Share at which a Grantee may subscribe for Shares or (as the case may be) be transferred Treasury Shares (if any) on the exercise of an Option pursuant to the terms of the New Share Option Scheme
"substantial shareholder(s)"	has the meaning ascribed to it in the Listing Rules
"Treasury Share(s)"	Share(s) repurchased and held by the Company in treasury (if any), as authorised or permitted by the laws and regulations of the Cayman Islands and/or the Articles of Association
"U.S."	the United States
"%"	per cent.

Certain amounts and percentage figures set out in this circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables and the currency conversion or percentage equivalents may not be an arithmetic sum of such figures.

* *For identification purposes only*

STAR SHINE HOLDINGS GROUP LIMITED
應星控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1440)

Executive Directors:
Mr. Tsoi Wing Sing *(Chairman)*
Mr. Lin Minqiang
Mr. Larry Stuart Torchin
Ms. Tsoi Lam Ki

Independent Non-executive Directors:
Mr. Chow Kit Ting
Dr. Chiu Kwok Hung, Justin
Mr. Mak Ming Hoi

Registered office in Cayman Islands:
71 Fort Street
P.O. Box 500
George Town
Grand Cayman KY1-1106
Cayman Islands

Principal place of business in Hong Kong:
Unit C, 21/F
Lee & Man Commercial Centre
169 Electric Road
North Point
Hong Kong

2 December 2025

To the Shareholders

Dear Sir or Madam,

(1) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO RENEWAL OF THE EXISTING FRAMEWORK AGREEMENT; (2) ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF EXISTING SHARE OPTION SCHEME; AND (3) NOTICE OF EGM

I. INTRODUCTION

The purpose of this circular is to provide you with, among other things, further information in respect of the continuing connected transactions in relation to the New Framework Agreement, together with the Proposed Annual Caps thereunder, and information relating to the proposed adoption of the New Share Option Scheme and termination of the Existing Share Option Scheme, to enable you to make an informed decision on whether to vote in favour of or against the relevant resolutions at the EGM.

II. RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

1. Background

Reference is made to (i) the announcement of the Company dated 10 July 2023 in relation to, among other things, the Existing Framework Agreement; and (ii) the announcement of the Company dated 7 November 2025 in relation to, among other things, the New Framework Agreement.

On 7 November 2025 (after trading hours), the Company entered into the New Framework Agreement with Mr. Tsoi, pursuant to which Mr. Tsoi's Associated Companies that own production facilities located in the PRC and/or Southeast Asia (as the case may be) shall manufacture and supply various footwear to the Group. As the Existing Framework Agreement will expire on 31 December 2025, the Company entered into the New Framework Agreement with Mr. Tsoi on 7 November 2025, on substantially the same terms as the Existing Framework Agreement, pursuant to which certain companies of Mr. Tsoi's Associated Companies will continue to manufacture and supply various footwear to the Group for a term of 3 years commencing from 1 January 2026 to 31 December 2028.

2. New Framework Agreement

The principal terms of the New Framework Agreement are set out below:

Date: 7 November 2025 (after trading hours)

Parties: (a) The Company; and

(b) Mr. Tsoi.

Nature of transactions: Subject to the fulfilment of the conditions precedent, Mr. Tsoi agreed that certain companies controlled by his associates that own production facilities located in the PRC and/or Southeast Asia (as the case may be) shall manufacture and supply various footwear to the Group. The specific type(s), quantity(ies) and other specifications of the footwear to be manufactured and supplied by Mr. Tsoi's Associated Companies will be subject to further written confirmation(s) between the members of the Group and Mr. Tsoi's Associated Companies on arm's length and on normal commercial terms from time to time and as necessary.

The annual transaction amounts shall not exceed the Proposed Annual Cap and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Duration:

The term of the New Framework Agreement shall be for a period commencing from 1 January 2026, or the date on which the New Framework Agreement is approved by the Independent Shareholders at the EGM, whichever is later, and ending on 31 December 2028, subject to early termination by any party therein giving at least three months' prior written notice to the other party.

The parties therein may extend or renew such term by mutual agreement, provided that the requirements under the relevant laws, regulations and the Listing Rules are complied with.

Conditions precedent:

The New Framework Agreement shall become effective upon the approval by the Independent Shareholders with respect to the entering into of the New Framework Agreement and the transactions contemplated therein having been obtained.

Pricing policy:

The prices payable by the members of the Group for the footwear manufactured by Mr. Tsoi's Associated Companies in accordance with the specifications of the members of the Group shall be subject to further written confirmation(s) between the members of the Group and Mr. Tsoi's Associated Companies, and be negotiated on arm's length and on normal commercial terms before a new purchase order for a new style of footwear is placed by a member of the Group.

In order to determine and ascertain that the price of the footwear to be supplied to the members of the Group under the New Framework Agreement and the terms offered by Mr. Tsoi's Associated Companies are (i) made on a fair and reasonable basis; (ii) in accordance with normal commercial terms; and (iii) comparable to those offered by Independent Third Parties, the members of the Group shall obtain fee quotation(s) from other comparable supplier(s) that is/are Independent Third Party(ies) for the manufacturing and supply of the same or comparable type, nature and quality of footwear in similar quantities.

The members of the Group shall only purchase from Mr. Tsoi's Associated Companies on terms no less favourable than those available to the members of the Group from comparable Independent Third Party suppliers.

Payment terms: The payment terms shall be no less favourable than those offered to the Group by Independent Third Parties and, in any case, the payment terms shall not be less than 30 calendar days from the completion of delivery. The actual settlement price and the payment method for each transaction shall be negotiated by the members of the Group and Mr. Tsoi's Associated Companies on an arm's length basis to ensure the relevant payment terms are fair and reasonable and on normal commercial terms.

3. Annual Caps

(i) Historical Transaction Amounts

The Existing Annual Caps in respect of the amounts payable by the Group to Mr. Tsoi's Associated Companies under the Existing Framework Agreement for the six months ended 31 December 2023, the year ended 31 December 2024 and the year ending 31 December 2025; and the actual transaction amount for the six months ended 31 December 2023, the year ended 31 December 2024 and the nine months ended 30 September 2025 are as follows:

	For the six months ended 31 December 2023 *(HK$' million)*	**For the year ended 31 December 2024** *(HK$' million)*	**For the year ending 31 December 2025** *(HK$' million)*
Existing Annual Caps	78.2	164.2	172.5

	For the six months ended 31 December 2023 *(HK$' million)*	**For the year ended 31 December 2024** *(HK$' million)*	**For the nine months ended 30 September 2025** *(HK$' million)*
Actual transaction amount	38.6	109.6	97.4
Utilisation rate	49%	67%	75%*Note1*

Note:

1. The utilisation rate is calculated by dividing the annualised amount based on the historical actual transaction amount for the nine months ended 30 September 2025 by the proposed annual cap for the year ending 31 December 2025.

As at the Latest Practicable Date and for the year ending 31 December 2025, the transaction amount of the transaction under the Existing Framework Agreement did not and is not expected to exceed the Existing Annual Cap for the year ending 31 December 2025.

The actual transaction amounts have shown a gradual increase from HK$38.6 million for the six months ended 31 December 2023 to an annualised amount of HK$129.0 million for the year ending 31 December 2025. With the increase in actual transaction amounts, utilisation rate improved from 49% for the six months ended 31 December 2023 to an annualised rate of 75% for the year ending 31 December 2025. The relatively low initial transaction amount and subsequent growth pattern reflects the time required to establish, optimise and streamline collaboration processes and logistics arrangements with Mr. Tsoi's Associated Companies. Following the enhancement of operational synergies, the growth in purchase volume and utilisation rate has contributed to gradual increase in actual transaction amounts, reflecting improvement in supply arrangement.

(ii) Proposed Annual Caps

The Proposed Annual Caps in respect of the amounts payable by the Group to Mr. Tsoi's Associated Companies under the New Framework Agreement for the three years ending 31 December 2026, 2027 and 2028 are as follows:

	For the year ending 31 December 2026 *(HK$' million)*	**For the year ending 31 December 2027** *(HK$' million)*	**For the year ending 31 December 2028** *(HK$' million)*
Proposed Annual Caps	172.5	172.5	172.5

(iii) Basis of Determination of Proposed Annual Caps

In arriving at the Proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028, the Company has considered the following principal factors:

(i) the historical purchase volume for the footwear products purchased from Mr. Tsoi's Associated Companies under the Existing Framework Agreement;

(ii) the historical purchase price for the footwear products purchased from Mr. Tsoi's Associated Companies under the Existing Framework Agreement;

(iii) the anticipated stable transaction amounts from existing customer demands; and

(iv) the anticipated purchase orders to suppliers for fulfilling new customer demands.

The annualised actual transaction amount for footwear products purchased from Mr. Tsoi's Associated Companies under the Existing Framework Agreement is expected to the approximately HK$129.0 million for the year ending 31 December 2025, demonstrating steady growth from HK$38.6 million for the six months ended 31 December 2023. The Company expects stable demand from existing footwear business and additional growth potential from new customers in the upcoming years. Accordingly, the Proposed Annual Caps of HK$172.5 million for each of the three years ending 31 December 2026, 2027 and 2028 have been determined with reference to the abovementioned basis. The Proposed Annual Caps are adequate to accommodate both the continuing demand from existing business and potential orders from new customers, while providing flexibility for strategic allocation of production to non-PRC facilities to enhance supply chain resilience and optimise tariff advantages amid ongoing Sino-American trade tensions.

4. Internal Control Measures to Ensure the Fairness and Reasonableness of the Transactions under the New Framework Agreement

In accordance with the Listing Rules, the Group will at all times comply with Rule 14A.34 and Rule 14A.51 to 14A.59 of the Listing Rules.

In order to safeguard the overall interests of the Company and the Shareholders, the Company has adopted the following internal control measures in order to regulate the Group's transactions with Mr. Tsoi's Associated Companies:

(i) the quotation team, the merchandising department and the accounting department of the Group shall ensure that the terms of all purchase orders are in compliance with the New Framework Agreement and the relevant departments and personnel must be satisfied that (i) all purchase orders are appropriately reviewed and approved; (ii) the pricing policies and internal procedures adopted by the Group have been fully complied with; (iii) each transaction thereunder is on normal commercial terms; (iv) the purchase price of the relevant products from Mr. Tsoi's Associated Companies are no less favourable than the prices offered by Independent Third Parties; and (v) the Proposed Annual Caps have not been and will not be exceeded having taking into account the details of the relevant purchase orders;

(ii) before a new purchase order for a new style of footwear is placed by a member of the Group, the Group's quotation team shall obtain at least two fee quotations from other comparable suppliers that are Independent Third Parties for the manufacturing and supply of the same or comparable type, nature and quality of footwear in similar quantities. These fee quotations shall then be reviewed and evaluated by the Group's quotation team and compared against the quote from Mr. Tsoi's Associated Companies to ensure that the quote from Mr. Tsoi's Associated Companies is on normal commercial terms and on terms no less favourable to the Group than those offered by Independent Third Parties. The Group will only accept a fee quotation submitted by Mr. Tsoi's Associated Companies if the terms offered by Mr. Tsoi's Associated Companies are competitive and comparable to those offered by other Independent Third Party suppliers;

(iii) the Group's accounting department will review the transactions with Mr. Tsoi's Associated Companies on a quarterly basis to identify any transactions that may be at risk of exceeding the Proposed Annual Caps;

(iv) the Group's accounting department will submit a quarterly report to the independent non-executive Directors for the purpose of reporting on the transactions with Mr. Tsoi's Associated Companies under the New Framework Agreement to enable the independent non-executive Directors to assess as to whether the transactions with Mr. Tsoi's Associated Companies under Framework Agreement have been in compliance with the Group's internal control measures and the terms of the New Framework Agreement; and

(v) transactions under the New Framework Agreement will be reviewed annually by the auditors of the Group and the independent non-executive Directors, and reported in the annual reports of the Company in order to ensure that the transactions carried out under the New Framework Agreement are in accordance with the terms and conditions of the New Framework Agreement, on normal commercial terms (or terms no less favourable than those offered by Independent Third Parties), and in accordance with the Group's pricing policy and the pricing principles stipulated under the Listing Rules.

