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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 stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Glory Sun Financial Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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寶新金融集團有限公司

GLORY SUN FINANCIAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01282)

**PROPOSALS FOR
TERMINATION OF EXISTING SHARE OPTION SCHEME
AND
ADOPTION OF NEW SHARE OPTION SCHEME,
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at 18/F., Wing On Centre, 111 Connaught Road Central, Hong Kong on Tuesday, 2 June 2020 at 11:00 a.m. is set out on pages AGM-1 to AGM-6 of this circular.

A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of The Stock Exchanges of Hong Kong Limited (www.hkexnews.hk) and the Company (www.hk1282.com). Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

29 April 2020

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In compliance with the HKSAR Government's directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of coronavirus disease 2019 ("COVID-19"), the Company will implement additional precautionary measures at the AGM including, without limitation:

- (1) compulsory body temperature screening — anyone with a body temperature above the reference range quoted by the Department of Health from time to time, or is exhibiting flu-like symptoms may be denied entry into the AGM venue and be requested to leave the AGM venue;
- (2) mandatory use of surgical face masks — no mask will be provided at the AGM venue and attendees should bring their own masks;
- (3) mandatory health declaration — anyone subject to quarantine, has any flu-like symptoms or has travelled overseas within 14 days immediately before the AGM ("recent travel history"), or has close contact with any person under quarantine or with recent travel history will not be permitted to attend the AGM;
- (4) anyone attending the AGM is reminded to observe good personal hygiene at all times;
- (5) appropriate distancing and spacing in line with the guidance from the HKSAR Government will be maintained and as such, the Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding; and
- (6) No refreshments or drinks will be provided to attendees at the AGM.

In light of the continuing risks posed by the COVID-19 pandemic, the Company strongly encourages Shareholders **NOT to attend the AGM in person**, and advises Shareholders to appoint the Chairman of the AGM as their proxy to vote according to their indicated voting instructions as an alternative to attending the AGM in person. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

If Shareholders have any questions relating to the AGM, please contact the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited as follows:

Tricor Investor Services Limited

Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong
Telephone: +852 2980 1333
Email: is-enquiries@hk.tricorglobal.com

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DEFINITIONS

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

“Adoption Date”	the date on which the New Share Option Scheme is adopted by an ordinary resolution to be passed by the Shareholders at the AGM
“AGM”	the annual general meeting of the Company to be held at 18/F., Wing On Centre, 111 Connaught Road Central, Hong Kong on Tuesday, 2 June 2020 at 11:00 a.m., and any adjournment thereof
“AGM Notice”	the notice for convening the Annual General Meeting set out on pages AGM-1 to AGM-6 of this circular
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“close associate(s)”	has the same meaning as defined under the Listing Rules
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the laws of the Cayman Islands
“Company”	Glory Sun Financial Group Limited 寶新金融集團有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	any full-time or part-time employees, executives, officers or directors (including non-executive directors and independent non-executive directors) of the Company or any of the Subsidiaries and any advisors, consultants and Shareholders who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of the Subsidiaries;
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to a resolution passed by the Shareholders on 24 November 2010

DEFINITIONS

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong” or “HKSAR”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total number of Shares in issue as at the date of passing the relevant resolution
“Latest Practicable Date”	24 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company, as amended from time to time
“New Share Option Scheme”	the 2020 share option scheme to be adopted by an ordinary resolution to be passed by the Shareholders at the AGM
“Scheme Mandate Limit”	the maximum number of the Shares (being up to 10% of the total number of Shares in issue as at the date of the relevant general meeting) which may be issued upon exercise of all Share Options to be granted under the Share Option Scheme as at the date of adoption of the Share Option Scheme or as refreshed from time to time
“Scheme Period”	the period commencing on the date on which the New Share Option Scheme is adopted by the Shareholders at the AGM and expiring at the close of business on the day immediately preceding the tenth anniversary thereof
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

DEFINITIONS

“Share Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares, which shall not exceed 10% of the total number of Shares in issue as at the date of passing the relevant resolution
“Share Registrar”	Tricor Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong, whose office is at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Shareholder(s)”	holder(s) of Share(s)
“Share Option(s)”	the share option(s) granted or to be granted to the entitled persons or the Eligible Person(s) to subscribe for the Share(s) under the Existing Share Option Scheme, the New Share Option Scheme and any other share option scheme(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent

LETTER FROM THE BOARD



寶新金融集團有限公司

GLORY SUN FINANCIAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01282)

Executive Directors:

Mr. Yao Jianhui (*Chairman*)
Ms. Ye Weiqing (*Co-Chairman*)
Mr. Lau Wan Po (*Vice Chairman*)
Mr. Li Minbin
Mr. Huang Wei

Non-executive Director:

Mr. Zhang Chi

Independent Non-executive Directors:

Mr. Wong Chun Bong
Professor Lee Kwok On, Matthew
Mr. Lee Kwan Hung, Eddie

Registered Office:

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

*Head office and principal place
of business in Hong Kong:*

18/F., Wing On Centre
111 Connaught Road Central
Hong Kong

29 April 2020

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
TERMINATION OF EXISTING SHARE OPTION SCHEME
AND
ADOPTION OF NEW SHARE OPTION SCHEME,
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM and to give you notice of the AGM. Resolutions to be proposed at the AGM include ordinary resolutions relating to the proposed (i) termination of the Existing Share Option Scheme and adoption of the New Share Option Scheme; (ii) the re-election of Directors; and (iii) grant of the Share Repurchase Mandate and the Issue Mandate.