5. Reasons for and Benefits of the Continuing Connected Transactions

The Group is primarily engaged in two main business segments: (i) lace and dyeing segment (including manufacturing of lace and provision of dyeing services) and (ii) footwear segment. In view of positive global footwear market trends and stringent environmental requirements for lace manufacturing and dyeing operations, the Group has been reallocating more resources to its footwear business.

The Group has maintained a stable relationship with Mr. Tsoi, who has served as executive Director, chairman of the Board and controlling shareholder since September 2022, with continuous involvement in the Group's footwear business. Mr. Tsoi's strong connection with his Associated Companies facilitates a stable long-term cooperation between the Group and these Associated Companies. This relationship enables efficient communication and operational benefits to the Group, including reliable delivery and timely response to quality issues.

Additionally, Mr. Tsoi's Associated Companies have served international footwear brands with a proven track record with its large production capacity exceeding 12 million pairs of footwear annually and over 2,500 employees. The collaboration between Mr. Tsoi's Associated Companies and the Group bring extensive manufacturing experience into the production process of the Group's footwear products. Meanwhile, their production facilities' strategic location near ports and airports provides logistical advantages and reduced transportation costs for the Group.

Given the ongoing Sino-American trade tensions, Mr. Tsoi's Associated Companies are not only able to provide access to non-PRC manufacturing options, but to help the Group support newly secured orders from new customers, with part of the products destined for the U.S. market.

Apart from that, the quality of products and production efficiency of Mr. Tsoi's Associated Companies have been satisfactory since the commencement of the Existing Framework Agreement. The Group's established internal control ensures that the pricing and terms offered by Mr. Tsoi's Associated Companies remain no less favourable than those offered by the Independent Third Party suppliers through regular procedures. These internal control, combined with the satisfactory performance under the Existing Framework Agreement, demonstrate that continuing the cooperation with Mr. Tsoi's Associated Companies is favourable to the Group.

Having considered the above factors, the Directors consider that the renewal of the Existing Framework Agreement by entering into the New Framework Agreement and the transactions contemplated therein (including the relevant Proposed Annual Caps) (i) have been entered into on normal commercial terms and in the ordinary and usual course of business of the Group; and (ii) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

6. Information on the Parties

The Company

The Company is an investment holding company. The Group is primarily engaged in two main business segments: (i) lace and dyeing segment (including manufacturing of lace and provision of dyeing services) and (ii) footwear segment. For lace and dyeing segment, the Group primarily manufactures and sells lace products to customers producing branded lingerie products on an order-by-order basis; and serves lace and swimwear manufacturers who provide their fabrics for dyeing before further fabrication. For footwear segment, the Group oversees the design, research and development and sourcing of footwear.

Mr. Tsoi and Mr. Tsoi's Associated Companies

Mr. Tsoi is an executive Director, the chairman of the Board and a controlling shareholder of the Company. As at the Latest Practicable Date, there are only three of Mr. Tsoi's Associated Companies, (i) Putian Qiming; (ii) Qi Heng Xin; and (iii) New Delta, which are qualified suppliers to supply the Group's footwear under the assessment, including location, capacity, background and experience of the factories, ethical practices and environment protection standards and the Company has no intention to include other Mr. Tsoi's Associated Company during the term of the New Framework Agreement.

To the best knowledge, information and belief of the Directors, after having made all reasonable enquiries, as at the Latest Practicable Date:

(i) Putian Qiming, a limited company established in the PRC on 31 January 2000, is principally engaged in the manufacture, retail and wholesale of footwear and bags, and is directly owned by Mr. Cai Rong Shou (the brother of Mr. Tsoi) and CALSON INVESTMENT LIMITED (啓星投資有限公司) ("**Calson**") as to 51% and 49%, respectively. Calson is a private company incorporated in Hong Kong and limited by shares and is directly wholly-owned by Ms. Tsoi Wing Yuet Willy (the sister of Mr. Tsoi). Mr. Tsoi is the supervisor of Putian Qiming;

(ii) Qi Heng Xin, a private limited company incorporated in Cambodia on 17 January 2023, is principally engaged in the manufacturing of shoes and bags, and is directly owned by Ms. Tsoi Wing Yuet Willy, Mr. Tsoi Pok Yeung (the son of Mr. Tsoi) and Mr. Tsoi Wing Ying (the brother of Mr. Tsoi) as to 45%, 40% and 15%; and

(iii) New Delta, a private limited company incorporated in Hong Kong on 22 September 2023, is principally engaged in the wholesale of footwear, and is directly wholly-owned by Qi Heng Xin.

7. Implications under the Listing Rules

As at the Latest Practicable Date, Mr. Tsoi is an executive Director, the chairman of the Board and a controlling shareholder of the Company. Accordingly, both Mr. Tsoi and Mr. Tsoi's Associated Companies are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the New Framework Agreement constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

The highest applicable percentage ratio for the Proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 under the New Framework Agreement exceeds 5%, the transactions contemplated under the New Framework Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Tsoi and Ms. Tsoi have material interest in the New Framework Agreement and the transactions contemplated thereunder, Mr. Tsoi and Ms. Tsoi abstained from voting on the Board resolutions approving the New Framework Agreement. Save as disclosed above, to the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, none of the Directors has any material interest in the New Framework Agreement and was required to abstain from voting on the Board resolutions approving the New Framework Agreement.

III. PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF EXISTING SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company on 16 December 2020 which remains in force for a period of ten years from its adoption date. In view of the amendments to Chapter 17 of the Listing Rules relating to share option schemes of listed issuers which became effective in January 2023, the Directors propose to recommend to the Shareholders to approve the adoption of the New Share Option Scheme which complies with the requirements of Chapter 17 of the Listing Rules and to terminate the Existing Share Option Scheme at the EGM. An ordinary resolution will be proposed to approve the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme at the EGM. So far as the Directors are aware, as at the Latest Practicable Date, none of the Shareholders is required to abstain from voting on the said ordinary resolution.

As at the date of this circular, no share option has been granted or agreed to be granted under the Existing Share Option Scheme. Upon termination of the Existing Share Option Scheme, no further options will be granted thereunder. The Board confirms that it will not grant any options under the Existing Share Option Scheme prior to the EGM. As at the Latest Practicable Date, the Board had no intention to grant any Options under the New Share Option Scheme.

Conditions of the New Share Option Scheme

The New Share Option Scheme will take effect upon satisfaction of the following conditions:

(i) passing of an ordinary resolution by the Shareholders in general meeting to:

  (a) approve the adoption of the New Share Option Scheme and to authorise the Board to grant Options to subscribe for Shares thereunder and to allot and issue Shares or (as the case may be) to transfer Treasury Shares (if any), pursuant to the exercise of any Options granted under the New Share Option Scheme; and

  (b) approve the termination of the Existing Share Option Scheme; and

(ii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options granted under the New Share Option Scheme.

An application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme. The New Share Option Scheme will become effective and the Existing Share Option Scheme will be terminated immediately upon the fulfillment of all the conditions for adoption of the New Share Option Scheme as referred to in the above.

None of the above conditions are waivable or had been fulfilled or waived as at the Latest Practicable Date.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,260,000,000 Shares. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date and the Adoption Date, the maximum number of Shares which may be issued (including any Treasury Shares (if any) which may be transferred) upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme(s) of the Company and the awards to be granted under any share award scheme(s) of the Company that involve(s) the issuance of new Shares (if any), in aggregate will be 126,000,000 Shares, representing 10% of the Shares in issue as at the Adoption Date. As at the Latest Practicable Date, the Company had no Treasury Shares.

Explanation of the terms of the New Share Option Scheme

A summary of the principal terms of the rules of the New Share Option Scheme, including the provisions relating to the matters required under Rule 17.03 of the Listing Rules, is set out in Appendix II hereto.

The purpose of the New Share Option Scheme is to:

(a) recognise and acknowledge the contributions that Participants have or may have made or may make to any member(s) of the Group (whether directly or indirectly);

(b) attract, retain and motivate Participants to strive for future developments and expansion of the Group;

(c) enhance the Group's business and employees relationship; and/or

(d) provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants.

In determining the basis of eligibility of each Participant, the Board would mainly take into account the experience of the Participant on the Group's business, the length of service of the Participant with the Group, the amount of contribution or potential contribution the Participant has made or is likely to make towards the success of the Group, the Participant's individual performance, their time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, and such other factors as the Board may at its discretion consider appropriate. The Board believes that through the grant of Options, such Participants will have a common goal to expand and further develop the Group's business and therefore aligns with the purpose of the New Share Option Scheme.

Although independent non-executive Directors also fall within the categories of Participants, the Company is mindful of the recommended best practices under E.1.9 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules which provides that issuers generally should not grant equity-based remuneration (e.g. share options or grants) with performance-related elements to independent non-executive Directors as they may lead to bias in their decision-making and compromise their objectivity and independence. Notwithstanding the above, the Company is of the view that independent non-executive Directors are important members of the Board and their contribution to the independence and impartiality of the Board is an important element for the Shareholders and investors of the Company to assess the performance and corporate governance of the Company. Therefore, it is important for the Company to be able to include them as one of the Participants in order to attract and retain suitable independent non-executive Directors so that they can continue to contribute to the success of the Company.

The Board is of the view that the independence and impartiality of the independent non-executive Directors will not be impaired by any potential grant of Options under the New Share Option Scheme for the following reasons: (i) the independent non-executive Directors are required to comply with the independence requirement under Rule 3.13 of the Listing Rules; (ii) the remuneration committee of the Company and the Board will consider whether the package offered to independent non-executive Directors may affect the independent non-executive Directors' objectivity and independence and it is expected that any equity-based remuneration that may be granted by the Company to any independent non-executive Director will make reference to the prevailing market benchmark as well as the time and effort devoted by such Director and such grant (if any) will only form part of (but not the integral of) the independent non-executive Director's remuneration package; and (iii) in the event that the Company decides to grant any Options to any independent non-executive Director, the Company will comply with the applicable requirements under the Listing Rules including, in particular, the recommended best practice under E.1.9 of Appendix C1 to the Listing Rules whereby any grants to them will not include any performance-related elements.

As at the Latest Practicable Date, the Company had no plan or intention to grant Options to any independent non-executive Director under the New Share Option Scheme.

Save for the circumstances stated below, the vesting period for Options shall not be less than 12 months. The Board may at its discretion grant a shorter vesting period to a Participant in the following circumstances:

(a) grants of "make-whole" Option(s) to new joiners as Participants to replace the share options or share awards they forfeited when leaving the previous employers;

(b) grants of Options to a Participant whose employment is terminated due to death or occurrence of any out-of-control event;

(c) grants of Options to a Participant that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons had to wait for the subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;

(d) grants of Options to a Participant with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; or

(e) grants of Options to a Participant with performance-based vesting conditions in lieu of time-based vesting criteria as determined in the conditions of the grants.

To ensure the practicability in fully attaining the purpose of the New Share Option Scheme, the Board and the remuneration committee of the Company are of the view that (i) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the Options holder(s), such as those set out in paragraphs (a) to (c) above; (ii) there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified as set out in (d) above; and (iii) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances as set out in paragraph (e) above. Such discretion gives the Company more flexibility to (i) adapt to exceptional and justified circumstances; and (ii) attract talents or reward exceptional performers with accelerated vesting. As such, the Board and the remuneration committee of the Company are of the view that the shorter vesting period prescribed above is appropriate and aligns with the purpose of the New Share Option Scheme.

There is no performance target stipulated under the terms of the New Share Option Scheme which a Grantee is required to achieve before any Option can be exercised. However, the Board has the discretion to require at the time of grant of an Option any particular Grantee to achieve such performance targets as the Board may then specify in the offer letter of the Option before such Option granted can be exercised by such Grantee. While the performance targets will be imposed on a case-by-case basis to ensure the Options vested would be beneficial to the Group, general factors the Company may take into account include but not limited to (i) aggregate amount of revenue or business generated by the specific Grantee during a financial year; (ii) annual results of the Company, annual growth on the revenue of the Group as compared to the immediately preceding financial year and performance of the Group; and (iii) any measurable performance benchmark which the Board considers relevant to the Grantee, including key performance indicators of respective department(s) and/or business unit(s) to which the Grantee belongs, individual position, annual appraisal result and performance of the Grantee, and contributions made by the Grantee to the Group. The methods for assessing how the performance target(s) (if any) are satisfied include but not limited to setting specific targets, establishing a measurement period, evaluating actual performance against these targets, and making any necessary adjustments for exceptional circumstances according to changes in market conditions.

Upon the occurrence of any of the following events in relation to a Grantee (and whether an event is to be regarded as having occurred for the purpose of this paragraph is subject to the sole determination of the Board), the Board may, at its sole discretion, propose that no further Options shall be granted to such Grantee and/or to claw back such Options granted to such Grantee and such Options shall lapse automatically:

(a) the Grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance or has breached any non-competition or non-disclosure agreement entered into with any member of the Group;

(b) the Grantee has contravened the relevant laws and regulations of the applicable jurisdiction and/or the provisions of the articles of association or constitutional documents of any member of the Group;

(c) the Grantee has, during his/her tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of any member of the Group;

(d) the Grantee has been sanctioned by the Stock Exchange, or was subject to any disciplinary actions imposed by the Securities and Futures Commission or has been convicted of any criminal offence; or

(e) the Grantee has failed to discharge, or failed to discharge properly his/her duties, or fail to comply with the internal policy of any member of the Group and/or his/her employment agreement with the Company or any member of the Group and which, in the sole opinion of the Board, resulted in serious loss in asset to any member of the Group and/or other serious and adverse consequence to any member of the Group.

The above clawback mechanism is intended to ensure the protection of the Group's assets and reputation, and that the incentives provided under the New Share Option Scheme remain aligned with the New Share Option Scheme's overall purposes of recognising contributions, attracting and retaining talent and enhancing the Group's business and employees relationship.

Subject to any adjustments made pursuant to the effects of reorganisation of capital structure, the Subscription Price in respect of each Share issued or each Treasury Share transferred pursuant to the exercise of Options granted shall be a price determined by the Board and notified to a Participant and shall be at least the higher of:

(a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; and

(b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Offer Date.

The Board is of the view that subject to the Listing Rules and the rules of the New Share Option Scheme, by giving the Board the discretion to offer Options to Participants in flexible terms, in particular, (i) determining the eligibility of the Participants and the Subscription Price; (ii) prescribing a vesting period before Options can be exercised (which can be shorter than 12 months under certain circumstances); (iii) requiring the Participants to achieve performance targets as may be stipulated in the offer letter of the grant of the Options before such Options can be exercised by the Grantee; and (iv) setting clawback mechanism for the Company to claw back Options granted under certain circumstances, the Group will be in a better position to attract and retain eligible Participants to continue serving the Group whilst at the same time providing them with further incentives in achieving the goals of the Group, and thereby, to achieve the overall purpose of the New Share Option Scheme.

No trustee was appointed under the New Share Option Scheme. None of the Directors is or will be a trustee of the New Share Option Scheme or has any direct or indirect interest in the trustees of the New Share Option Scheme, if any.

None of the Directors has a material interest and was required to abstain from voting on the Board resolutions approving the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme.

Pursuant to the Note (1) to Rule 17.03(2) of the Listing Rules, the Company has sought legal advice on the prospectus requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in relation to the New Share Option Scheme proposed to be adopted and understands that exemptions may be available from the prospectus registration requirements, provided that the grant of Options made by the Company under the New Share Option Scheme to the Participants fall within the said exemptions, and in which case the adoption of the New Share Option Scheme would not constitute an offer to public, and the prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) are not applicable.

IV. EGM

The Company proposes to convene an EGM for the purpose of considering and approving (i) by the Independent Shareholders, and by way of ordinary resolution(s), the transactions contemplated under the New Framework Agreement (including the relevant Proposed Annual Caps); and (ii) by the Shareholders, and by way of an ordinary resolution, the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme.

A notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM dated 2 December 2025 has also been published on the websites of the Company and the Stock Exchange. The EGM will be held at 11:00 a.m. on Friday, 19 December 2025 at 2102, 21/F, World Wide House, 19 Des Voeux Road Central, Central, Hong Kong.

As at the Latest Practicable Date, Glorious Way holds 363,500,000 Shares, representing approximately 28.85% of the issued share capital of the Company; Mr. Tsoi holds 25,000,000 Shares, representing approximately 1.98% of the issued share capital of the Company; Mr. Tsoi and Glorious Way control or are entitled to control over the voting rights in respect of 388,500,000 Shares, representing 30.83% of the issued share capital of the Company; Ms. Tsoi Wing Yuet Willy (the sister of Mr. Tsoi) holds 55,825,000 Shares, representing approximately 4.43% of the issued share capital of the Company; Mr. Tsoi Wing Ying (the brother of Mr. Tsoi) holds 9,050,000 Shares, representing approximately 0.72% of the issued share capital of the Company; Mr. Tsoi Pok Yeung (the son of Mr. Tsoi) holds 2,565,000 Shares, representing approximately 0.20% of the issued share capital of the Company; Ms. Tsoi Lam Ki (the daughter of Mr. Tsoi) holds 2,735,000 Shares representing approximately 0.22% of the issued share capital of the Company; and Mr. Cai Rong Shou (the brother of Mr. Tsoi) holds 2,230,000 Shares, representing approximately 0.18% of the issued share capital of the Company.

Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder who has a material interest in the transaction must abstain from voting on the resolution relating to the New Framework Agreement (including the relevant Proposed Annual Caps). Therefore, Mr. Tsoi, Glorious Way, Ms. Tsoi Wing Yuet Willy, Mr. Tsoi Wing Ying, Mr. Tsoi Pok Yeung, Ms. Tsoi and Mr. Cai Rong Shou will abstain from voting on the resolutions with respect to the transactions contemplated under the New Framework Agreement (including the relevant Proposed Annual Caps) at the EGM. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, apart from Mr. Tsoi, Glorious Way, Ms. Tsoi Wing Yuet Willy, Mr. Tsoi Wing Ying, Mr. Tsoi Pok Yeung, Ms. Tsoi and Mr. Cai Rong Shou, no other Shareholder has a material interest in the New Framework Agreement and the transactions contemplated thereunder and shall abstain from voting on the resolution at the EGM with respect to the New Framework Agreement and the transactions contemplated thereunder. Article 79 of the Articles of Association provides that on a poll, every Shareholder present in person or by proxy shall have one vote for every Share of which he is the holder which is fully paid or credited as fully paid. An announcement on the poll vote results will be made by the Company after the EGM, in the manner prescribed under Rule 13.39(5) of the Listing Rules.

The register of members of the Company will be closed from Tuesday, 16 December 2025 to Friday, 19 December 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 15 December 2025.

Whether or not you intend to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of e proxy form shall not preclude you from attending, and voting in person at the EGM or any adjournment thereof if you so desire and, in such event, the instrument appointing a proxy will be deemed to be revoked.

V. RECOMMENDATIONS

Your attention is drawn to the letter of recommendation from the Independent Board Committee as set out on page 23 of this circular which contains its recommendation to the Independent Shareholders on the terms of the New Framework Agreement (including the relevant Proposed Annual Caps). Your attention is also drawn to the letter of advice received from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, as set out on pages 24 to 37 of this circular which contains, among other things, its advice to the Independent Board Committee and the Independent Shareholders in relation to the terms of the New Framework Agreement (including the relevant Proposed Annual Caps), the casting of votes for or against the resolution(s) approving the New Framework Agreement (including the relevant Proposed Annual Caps) as well as the principal factors and reasons considered by it in concluding its advice.

The Directors (including the independent non-executive Directors but excluding Mr. Tsoi who has a material interest in the transactions contemplated hereunder as described in the section headed "7. Implications under the Listing Rules" of this circular above) are of the view that the terms of the New Framework Agreement (including the relevant Proposed Annual Caps) have been entered into on normal commercial terms and in the ordinary and usual course of business of the Group, are fair and reasonable and in the interests of the Company and its Shareholders as a whole, and they recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) at the EGM in relation to renewal of the Existing Framework Agreement.

The Directors (including the independent non-executive Directors) also consider that the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the EGM in relation to the adoption of the New Share Option Scheme and the termination of the Existing Share Option Scheme.

VI. ADDITIONAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
STAR SHINE HOLDINGS GROUP LIMITED
Tsoi Wing Sing
Chairman

STAR SHINE HOLDINGS GROUP LIMITED
應星控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1440)

2 December 2025

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS IN RELATION TO THE RENEWAL OF THE EXISTING FRAMEWORK AGREEMENT

We refer to the circular of the Company dated 2 December 2025 (the "**Circular**") of which this letter forms part. Unless the content requires otherwise, capitalised terms used in this letter shall have the same meanings as defined in the Circular.

Under the Listing Rules, the transactions contemplated under the New Framework Agreement constitute continuing connected transactions of the Company, and the terms of the New Framework Agreement and the transactions contemplated thereunder are subject to the approval of the Independent Shareholders at the EGM.

We have been appointed by the Board to consider the terms of the New Framework Agreement and the transactions contemplated thereunder and to advise the Independent Shareholders as to whether the terms of the New Framework Agreement are fair and reasonable so far as the Company and the Independent Shareholders are concerned and the Proposed Annual Caps are entered into accordance with normal commercial terms, and is in the interests of the Company and the Shareholders as a whole. INCU has been appointed as the Independent Financial Adviser to advise us and you in this respect.

We wish to draw your attention to the "Letter from the Board" and the "Letter from the Independent Financial Adviser" as set out in the Circular.

Having considered the information set out in the "Letter from the Board" and taking into account the principal factors and reasons considered by, and the advice of, the Independent Financial Adviser as set out in its letter of advice, we are of the view that the New Framework Agreement and the transactions contemplated thereunder (including the Proposed Annual Caps), on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

Accordingly, we recommend you to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the New Framework Agreement and the transactions contemplated thereunder (including the Proposed Annual Caps).

Yours faithfully,
Mr. Chow Kit Ting
Dr. Chiu Kwok Hung, Justin
Mr. Mak Ming Hoi
Independent Board Committee

The following is the text of a letter of advice from INCU Corporate Finance Limited, which has been prepared for the purpose of incorporation into this circular, setting out its opinion to the Independent Board Committee and the Independent Shareholders in connection with the New Framework Agreement, the transactions contemplated thereunder and the Proposed Annual Caps.

INCU Corporate Finance Limited
Unit 1402, 14/F, Winsome House
73 Wyndham Street
Central, Hong Kong

2 December 2025

To the Independent Board Committee
and the Independent Shareholders of
Star Shine Holdings Group Limited

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTION IN RELATION TO RENEWAL OF THE EXISTING FRAMEWORK AGREEMENT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the New Framework Agreement, the transactions contemplated thereunder (the "**Proposed Continuing Connected Transaction**") and the Proposed Annual Caps. Details of which are set out in the "Letter from the Board" (the "**Letter from the Board**") contained in the circular of the Company dated 2 December 2025 (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to (i) the announcement of the Company dated 10 July 2023 in relation to, among other things, the Existing Framework Agreement; and (ii) the announcement of the Company dated 7 November 2025 in relation to, among other things, the New Framework Agreement. On 7 November 2025 (after trading hours), the Company entered into the New Framework Agreement with Mr. Tsoi, pursuant to which Mr. Tsoi's Associated Companies that own production facilities located in the PRC and/or Southeast Asia (as the case may be) shall manufacture and supply various footwear to the Group. As the Existing Framework Agreement will expire on 31 December 2025, the Company entered into the New Framework Agreement with Mr. Tsoi on 7 November 2025, on substantially the same terms as the Existing Framework Agreement, pursuant to which certain companies of Mr. Tsoi's Associated Companies will continue to manufacture and supply various footwear to the Group for a term of 3 years commencing from 1 January 2026 to 31 December 2028.

As at the Latest Practicable Date, Mr. Tsoi is an executive Director, the chairman of the Board and a controlling shareholder of the Company. Accordingly, both Mr. Tsoi and Mr. Tsoi's Associated Companies are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the New Framework Agreement constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Listing Rules.

The highest applicable percentage ratio for the Proposed Annual Caps for the three years ending 31 December 2026, 2027 and 2028 under the New Framework Agreement exceeds 5%, the transactions contemplated under the New Framework Agreement are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As Mr. Tsoi and Ms. Tsoi have material interest in the New Framework Agreement and the transactions contemplated thereunder, Mr. Tsoi and Ms. Tsoi abstained from voting on the Board resolutions approving the New Framework Agreement. Save as disclosed above, to the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, none of the Directors has any material interest in the New Framework Agreement and was required to abstain from voting on the Board resolutions approving the New Framework Agreement.

THE INDEPENDENT BOARD COMMITTEE

An Independent Board Committee comprising all independent non-executive Directors, namely Mr. Chow Kit Ting, Dr. Chiu Kwok Hung, Justin and Mr. Mak Ming Hoi, has been established to advise the Independent Shareholders in respect of the terms of the New Framework Agreement and the transaction contemplated thereunder and the Proposed Annual Caps and as to whether the New Framework Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms and the terms of the Proposed Continuing Connected Transaction and the Proposed Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole, taking into account our recommendation.

We, INCU Corporate Finance Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

We have not acted as an independent financial adviser and has not provided any other services to the Company during the past two years. As at the Latest Practicable Date, we are not aware of any relationships or interests between us and the Company or any other parties that could be reasonably be regarded as hindrance to our independence as defined under Rule 13.84 of Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Continuing Connected Transaction and the Proposed Annual Caps. We are not associated with the Company, its subsidiaries, its associates or their respective substantial shareholders or associates or any other parties to the Proposed Continuing Connected Transaction and the Proposed Annual Caps, and accordingly, are eligible to give independent advice and recommendations on the terms of the Proposed Continuing Connected Transaction and the Proposed Annual Caps. Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates or any other parties that could reasonably be regarded as relevant to our independence.

BASIS OF OUR OPINION

In formulating our opinion, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and/or provided to us by the Company and the management of the Group. We have assumed that all statements, information, opinions and representations contained or referred to in the Circular and/or provided to us were true, accurate and complete at the time they were made and continued to be so as at the Latest Practicable Date. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed by them in the Circular have been arrived at after due and careful consideration and there are no other material facts not contained in the Circular, the omission of which would make any such statement made by them that contained in the Circular misleading in all material respects. We have no reason to doubt the truth or accuracy of the information provided to us, or to believe that any material information has been omitted or withheld. We will notify the Shareholders of any material change of information in the Circular up to the date of EGM.

Our review and analysis were based upon, among others, (i) the information provided by the Group including the Circular, the Existing Framework Agreement, the New Framework Agreement and certain published information from the public domain, including but not limited to, the annual report of the Company for the year ended 31 December 2024 (the "**Annual Report 2024**") and interim report of the Company for the six months ended 30 June 2025 (the "**Interim Report 2025**"); and (ii) our discussion with the Directors and the management of the Group with respect to the terms of and the reasons for entering into of the New Framework Agreement. We have not, however, for the purpose of this exercise, conducted any in-depth independent investigation into the businesses or affairs and future prospects of the Group nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In assessing the Proposed Continuing Connected Transaction, together with the Proposed Annual Caps, and in giving our recommendation to the Independent Board Committee and the Independent Shareholders, we have taken into account the following principal factors and reasons:

1. Background of the Group, Mr. Tsoi and Mr. Tsoi's Associated Companies

1.1 Background of the Group

The Company is an investment holding company. The Group is principally engaged in two main business segments: (i) lace and dyeing segment (including manufacturing of lace and provision of dyeing services) (the "**Lace and Dyeing Business**") and (ii) footwear segment (the "**Footwear Business**"). For Lace and Dyeing Business, the Group primarily manufactures and sells lace products to customers producing branded lingerie products on an order-by-order basis; and serves lace and swimwear manufacturers who provide their fabrics for dyeing before further fabrication. For Footwear Business, the Group oversees the design, research and development and sourcing of footwear. According to the Interim Report 2025, prior to 1 January 2025, there were three reportable and operating segments, namely (i) manufacturing of lace; (ii) provision of dyeing services; and (iii) Footwear Business. From 1 January 2025, the management of the Group has changed the presentation and the updated reportable segments comprise (i) Lace and Dyeing Business, which is aggregated by the former manufacturing of lace and provision of dyeing services segments; and (ii) Footwear Business.

1.2 Financial information of the Group

The following table sets out the financial performance of the Group for the year ended 31 December 2023 ("**FY2023**") and 31 December 2024 ("**FY2024**") respectively as extracted from the Annual Report 2024 and for the six months ended 30 June 2024 ("**HY2024**") and 30 June 2025 ("**HY2025**") respectively as extracted from the Interim Report 2025:

	FY2023	**FY2024**	**HY2024**	**HY2025**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(audited)	(audited)	(unaudited)	(unaudited)
Revenue				
Lace and Dyeing Business				
– Manufacturing of lace	20,690	14,421	7,342	5,244
– Dyeing services	53,287	64,932	31,656	34,489
	73,977	79,353	38,998	39,733
Footwear Business	243,376	505,188	234,399	248,873
Total revenue	**317,353**	**584,541**	**273,397**	**288,606**
(Loss) for the year/period attributable to the owners of the Company	**(10,091)**	**(12,753)**	**(948)**	**(22,511)**

FY2023 vs FY2024

The Group's revenue for FY2024 was approximately RMB584.54 million, representing an increase of approximately RMB267.19 million or 84.2% as compared to approximately RMB317.35 million for FY2023. According to the Annual Report 2024, the increase in revenue was the combined effect of (i) the decrease in revenue of manufacturing of lace of approximately RMB6.27 million resulted from intensive competition, which led to a reduction in orders from customers; (ii) the increase in revenue of dyeing services of approximately RMB11.65 million as a result of increase in dyeing orders from customers; and (iii) substantial growth in Footwear Business, with revenue rising from approximately RMB243.38 million for FY2023 to approximately RMB505.19 million for FY2024, as a result of high volume of orders placed by an international customer during FY2024. The revenue from the Footwear Business accounted for approximately 76.7% and 86.4% of the total revenue of the Group for FY2023 and FY2024 respectively.

The Group's loss for the year attributable to the owners of the Company for FY2024 was approximately RMB12.75 million, representing an increase of approximately RMB2.66 million or 26.4% as compared to approximately RMB10.09 million for FY2023. The increase in loss was mainly due to (i) the increase in staff costs as a result of the increased average headcounts; and (ii) the increase in interest expenses resulted from unsecured interest-bearing borrowings drawn at the end of 2023, which were fully repaid during FY2024.

HY2024 vs HY2025

The Group's revenue for HY2025 was approximately RMB288.61 million, representing an increase of approximately RMB15.21 million or 5.6% as compared to approximately RMB273.40 million for HY2024. According to the Interim Report 2025, the increase in revenue was the combined effect of (i) the decrease in revenue of manufacturing of lace of approximately RMB2.10 million due to intensive competition resulting in decrease of orders from customers; (ii) the increase in revenue of dyeing services of approximately RMB2.83 million as a result of an immediate effect from some nearby factories' mismanagement or closures, redirecting orders to the Group; and (iii) the increase in revenue of the Footwear Business of approximately RMB14.47 million as a result of increasing orders before implementation of tariff. The revenue from the Footwear Business accounted for approximately 85.7% and 86.2% of the total revenue of the Group for HY2024 and HY2025 respectively.

The Group's loss for the period attributable to the owners of the Company for HY2025 was approximately RMB22.51 million, representing an increase of approximately RMB21.56 million or 2,269.5% as compared to approximately RMB0.95 million for HY2024. The increase in loss was mainly due to (i) share of loss of a joint venture of approximately RMB8.05 million as a result of the one-off installation cost to set up the museum brand of an iconic Portuguese footballer, Mr. Cristiano Ronaldo dos Santos Aveiro in Hong Kong; (ii) the increase in administrative expenses of approximately RMB4.99 million as a result of the increase in number of top and senior staff and initial legal and consulting costs for different potential new projects; and (iii) the increase in impairment loss on property, plant and equipment of approximately RMB4.45 million in Lace and Dyeing Business as a result of the impairment assessment result, which was impacted by multiple extraordinary external factors, such as temporary inflation in fuel prices, regional tariffs briefly disrupting end demand and intensive competition in the domestic market.

1.3 Background of Mr. Tsoi and Mr. Tsoi's Associated Companies

Mr. Tsoi is an executive Director, the chairman of the Board and a controlling shareholder of the Company. As at the Latest Practicable Date, there are only three of Mr. Tsoi's Associated Companies, (i) Putian Qiming; (ii) Qi Heng Xin; and (iii) New Delta, which are qualified suppliers to supply the Group's footwear under the assessment, including location, capacity, background and experience of the factories, ethical practices and environment protection standards, and the Company has no intention to include other Mr. Tsoi's Associated Company during the term of the New Framework Agreement.

Putian Qiming, a limited company established in the PRC on 31 January 2000, is principally engaged in the manufacture, retail and wholesale of footwear and bags, and is directly owned by Mr. Cai Rong Shou (the brother of Mr. Tsoi) and CALSON INVESTMENT LIMITED (啓星投資有限公司) ("**Calson**") as to 51% and 49%, respectively. Calson is a private company incorporated in Hong Kong and limited by shares and is directly wholly-owned by Ms. Tsoi Wing Yuet Willy (the sister of Mr. Tsoi). Mr. Tsoi is the supervisor of Putian Qiming.

Qi Heng Xin, a private limited company incorporated in Cambodia on 17 January 2023, is principally engaged in the manufacturing of shoes and bags, and is directly owned by Ms. Tsoi Wing Yuet Willy, Mr. Tsoi Pok Yeung (the son of Mr. Tsoi) and Mr. Tsoi Wing Ying (the brother of Mr. Tsoi) as to 45%, 40% and 15%, respectively.

New Delta, a private limited company incorporated in Hong Kong on 22 September 2023, is principally engaged in the wholesale of footwear, and is directly wholly-owned by Qi Heng Xin.

2. Reasons for and benefits of the Proposed Continuing Connected Transaction

The Group is primarily engaged in two main business segments: (i) the Lace and Dyeing Business and (ii) the Footwear Business. In view of positive global footwear market trends and stringent environmental requirements for lace manufacturing and dyeing operations, the Group has been reallocating more resources into its footwear business.

According to the World Footwear Yearbook 2025 published by the World Footwear, an initiative of APICCAPS, the Portuguese Footwear, Components and Leather Goods Manufacturers' Association, the total quantity of footwear exports from the PRC was approximately 9,203 million pairs of footwear in 2024, representing a compound decrease of approximately 0.6% as compared to that in 2022. Although the PRC maintained its dominant position, the total quantity of footwear exports from the PRC accounted for approximately 63.8% in 2023 and decreased to approximately 62.2% in 2024. As advised by the management of the Company, the footwear customers of the Group diversify and shift part of their sourcing to other countries, especially the Southeast Asian countries, in response to ongoing trade tensions between the United States and China.

The trade tensions between the United States and China have increased tariffs goods made in China by the United States, resulting many American companies to shift sourcing to Southeast Asia to reduce costs. According to the World Footwear Yearbook 2025, Cambodia's footwear export ranking improved from the top 10 in 2022, with approximately 190 million pairs of footwear exported, to the top 8 in 2024, exporting approximately 207 million pairs of footwear. This growth highlights Cambodia's increasing importance in the global footwear industry. Mr. Tsoi's Associated Companies including Putian Qiming, Qi Heng Xin and New Delta. Qi Heng Xin in aggregate has a total production area of approximately 57,695 square meters in Cambodia with an annual production volume of approximately 12 million pairs of footwear. As advised by the management of the Company, the transportation networks surrounding Mr. Tsoi's Associated Companies' production facilities are well-developed, especially the production facilities of Mr. Tsoi's Associated Companies which are near ports and airports which could provide logistical advantages and reduce the transportation cost. The Group has maintained a stable relationship with Mr. Tsoi, who has served as an executive Director, the chairman of the Board and a controlling shareholder since September 2022, with continuous involvement in the Group's footwear business. Mr. Tsoi's strong connection with Mr. Tsoi's Associated Companies facilitates a stable long-term cooperation between the Group and Mr. Tsoi's Associated Companies. This relationship enables efficient communication and operational benefits to the Group, including reliable delivery and timely response to quality issues. While identifying and assessing suitable suppliers in Southeast Asia can be time-consuming, Mr. Tsoi's Associated Companies provide immediate access to non-PRC manufacturing options. The Group has generally been satisfied with the quality of footwear products supplied by Mr. Tsoi's Associated Companies which has been one of the qualified suppliers of the Group since July 2023. By entering into the New Framework Agreement, the Company can diversify its source of supply, thereby strengthening supply chain in response to ongoing trade tensions, and provide reliable supply of footwear with consistent quality for the Group.

Having considered that (i) the Footwear Business is one of the ordinary and usual course of business of the Group, which contributed over 86% of the total revenue of the Group for FY2024 and HY2025 as discussed in the paragraph headed "1.2 Financial information of the Group" above; (ii) Mr. Tsoi's Associated Companies possess extensive experience and substantial production capacity in manufacturing of footwear; (iii) the long-term business relationship with Mr. Tsoi's Associated Companies, together with their production capabilities, demonstrates their ability to provide reliable support to the Group, including timely delivery of orders and a stable supply of footwear of consistent quality; and (iv) in light of the ongoing Sino-American trade tensions, Mr. Tsoi's Associated Companies are able to provide access to non-PRC manufacturing alternatives, enabling the Group to support both existing and new customers with diversified sourcing options, including fulfilling orders destined for the U.S. market, we are of the view that the Proposed Continuing Connected Transaction is in the ordinary and usual course of business of the Group and entering into of the New Framework Agreement is in the interests of the Company and the Shareholders as a whole.

3. New Framework Agreement

3.1 Principal terms of the New Framework Agreement

On 7 November 2025 (after trading hours), the Company entered into the New Framework Agreement with Mr. Tsoi, pursuant to which Mr. Tsoi's Associated Companies that own production facilities located in the PRC and/or Southeast Asia (as the case may be) shall manufacture and supply various footwear to the Group. As the Existing Framework Agreement will expire on 31 December 2025, the Company entered into the New Framework Agreement with Mr. Tsoi on 7 November 2025, on substantially the same terms as the Existing Framework Agreement, pursuant to which certain companies of Mr. Tsoi's Associated Companies will continue to manufacture and supply various footwear to the Group for a term of 3 years commencing from 1 January 2026 to 31 December 2028.

The principal terms of the New Framework Agreement are summarized as follows:

Date: 7 November 2025 (after trading hours)

Parties: (1) The Company; and

(2) Mr. Tsoi.

Nature of transactions:

Subject to the fulfilment of the conditions precedent, Mr. Tsoi agreed that certain companies controlled by his associates that own production facilities located in the PRC and/or Southeast Asia (as the case may be) shall manufacture and supply various footwear to the Group. The specific type(s), quantity(ies) and other specifications of the footwear to be manufactured and supplied by Mr. Tsoi's Associated Companies will be subject to further written confirmation(s) between the members of the Group and Mr. Tsoi's Associated Companies on arm's length and on normal commercial terms from time to time and as necessary.

The annual transaction amounts shall not exceed the Proposed Annual Caps and if exceeded, the Company will comply with the relevant Listing Rules accordingly.

Duration:

The term of the New Framework Agreement shall be for a period commencing from 1 January 2026, or the date on which the New Framework Agreement is approved by the Independent Shareholders at the EGM, whichever is later, and ending on 31 December 2028, subject to early termination by any party therein giving at least three months' prior written notice to the other party.

The parties therein may extend or renew such term by mutual agreement, provided that the requirements under the relevant laws, regulations and the Listing Rules are complied with.

Conditions precedent:

The New Framework Agreement shall become effective upon the approval by the Independent Shareholders with respect to the entering into of the New Framework Agreement and the transactions contemplated therein having been obtained.

Pricing policy:

The prices payable by the members of the Group for the footwear manufactured by Mr. Tsoi's Associated Companies in accordance with the specifications of the members of the Group shall be subject to further written confirmation(s) between the members of the Group and Mr. Tsoi's Associated Companies, and be negotiated on arm's length and on normal commercial terms before a new purchase order for a new style of footwear is placed by a member of the Group.

In order to determine and ascertain that the price of the footwear to be supplied to the members of the Group under the New Framework Agreement and the terms offered by Mr. Tsoi's Associated Companies are (i) made on a fair and reasonable basis; (ii) in accordance with normal commercial terms; and (iii) comparable to those offered by Independent Third Parties, the members of the Group shall obtain fee quotation(s) from other comparable supplier(s) that is/are Independent Third Party(ies) for the manufacturing and supply of the same or comparable type, nature and quality of footwear in similar quantities.

The members of the Group shall only purchase from Mr. Tsoi's Associated Companies on terms no less favourable than those available to the members of the Group from comparable Independent Third Party suppliers.

For further details of the New Framework Agreement, please refer to the Letter from the Board.

We have reviewed and compared the terms of the New Framework Agreement and the Existing Framework Agreement and note that, other than (a) extension of the term of the Existing Framework Agreement to 31 December 2028; and (b) Proposed Annual Caps, there has been no material change between the terms of the two aforesaid agreements.

For our due diligence purpose, we have (i) obtained and reviewed the purchase control policy and procedures of the Group; (ii) obtained and reviewed a full purchase list for the six months ended 31 December 2023, the year ended 31 December 2024 and nine months ended 30 September 2025; and (iii) reviewed and compared 30 sample copies of historical transaction records, including purchase orders and invoices, in respective of the purchases made by the Group to independent third parties and Mr. Tsoi's Associated Companies. The samples under review represent the top 5 purchase transactions of the footwear between the Group and Mr. Tsoi's Associated Companies for each of the period (a) from 1 July 2023, being the commencement date of the continuing connected transactions, to 31 December 2023, being the year end of the Company; (b) the year ended 31 December 2024; and (c) the period from 1 January 2025 to 30 September 2025. Each selected continuing connected transaction sample will be compared with the sample of transactions with independent third parties on the same corresponding period with a similar product. Therefore, each period includes a total of 10 samples of continuing connected transactions and transactions with independent third parties. We consider the above selection criteria is fair and reasonable for our analysis as the samples covered all the footwear over the term of the Existing Framework Agreement and all samples of continuing connected transactions represent the top 5 transactions of such period. After reviewing the selected sample copies of historical transaction records, we note that (i) each purchase transaction was made in compliance with the Group's purchase control policy; and (ii) the purchase prices of the footwear offered by Mr. Tsoi's Associated Companies to the Group, were no less favourable than those offered by independent third parties within the same period.

Having considered that (i) the adequate pricing policy and internal control measures after reviewing the documents; (ii) the purchase prices of the footwear offered by Mr. Tsoi's Associated Companies to the Group, were no less favourable than those offered by independent third parties for the same period; (iii) flexibility for the Group to choose purchase of the footwear from independent third parties if the Group has better offer; and (iv) reasons for and benefits of entering into of the New Framework Agreement as discussed in the section headed "2. Reasons for and benefits of the Proposed Continuing Connected Transaction" above, we are of the view that the terms of the New Framework Agreement are on normal commercial terms, in the ordinary and usual courses of business of the Company and in accordance with the pricing policy of the Group and fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

4. Proposed Annual Caps

The Proposed Annual Caps in respect of the amounts payable by the Group to Mr. Tsoi's Associated Companies under the New Framework Agreement for the three years ending 31 December 2026, 2027 and 2028 are as follows:

	For the year ending 31 December		
	2026	**2027**	**2028**
	(HK$' million)	*(HK$' million)*	*(HK$' million)*
Proposed Annual Caps	172.5	172.5	172.5

As stated in the Letter from the Board, the annualised actual transaction amount for footwear products purchased from Mr. Tsoi's Associated Companies under the Existing Framework Agreement is expected to be approximately HK$129.0 million for the year ending 31 December 2025, demonstrating steady growth from HK$38.6 million for the six months ended 31 December 2023. The Company expects stable demand from existing footwear business and additional growth potential from new customers in the upcoming years. Accordingly, the Proposed Annual Caps of HK$172.5 million for each of the three years ending 31 December 2026, 2027 and 2028 have been determined with reference to (i) the historical purchase volume from Mr. Tsoi's Associated Companies under the Existing Framework Agreement; (ii) the historical purchase price from Mr. Tsoi's Associated Companies under the Existing Framework Agreement; (iii) the anticipated stable transaction amounts from existing customer demands; and (iv) the anticipated purchase orders to suppliers for fulfilling new customer demands. The Proposed Annual Caps are adequate to accommodate both the continuing demand from existing business and potential orders from new customers, while providing flexibility for strategic allocation of production to non-PRC facilities to enhance supply chain resilience and optimize tariff advantages amid ongoing Sino-American trade tensions.

The historical transaction amounts and the annual caps for the transactions under the Existing Framework Agreement were as follows:

	Existing Annual Caps *(HK$' million)*	**Actual transaction amounts** *(HK$' million)*
For the six months ended 31 December 2023	78.2	38.6
Year ended 31 December 2024	164.2	109.6
Year ending 31 December 2025	172.5	N/A
For the nine months ended 30 September 2025	N/A	97.4

Based on the above information, we note that the utilisation rate was approximately 49%, 67% and 75% (after the actual transaction amount being annualised) for the six months ended 31 December 2023, the year ended 31 December 2024 and the nine months ended 30 September 2025, respectively. As stated in the Letter from the Board, the relatively low initial transaction amount and subsequent growth pattern reflects the time required to establish, optimize and streamline collaboration processes and logistics arrangements with Mr. Tsoi's Associated Companies. Following the enhancement of operational synergies, the growth in purchase volume and utilization rate has contributed to gradual increase in actual transaction amounts, reflecting improvement in supply arrangement. As at the Latest Practicable Date and for the year ending 31 December 2025, the transaction amount of the transaction under the Existing Framework Agreement did not and is not expected to exceed the Existing Annual Cap for the year ending 31 December 2025.

To assess the fairness and reasonableness of the Proposed Annual Caps, we reviewed calculation breakdown and discussed with the management of the Company, in particular,

(i) the utilisation rate for FY2025 is already approximately 75% (after the actual transaction amount being annualised) under the Existing Annual Caps of HK$172.5 million for FY2025 as shown above. Based on our discussion with the management of the Company, as at the Latest Practicable Date, the Company has received requests for quotations from new customers for the sale of footwear in 2026, which is expected to further increase the purchase amount from connected person;

(ii) the purchase volume of approximately 4.9 million pairs of footwear for each of the financial years ending 31 December 2026, 2027 and 2028 is estimated with reference to the actual sales volume of approximately 4.2 million pairs of footwear for the nine months ended 30 September 2025 and the new customers' order for 2026 in the calculation breakdown we have reviewed;

(iii) as discussed in the paragraph headed "1.2 Financial information of the Group" above, the revenue of Footwear Business for HY2025 showed an insignificant increase of approximately 6% compared to HY2024, remaining relatively stable at approximately RMB234.40 million and RMB248.87 million for HY2024 and HY2025, respectively;

(iv) the on-going trade tensions between the United States and China have led to the imposition of additional tariffs on goods manufactured in China, which increases trading costs and creates uncertainty for global supply chains in macro-economic environment, as discussed in the paragraph headed "2. Reasons for and benefits of the Proposed Continuing Connected Transaction" above; and

(v) benefits of securing the sustainable supply of footwear with consistent quality from Mr. Tsoi's Associated Companies in both PRC and outside PRC as discussed in the paragraph headed "2. Reasons for and benefits of the Proposed Continuing Connected Transaction" above.

Therefore, we agree with the management of the Company to adopt a conservative approach to estimate annual caps for each of the financial years ending 31 December 2026, 2027 and 2028, remaining stable over the three years based on the Existing Annual Caps of HK$172.5 million for FY2025 and we consider that the Proposed Annual Caps under the New Framework Agreement are fair and reasonable.

5. Internal control

As stated in the Letter from the Board, in order to safeguard the overall interests of the Company and the Shareholders, the Company has adopted the following internal control measures in order to regulate the Group's transactions with Mr. Tsoi's Associated Companies:

(i) the quotation team, the merchandising department and the accounting department of the Group shall ensure that the terms of all purchase orders are in compliance with the New Framework Agreement and the relevant departments and personnel must be satisfied that (i) all purchase orders are appropriately reviewed and approved; (ii) the pricing policies and internal procedures adopted by the Group have been fully complied with; (iii) each transaction thereunder is on normal commercial terms; (iv) the purchase price of the relevant products from Mr. Tsoi's Associated Companies are no less favourable than the prices offered by Independent Third Parties; and (v) the Proposed Annual Caps have not been and will not be exceeded having taking into account the details of the relevant purchase orders;

(ii) before a new purchase order for a new style of footwear is placed by a member of the Group, the Group's quotation team shall obtain at least two fee quotations from other comparable suppliers that are Independent Third Parties for the manufacturing and supply of the same or comparable type, nature and quality of footwear in similar quantities. These fee quotations shall then be reviewed and evaluated by the Group's quotation team and compared against the quote from Mr. Tsoi's Associated Companies to ensure that the quote from Mr. Tsoi's Associated Companies is on normal commercial terms and on terms no less favourable to the Group than those offered by Independent Third Parties. The Group will only accept a fee quotation submitted by Mr. Tsoi's Associated Companies if the terms offered by Mr. Tsoi's Associated Companies are competitive and comparable to those offered by other Independent Third Party suppliers;

(iii) the Group's accounting department will review the transactions with Mr. Tsoi's Associated Companies on a quarterly basis to identify any transactions that may be at risk of exceeding the Proposed Annual Caps;

(iv) the Group's accounting department will submit a quarterly report to the independent non-executive Directors for the purpose of reporting on the transactions with Mr. Tsoi's Associated Companies under the New Framework Agreement to enable the independent non-executive Directors to assess as to whether the transactions with Mr. Tsoi's Associated Companies under New Framework Agreement have been in compliance with the Group's internal control measures and the terms of the New Framework Agreement; and

(v) transactions under the New Framework Agreement will be reviewed annually by the auditors of the Group and the independent non-executive Directors, and reported in the annual reports of the Company in order to ensure that the transactions carried out under the New Framework Agreement are in accordance with the terms and conditions of the New Framework Agreement, on normal commercial terms (or terms no less favourable than those offered by Independent Third Parties), and in accordance with the Group's pricing policy and the pricing principles stipulated under the Listing Rules.

Accordingly, we have reviewed the documents of the internal control measures in respect of the Proposed Continuing Connected Transaction. Based on our review on documents of the internal control measures and the documents of the historical transactions of the continuing connected transactions under the Existing Framework Agreement, which were selected as samples for our assessment on the terms of the New Framework Agreement as discussed above in this letter, we consider the internal control measures are adequate and effective to ensure that the Proposed Continuing Connected Transaction will be on normal commercial terms and no less favourable to the Group than those offered by independent third parties.

RECOMMENDATION

Taking into account the above principal factors and reasons, we consider that the terms of the New Framework Agreement, including the Proposed Annual Caps and the transactions contemplated thereunder, are on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to recommend to the Independent Shareholders, as well as the Independent Shareholders, to vote in favour of the ordinary resolution to approve the Proposed Continuing Connected Transaction and the Proposed Annual Caps.

Yours faithfully,
For and on behalf of
INCU Corporate Finance Limited

Gina Leung	**Psyche So**
Managing Director	*Associate Director*

Ms. Gina Leung is a licensed person registered with the SFC and a responsible officer of INCU Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. She has over 20 years of experience in the corporate finance industry and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

Ms. Psyche So is a licensed person registered with the SFC and a responsible officer of INCU Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. She has over nine years of experience in the corporate finance industry and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

At the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying share and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which were required (i) to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

(i) Interest in the ordinary shares of the Company

Name of Director or chief executive	**Long position/ short position**	**Capacity and nature of interest**	**Number of Shares held**	**Percentage of shareholding in the Company** *(Approximate)*
Mr. Tsoi Wing Sing *(Note 1)* ("**Mr. Tsoi**")	Long position	Interests of controlled corporation and beneficial owner	388,500,000	30.83%
Mr. Lin Minqiang *(Note 2)* ("**Mr. Lin**")	Long position	Interests of controlled corporation and interest held jointly with other persons	50,400,000	4.00%
Ms. Tsoi Lam Ki	Long position	Beneficial owner	2,735,000	0.22%
Mr. Leung Ping Tak Peter *(Note 3)* ("**Mr. Leung**")	Long position	Interests of controlled corporation	200,000	0.01%

(ii) Interest in the ordinary shares of an associated corporation

Name of Director	Name of associated corporation	Long position/ short position	Capacity and nature of interest	Number of Shares held	Percentage of shareholding in the associated corporation *(Approximate)*
Mr. Tsoi *(Note 1)*	Glorious Way Investments Limited ("**Glorious Way**")	Long position	Beneficial owner	1	100%

Notes:

1. Mr. Tsoi (i) directly and beneficially holds 1.98% of the shares of the Company; and (ii) beneficially owns 100% of the issued shares of Glorious Way, which in turn holds 28.85% of the shares of the Company. Mr. Tsoi is a director of Glorious Way. Therefore, Mr. Tsoi is deemed, or taken to be interested in the shares of the Company held by Glorious Way for the purpose of the SFO and in aggregate holds 30.83% of the shares of the Company.

2. These Shares are held by Deyong Investment Co., Ltd ("**Deyong Investment**"). Deyong Investment is an investment holding company incorporated in the British Virgin Islands (the "**BVI**") and is owned by Mr. Lin as to 60%. Mr. Lin is a director of Deyong Investment. Therefore, Mr. Lin is deemed or taken to be interested in the Shares held by Deyong Investment for the purposes of the SFO.

3. These Shares are held by IntegriCore Limited, which is a wholly-owned subsidiary of Legacy Fortitude Limited. Legacy Fortitude Limited is wholly-owned by Resolute Dynamics Limited, which is in turn wholly-owned by Mr. Leung. Therefore, Mr. Leung is deemed, or taken to be interested in the Shares of the Company held by IntegriCore Limited for the purpose of the SFO and in aggregate holds 0.01% of the Shares of the Company.

Save as disclosed below, at the Latest Practicable Date, none of the Directors nor the chief executive of the Company nor their respective associates had or was deemed to have any interests or short positions in any Shares, underlying share and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules, to be notified to the Company and the Stock Exchange.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors and the chief executive of the Company, the persons (other than the Directors and chief executives of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were recorded in the register required to be kept by the Company under section 336 of the SFO were as follows:

Name of Director	**Long position/ short position**	**Capacity and nature of interest**	**Number of Shares held**	**Percentage of shareholding in the Company** *(Approximate)* *(%)*
Glorious Way *(Note 1)*	Long position	Beneficial owner	363,500,000	28.85%
Ms. Wu Chor Har *(Note 2)* ("**Ms. Wu**")	Long position	Interest of spouse	388,500,000	30.83%

Notes:

1. Glorious Way is an investment holding company incorporated in the BVI and is wholly owned by Mr. Tsoi.

2. Ms. Wu is the spouse of Mr. Tsoi. Therefore, Ms. Wu is deemed or taken to be interested in the Shares which Mr. Tsoi is interested in for the purposes of the SFO.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any other persons (other than Directors or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were recorded in the register required to be kept by the Company under section 336 of the SFO.

4. DIRECTORS' SERVICE CONTRACTS

At the Latest Practicable Date, none of the Directors had entered, or proposed to enter into any existing or proposed service contract or service agreement with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. COMPETING INTERESTS

At the Latest Practicable Date, none of the Directors or their respective close associates was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. DIRECTORS' INTEREST IN ASSETS/CONTRACTS AND OTHER INTERESTS

(a) At the Latest Practicable Date, none of the Directors had any interest, directly or indirectly, in any assets which, since 31 December 2024 (being the date to which the latest published audited financial statements of the Company were made up) had been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group.

(b) There was no contract or arrangement subsisting as at the Latest Practicable Date in which any Director was materially interested in and which was significant in relation to the business of the Group.

7. EXPERT AND CONSENT

The qualification of the expert who has given opinions and advice in this circular is as follows:

Name	Qualification
INCU Corporate Finance Limited	a corporation licensed to carry out business in Type 6 (advising on corporate finance) regulated activity under the SFO

The expert named above confirmed that, as at the Latest Practicable Date (i) it did not have any beneficial shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; (ii) it did not have any direct or indirect interests in any assets which have since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group; and (iii) it had given and had not withdrawn its written consent to the issue of this Circular with the inclusion of its letter and references to its name and its letter in the form and context in which they respectively appear.

8. MATERIAL ADVERSE CHANGE

As disclosed in the Company's profit warning announcement dated 15 August 2025 and interim result announcement for the six months ended 30 June 2025 dated 27 August 2025, the Group has recorded an increase in net loss for the six months ended 30 June 2025, which mainly due to (i) multiple extraordinary external factors impacting the lace and dyeing business, such as inflation in fuel prices, regional tariffs and one-time disposal loss; (ii) further impairment loss on property, plant and equipment because of the deteriorating business performance of the lace and dyeing business; and (iii) a one-off installation cost to set up the CR7® LIFE Museum Hong Kong.

As at the Latest Practicable Date, save as aforementioned, the Directors were not aware of any material adverse change in the financial or trading position of the Company since 31 December 2024, being the date of which the latest published audited financial statements of the Company were made up.

9. MATERIAL LITIGATION

As at the Latest Practicable Date, the Company is not engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened against the Company.

10. MATERIAL CONTRACTS

Save as the New Framework Agreement, no material contract (not being a contract entered into in the ordinary course of business) has been entered into by any member of the Group within the two years immediately preceding the date of this circular and up to the Latest Practicable Date.

11. GENERAL

(1) The registered office of the Company is at 71 Fort Street, P.O. Box 500, George Town, Grand Cayman, KY1-1106, Cayman Islands.

(2) The principal place of business of the Company in the PRC is at No. 3888, Chigang Hanxin Road, Jiangkou Town, Hanjiang District, Putian City Fujian, the PRC.

(3) The place of business of the Company in Hong Kong is at Unit C, 21/F Lee & Man Commercial Center, 169 Electric Road, North Point, Hong Kong.

(4) The branch share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

(5) The company secretary of the Company is Ms. Xu Jing who possesses the necessary qualification and experience, and is capable of performing the functions of a company secretary.

12. DOCUMENTS AVAILABLE ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.starshineholdings.com) for a period of 14 days from the date of this circular:

(1) a copy of the rules of the New Share Option Scheme;

(2) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the text of which is set out in this Circular;

(3) the New Framework Agreement; and

(4) the written consent referred to in the section headed "7. EXPERT AND CONSENT" in this appendix.

The following is a summary of the principal terms of the rules of the New Share Option Scheme. It does not form part of, nor is it intended to be part of the rules of the New Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the New Share Option Scheme. The Directors reserve the right at any time prior to the EGM to make such amendments to the New Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix:

(1) PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is for the Company to:

(a) recognise and acknowledge the contributions that Participants have or may have made or may make to any member(s) of the Group (whether directly or indirectly);

(b) attract, retain and motivate Participants to strive for future developments and expansion of the Group;

(c) enhance the Group's business and employees relationship; and/or

(d) provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants.

(2) PARTICIPANTS OF THE NEW SHARE OPTION SCHEME AND THE BASIS OF DETERMINING ELIGIBILITY OF PARTICIPANTS

In determining the basis of eligibility of each Participant, the Board would mainly take into account the experience of the Participant on the Group's business, the length of service of the Participant with the Group, the amount of contribution or potential contribution the Participant has made or is likely to make towards the success of the Group, the Participant's individual performance, their time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, and such other factors as the Board may at its discretion consider appropriate.

(3) MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

Subject to the Listing Rules:

(a) The total number of Shares which may be issued together with the total number of Treasury Shares which may be transferred (if any) in respect of all Options to be granted under the New Share Option Scheme shall not (when aggregated with any Shares subject to any other share option scheme(s) and share award scheme(s) of the Company that involve(s) the issuance of new Shares and/or transfer of Treasury Shares) in aggregate exceed 126,000,000 Shares, representing 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the date of approval of the New Share Option Scheme by the Shareholders ("**Scheme Mandate Limit**"), unless the Company obtains an approval from its Shareholders pursuant to sub-paragraphs 3(b) to 3(e) below.

(b) The Company may seek approval of its Shareholders in general meeting for refreshing the Scheme Mandate Limit set out in sub-paragraph 3(a) above under the New Share Option Scheme after three years from the date of Shareholders' approval for the adoption of the New Share Option Scheme or the last refreshment.

(c) Any refreshment within any three year period must be approved by Shareholders subject to that:

(i) any controlling Shareholders and their associates (or if there is no controlling Shareholder, directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and

(ii) the Company must comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under sub-paragraphs 3(c)(i) and 3(c)(ii) above do not apply if the refreshment is made immediately after an issue of Shares by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of Shares, rounded to the nearest whole Share.

(d) The total number of Shares which may be issued together with the total number of Treasury Shares which may be transferred (if any) in respect of all Options to be granted under the New Share Option Scheme (when aggregated with any other options and awards to be granted under any other share option scheme(s) and share award scheme(s) of the Company that involve(s) the issuance of new Shares and/or transfer of Treasury Shares) under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the date of approval of the refreshed Scheme Mandate Limit. The Company shall send to its Shareholders a circular containing all such information as may be required under the Listing Rules.

(e) The Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided the Options in excess of the Scheme Mandate Limit are granted only to Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send to its Shareholders a circular containing the name of each specified Participant who may be granted such Options, the number and terms of the Options to be granted to each Participant, and the purpose of granting Options to the specified Participants with an explanation as to how the terms of the Options serve such purpose and all such information as may be required under the Listing Rules. The number and terms of Options to be granted to such Participants must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

(4) MAXIMUM ENTITLEMENT OF SHARES OF EACH PARTICIPANT

(a) The maximum number of Shares in respect of which Options may be granted to a single Participant under the New Share Option Scheme in any 12-month period up to and including the date of such grant shall not (when aggregated with any Shares subject to any other share option scheme(s) and share award scheme(s) that involve(s) the issuance of new Shares and/or transfer of Treasury Shares but excluding those which have lapsed in accordance with terms of the relevant scheme(s)) exceed 1% of the Shares in issue (excluding Treasury Shares, if any) (the "**Individual Limit**"), unless the Company obtains an approval from its Shareholders pursuant to paragraph 4(b) below.

(b) The Company may seek separate approval by its Shareholders in general meeting for granting Options to a single Participant beyond the Individual Limit referred to in paragraph 4(a) provided that:

(i) such Participant and his/her/its close associates (or associates if the Participant is a connected person of the Company) abstains from voting on the relevant resolution;

(ii) the Company sends to its Shareholders a circular containing the identity of such Participant, the number and terms of the Options to be granted (and options and awards of new Shares previously granted to such Participant in the 12-month period) and all such other information as may be required under the Listing Rules; and

(iii) the number and terms of the Options to be granted to such Participant must be fixed before Shareholders' approval.

In respect of any such Options to be granted, the date of the meeting or resolution of the Board for proposing and approving such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

(c) Any grant of Options to a Participant who is a director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive directors of the Company (excluding any independent non-executive Director who is the proposed Grantee).

(d) Any change in the terms of Options granted to a Participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by Shareholders in the manner as required under the Listing Rules if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the New Share Option Scheme).

(e) In the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, consolidation or subdivision of Shares, or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements (other than as a result of an issue of Shares as consideration in a transaction), the maximum number of Shares referred to in paragraphs 3 and 4(a) above will be adjusted in such manner which must give a Grantee the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which the Grantee was previously entitled, provided that no such adjustments shall be made the effect of which would be to enable a Share to be issued or Treasury Shares to be transferred (as the case may be) at less than its nominal value. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Auditor (acting as experts and not as arbitrators) shall confirm to the directors of the Company in writing that the adjustments satisfy the requirements mentioned above in this sub-paragraph 4(e) and those set out in the note to Rule 17.03(13) of the Listing Rules.

(f) Where any grant of Options to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued together with Treasury Shares transferred or to be transferred (if any) in respect of all options and awards granted under the New Share Option Scheme and any other share scheme(s) of the Company that involve(s) the issuance of new Shares and/or transfer of Treasury Shares (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares (excluding Treasury Shares), such grant of Options shall be approved by Shareholders in general meeting in accordance with the requirements of Chapter 17 of the Listing Rules.

(5) PERIOD WITHIN WHICH THE OPTION MAY BE EXERCISED

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during the Option Period after the Option has been granted by the Board. The Option Period is a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised, such period shall not be longer than 10 years after the date of the grant of the Option.

(6) VESTING PERIOD OF OPTION AND PERFORMANCE TARGETS

Save for the circumstances prescribed below, the vesting period for Options shall not be less than 12 months.

The Board may at its discretion grant a shorter vesting period to a Participant in the following circumstances:

(a) grants of "make-whole" Option(s) to new joiners as Participants to replace the share options or share awards they forfeited when leaving the previous employers;

(b) grants of Options to a Participant whose employment is terminated due to death or occurrence of any out-of-control event;

(c) grants of Options to a Participant that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons had to wait for the subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;

(d) grants of Options to a Participant with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; or

(e) grants of Options to a Participant with performance-based vesting conditions in lieu of time-based vesting criteria as determined in the conditions of grant.

For the avoidance of doubt, there is no performance target stipulated under the terms of the New Share Option Scheme which a Grantee is required to achieve before any Option granted under the New Share Option Scheme can be exercised. However, the Board has the discretion to require at the time of grant of an Option any particular Grantee to achieve such performance targets as the Board may then specify in the offer letter before such Option granted can be exercised by such Grantee. The performance targets may include financial targets and management targets which shall be determined based on the (i) individual performance; (ii) performance of the Group; and/or (iii) performance of the departments or business line managed by the Grantee.

(7) AMOUNT PAYABLE ON ACCEPTANCE OF OPTION

An Offer shall be deemed to have been accepted by the Grantee and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect on the Offer Date when the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK$1 by way of consideration for the granting thereof is received by the Company within 28 days from the date of the offer, provided that no such Offer shall be open for acceptance as on and after the 10th anniversary from the Adoption Date or as on and after the date when the New Share Option Scheme has been terminated in accordance with the provisions thereof, whichever is the earlier. Such remittance shall in no circumstances be refundable or be considered as part of the Subscription Price. The Subscription Price is calculated in accordance with paragraph 8 below.

(8) SUBSCRIPTION PRICE

Subject to any adjustments made pursuant to paragraph 12 below, the Subscription Price in respect of each Share issued or each Treasury Share transferred pursuant to the exercise of Options granted hereunder shall be a price determined by the Board and notified to a Participant and shall be at least the higher of:

(a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; and

(b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Offer Date.

(9) RIGHTS ATTACHING TO THE SHARES UPON EXERCISE OF OPTIONS

(a) Subject to as hereinafter provided and subject to the terms and conditions upon which such Option was granted, the Option may be exercised by the Grantee at any time during the business hours of the Company (i.e. Monday to Friday, 9:00 a.m. to 5:00 p.m., Hong Kong time) on a Business Day within the Option Period provided that:

(i) in the event of the Grantee ceases to be a Participant for any reason other than on the Grantee's death or the termination of the Grantee's employment, directorship, office or appointment on one or more of the grounds specified in sub-paragraph 11(d) below, the Grantee may exercise the Option up to the Grantee's entitlement at the date of cessation (to the extent he is entitled to exercise at the date of cessation but not already been exercised) within the period of three months (or such longer period as the Board may determine) following the date of such cessation, which date shall be the last actual working day with the relevant company whether salary is paid in lieu of notice or not, or the last date of office or appointment as director, chief executive or employee of the relevant company, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or governing body of the relevant company shall be conclusive;

(ii) in the event the Grantee dies before exercising the Option in full and none of the events which would be a ground for termination of the Grantee's employment, directorship, office or appointment under sub-paragraph 11(d) arises, the personal representative(s) of the deceased Grantee shall be entitled, within a period of 12 months or such longer period as the Board may determine from the date of death, to exercise the Option up to the entitlement of such Grantee at the date of death (to the extent which has become exercisable and not already been exercised) or, if appropriate, make an election pursuant to sub-paragraph 9(a)(iii), (iv) or (v);

(iii) if a general or partial offer, whether by way of takeover offer, share repurchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, the Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the Grantee shall, notwithstanding any other terms on which his/her Options were granted, be entitled to exercise the Option (to the extent which has become exercisable and not already been exercised) to its full extent or to the extent specified in the Grantee's notice to the Company at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be;

(iv) if a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies (other than any event contemplated in sub-paragraph 9(a)(iii)), the Company shall give notice thereof to the Grantee on the same date as it dispatches the notice which is sent to each Shareholder or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the original Grantee (or the personal representative(s) of the deceased Grantee) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of two months thereafter and the date on which such compromise or arrangement is sanctioned by the Court, exercise any of his Options (to the extent which has become exercisable and not already been exercised) whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under the New Share Option Scheme. The Company may require the original Grantee (or the personal representative(s) of the deceased Grantee) to transfer or otherwise deal with the Shares issued and/or (as the case may be) Treasury Shares transferred as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and

(v) in the event a notice is given by the Company to its Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it dispatches such notice to convene the general meeting, give notice thereof to all Grantees. Each original Grantee (or the personal representative(s) of the deceased Grantee) may by notice in writing to the Company (such notice to be received by the Company no later than two Business Days prior to the proposed general meeting (excluding any period(s) of closure of the Company's share registers)) exercise the Option (to the extent which has become exercisable and not already been exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares and/or (as the case may be) transfer the relevant Treasury Shares to the Grantee credited as fully paid.

(b) The Shares to be allotted and/or (as the case may be) the Treasury Shares to be transferred upon the exercise of an Option will be subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank pari passu in all respects with the fully paid Shares in issue on the date of their allotment and issue (or in the case of the Treasury Shares, the date of their transfer to the Grantee), and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue (or in the case of the Treasury Shares, on or after the date of their transfer to the Grantee) other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue (or in the case of the Treasury Shares, before the date of their transfer to the Grantee), provided always that when the date of exercise of the Option falls on a date upon which the register of Shareholders is closed, then the exercise of the Option shall become effective on the first Business Day in Hong Kong on which the register of Shareholders is re-opened. A Grantee shall not be entitled to vote in any general meeting of the Company in respect of any of those outstanding Options yet to be exercised held by him unless he has exercised his Option(s) in accordance with the provisions of the New Share Option Scheme. Once a Grantee has exercised his Option(s) in accordance with the provisions of the New Share Option Scheme, he shall be entitled to vote in respect of those fully paid Shares allotted or (as the case may be) fully paid Treasury Shares transferred to him upon the exercise of his Option(s) in accordance with the memorandum and articles of association of the Company for the time being in force.

(10) DURATION OF THE NEW SHARE OPTION SCHEME

Subject to paragraphs 14 and 18 below, the New Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options will be granted but in all other respects, subject to the compliance with the provisions under the Listing Rules, the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme, and Options which are granted during the life of the New Share Option Scheme may continue to be exercisable in accordance with their terms of issue.

(11) LAPSE OF OPTION

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

(a) the expiry of the Option Period (subject to the provisions of paragraph 10 and paragraph 14);

(b) the expiry of the periods referred to in sub-paragraphs 9(a)(i) to 9(a)(iii) above;

(c) subject to the scheme of arrangement or compromise becoming effective, the expiry of the period referred to in sub-paragraph 9(a)(iv);

(d) the date on which the Grantee ceases to be an employee, a director or a chief executive of the relevant company (as the case may be) by reason of the termination of his employment, directorship, office or appointment on the grounds that he has been guilty of misconduct, or has been in breach of any material term of the relevant employment contract, service contract or engagement contract (as the case may be), or appears either to be unable to pay or have no reasonable prospect to be able to pay debts, or has become bankrupt or insolvent, or has been served a petition for bankruptcy or winding-up, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board or the board of the relevant company, as the case may be) on any other ground on which an employer would be entitled to terminate his employment, directorship, office or appointment at common law or pursuant to any applicable laws or under the relevant employment contract, service contract or engagement contract (as the case may be) with the relevant company (as the case may be), in the event of which a resolution of the board of directors or governing body of the relevant company (as the case may be) to the effect that the employment, directorship, office or appointment of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph 11(d) shall be conclusive;

(e) the close of the two Business Days prior to the general meeting of the Company held for the purpose of approving the voluntary winding-up of the Company as referred to in sub-paragraph 9(a)(v) above or the date of the commencement of the winding-up of the Company;

(f) the date on which the Board exercises the Company's right to cancel the Option at any time after a Grantee commits a breach of paragraph 15 below; or

(g) the date on which an Option is cancelled by the Board as provided in paragraph 15.

The Company shall owe no liability to any Grantee for the lapse of any Option under this paragraph 11.

(12) EFFECTS OF REORGANISATION OF CAPITAL STRUCTURE

(a) In the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, consolidation or subdivision of Shares, or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements (other than as a result of an issue of Shares as consideration in a transaction), the maximum number of Shares referred to in paragraphs 3 and 4(a) will be adjusted in such manner which must give a Grantee the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which the Grantee was previously entitled, provided that no such adjustments shall be made the effect of which would be to enable a Share to be issued or Treasury Shares to be transferred (as the case may be) at less than its nominal value. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Auditor (acting as experts and not as arbitrators) shall confirm to the directors of the Company in writing that the adjustments satisfy the requirements mentioned above in this sub-paragraph 12(a) and those set out in the note to Rule 17.03(13) of the Listing Rules.

(b) In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation issue, rights issue, subdivision or consolidation of Shares, or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements excluding any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in respect of a transaction to which the Company is a party, such corresponding alterations (if any) shall be made to:

(i) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or

(ii) the Subscription Price; and/or

(iii) the method of exercise of the Option (if applicable),

as an independent financial adviser or the Auditor shall at the request of the Board certify in writing to the directors of the Company (other than any such adjustments made on a capitalisation issue), either generally or as regards any particular Grantee, to be in their opinion fair and reasonable and that any such alterations shall satisfy the requirements set out in the note to Rule 17.03(13) of the Listing Rules and shall give a Grantee the same proportion of the issued share capital of the Company, rounded to the nearest whole share, as that to which the Grantee was previously entitled prior to the adjustment, provided that no such alterations shall be made the effect of which would be to enable a Share to be issued or a Treasury Share to be transferred at less than its nominal value. Any such adjustments shall be in compliance with the Listing Rules and such applicable codes, guidance notes and interpretation of the Listing Rules from time to time promulgated. The capacity of the independent financial adviser or the Auditor in this paragraph 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. The costs of the independent financial adviser or the Auditor shall be borne by the Company.

(13) CANCELLATION OF OPTIONS GRANTED

The Board may, with the consent of the relevant Grantee, at any time at its absolute discretion cancel any Option granted. Where the Company cancels Options and makes an Offer of the grant of new Options to the same Participant, the Offer of the grant of such new Options may only be made under the New Share Option Scheme with available Scheme Mandate Limit approved by the Shareholders as mentioned in paragraph 3. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

(14) TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to (i) give effect to the exercise of any Options granted prior thereto; or (ii) issue the Shares which are not yet issued and/or (as the case may be) to transfer the Treasury Shares which are not yet transferred to the Participants in accordance with the provisions of the New Share Option Scheme. Any outstanding Options granted under the New Share Option Scheme prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the New Share Option Scheme and their terms of issue. Details of the Options granted (including Options exercised or outstanding) and (if applicable) Options that become void or unexercisable as a result of such termination are required under the Listing Rules to be disclosed in the circular to the Shareholders seeking approval of the first new share option scheme or share award scheme that involve(s) the issuance of new Shares to be established or refreshment of scheme mandate limit under any existing share option scheme or share award scheme that involve(s) the issuance of new Shares after such termination.

(15) TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option, unless a waiver is granted by the Stock Exchange. Where the Grantee is a company, any change of its controlling shareholder or any substantial change in its management (which is to be determined by the Board at its absolute discretion) will be deemed to be a sale or transfer of interest aforesaid. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any outstanding Options or part thereof of such Grantee in accordance with sub-paragraph 11(f) without incurring any liability on the part of the Company.

(16) ALTERATION OF THE NEW SHARE OPTION SCHEME

(a) The provisions of the New Share Option Scheme may be altered in any respect by resolution of the Board at its absolute discretion except that any alterations to the provisions of the New Share Option Scheme as to the definitions of "Grantee", "Option Period" and "Participant" in sub-paragraph 1.1 of the New Share Option Scheme, the provisions of paragraphs and sub-paragraphs 4.1, 5.1, 5.2, 5.3, 6, 7, 8, 9, 10, 11 and 14 of the New Share Option Scheme, the terms and conditions of the New Share Option Scheme which are of a material nature and all such other matters set out in Rule 17.03 of the Listing Rules to the advantage of the Participants must be approved by the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the affected Grantees as would be required of the Shareholders under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.

(b) Change to the terms of the Options granted to a Participant must be approved by the Board, the remuneration committee of the Company, the independent non-executive directors of the Company and/or Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the remuneration committee of the Company, the independent non-executive directors of the Company and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the New Share Option Scheme.

(c) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of the Listing Rules.

(d) Any change to the authority of the Directors or scheme administrators to alter the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.

(17) CLAWBACK MECHANISM

Upon the occurrence of any of the following events in relation to a Grantee (and whether an event is to be regarded as having occurred for the purpose of this paragraph is subject to the sole determination of the Board), the Board may, at its sole discretion, propose that no further Options shall be granted to such Grantee and/or to claw back such Options granted to such Grantee and such Options shall lapse automatically:

(a) the Grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance or has breached any non-competition or non-disclosure agreement entered into with any member of the Group;

(b) the Grantee has contravened the relevant laws and regulations of the applicable jurisdiction and/or the provisions of the articles of association or constitutional documents of any member of the Group;

(c) the Grantee has, during his/her tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of any member of the Group;

(d) the Grantee has been sanctioned by the Stock Exchange, or was subject to any disciplinary actions imposed by the Securities and Futures Commission or has been convicted of any criminal offence; or

(e) the Grantee has failed to discharge, or failed to discharge properly his/her duties, or fail to comply with the internal policy of any member of the Group and/or his/her employment agreement with the Company or any member of the Group and which, in the sole opinion of the Board, resulted in serious loss in asset to any member of the Group and/or other serious and adverse consequence to any member of the Group.

(18) CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme will take effect upon satisfaction of the following conditions:

(i) passing of an ordinary resolution by the Shareholders in general meeting to:

(a) approve the adoption of the New Share Option Scheme and to authorise the Board to grant Options to subscribe for Shares thereunder and to allot and issue Shares or (as the case may be) to transfer Treasury Shares (if any), pursuant to the exercise of any Options granted under the New Share Option Scheme; and

(b) approve the termination of the Existing Share Option Scheme; and

(ii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options granted under the New Share Option Scheme.

STAR SHINE HOLDINGS GROUP LIMITED
應星控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1440)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**Meeting**") of Star Shine Holdings Group Limited (the "**Company**") will be held at at 2102, 21/F, World Wide House, 19 Des Voeux Road Central, Central, Hong Kong on Friday, 19 December 2025 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. "**THAT**:

   (a) the agreement (the "**New Framework Agreement**") dated 7 November 2025 entered into between the Company and Mr. Tsoi Wing Sing (an executive director of the Company), a copy of which is tabled at the Meeting and marked "A" and initialed by the chairman of the Meeting for identification purpose, and the transactions contemplated thereunder, be and are hereby approved, ratified and confirmed;

   (b) the proposed annual caps for the continuing connected transactions contemplated under the New Framework Agreement for the three years ending 31 December 2026, 2027 and 2028 as set out in the circular of the Company dated 2 December 2025 be and are hereby approved; and

   (c) any one director of the Company, or any two directors of the Company if the affixation of the common seal is necessary, be and is/are hereby authorised for and on behalf of the Company to execute all such other documents, instruments and agreements and to do all such acts or things deemed by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the New Framework Agreement."

2. "**THAT**:

   (A) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") granting approval of the listing of and permission to deal in any shares of the Company (the "**Shares**") which may fall to be issued pursuant to the exercise of options to be granted under the share option scheme of the Company, a copy of which has been produced to this meeting marked "A" and signed by the chairman of this meeting for the purpose of identification (the "**New Share Option Scheme**"), the New Share Option Scheme be and is hereby approved and adopted;

(B) the directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including but without limitation:

(i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for Shares or (where applicable) be transferred treasury Shares (if any);

(ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment;

(iii) to grant options to subscribe for Shares or (where applicable) be transferred treasury Shares (if any) under the New Share Option Scheme and to allot and issue from time to time such number of Shares as may be required to be issued or (where applicable) to transfer from time to time such number of treasury Shares (if any) as may be required to be transferred pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange;

(iv) to make application at the appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued Shares or the treasury Shares (if any and where required) may, for the time being, be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme;

(v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme; and

(C) subject to and conditional upon the New Share Option Scheme becoming unconditional, the existing share option scheme of the Company adopted by the Company on 16 December 2020 be terminated with effect from the adoption of the New Share Option Scheme (such that no further options could thereafter be offered under the existing share option scheme of the Company but in all other respects the provisions of the existing share option scheme of the Company shall remain in full force and effect)."

By Order of the Board
STAR SHINE HOLDINGS GROUP LIMITED
Tsoi Wing Sing
Chairman

Hong Kong, 2 December 2025

Registered office in the Cayman Islands:
71 Fort Street
P.O. Box 500
George Town
Grand Cayman KY1-1106
Cayman Islands

Principal place of business in Hong Kong:
Unit C, 21/F
Lee & Man Commercial Center
169 Electric Road
North Point
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as its/his/her proxy to attend and vote instead of it/him/her and so appointed shall have the same right as the member to speak at the meeting. A member who is the holder of two or more Shares may appoint one or more proxies to attend and vote instead of it/him/her. A proxy need not be a member of the Company.

2. A form of proxy for use at the Meeting is enclosed herewith.

3. The instrument appointing proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing, if the appointor being a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.

4. The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be lodged at the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 48 hours (i.e. 11:00 a.m. on Wednesday, 17 December 2025) before the time appointed for holding the Meeting or any adjourned meeting (as the case may be) and in default the proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the Meeting or at any adjourned meeting (as the case may be) should they so wish.

5. The register of members of the Company will be closed from Tuesday, 16 December 2025 to Friday, 19 December 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 15 December 2025.