LETTER FROM THE BOARD

TERMINATION OF EXISTING SHARE OPTION SCHEME AND ADOPTION OF THE NEW SHARE OPTION SCHEME

Termination of the Existing Share Option Scheme

The Existing Share Option Scheme was adopted by the Company on 24 November 2010 and has a validity of 10 years.

As at the Latest Practicable Date, there was no Share Option outstanding under the Existing Share Option Scheme. The Existing Share Option Scheme is due to expire in November 2020 and the Board proposes to terminate the Existing Share Option Scheme and adopt the New Share Option Scheme with terms in compliance with Chapter 17 of the Listing Rules.

Save for the Existing Share Option Scheme, the Company has no other valid option schemes of its own as at the Latest Practicable Date.

Adoption of the New Share Option Scheme

The Board proposes the adoption of the New Share Option Scheme, which will be valid for 10 years from the Adoption Date.

The purpose of the New Share Option Scheme is to replace the Existing Share Option Scheme and to enable the Company to grant Share Options to the selected Eligible Persons, as incentives or rewards for their contribution or potential contribution to the development and growth of the Group. A summary of the principal rules of the New Share Option Scheme is set out in Appendix I to this circular.

The Board considers that the New Share Option Scheme will motivate more people to make contribution to the Group, facilitate the retention and the recruitment of high-calibre staff of the Group and it is in the interests of the Group as a whole for a broader categories of Eligible Persons to be given incentives to participate in the growth of, and make contribution to, the Group in the form of Share Options. Furthermore, the Board considers that the Eligible Persons will share common interests and objectives with the Group upon their exercise of the Share Options, which is beneficial to the long-term development of the Group. In addition, the adoption of the New Share Option Scheme is in line with modern commercial practice that full-time or part-time employees, directors, management, advisors, consultants and Shareholders of the Group and its affiliates be given incentives to work towards enhancing the value and attaining the long-term objectives of the Company and for the benefit of the Group as a whole.

The Company has never granted any options under any option schemes to any parties other than employees and directors of the Group in the past. The Directors consider that the inclusion of persons other than the employees and directors of the Group as Eligible Persons is appropriate, as the successful development of the Group could not be achieved by the Directors and employees alone and will also depend on the cooperation of the business partners of the Group, including advisors, consultants and shareholders, which all play an important role in the business of the Group. Given that the success of the Group requires the

LETTER FROM THE BOARD

cooperation and contribution from such parties, it is important that the Group is able to maintain good relationship with them. Having a share option scheme in place is one of the means to attract and retain those persons who contribute to the continuous development of the Group, so that they have an incentive to render improved services and/or patronage to the Group on a long-term basis. The inclusion of advisors, consultants and shareholders who have contributed to the Group in the list of Eligible Persons would provide the Company with the flexibility of rewarding such persons should the situation arises that such reward and incentive would encourage them to align their interests and objectives with that of the Group and work towards enhancing the value of the Company and its Shares for the long-term development of the Group. As such, the Directors consider that the adoption of the New Share Option Scheme is in the interest of the Company and the Shareholders as a whole. The provisions of the New Share Option Scheme will comply with the requirements of Chapter 17 of the Listing Rules.

The New Share Option Scheme does not specify a minimum period for which a Share Option must be held nor a performance target which must be achieved before an Option can be exercised. However, the rules of the New Share Option Scheme provide that the Board may determine, at its sole discretion, such terms and conditions on the grant of Share Option. This determination may vary on a case by case basis but no such terms will be imposed the result of which will be to the advantage of the Eligible Person. The basis for the determination of the subscription price is specified in the rules of the New Share Option Scheme.

As at the Latest Practicable Date, the Company had 29,787,512,211 Shares in issue. Assuming that no further Share will be allotted, issued or repurchased prior to the AGM, the maximum number of Shares that may be issued upon the exercise of the Share Options that may be granted under the New Share Option Scheme is 2,978,751,221 Shares, being 10% of the issued share capital of the Company as at the date of the adoption of the New Share Option Scheme.

The Directors consider that it is not appropriate to state the value of the Share Options which may be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date. The Directors believe that any statement regarding the value of the Share Options as at the Latest Practicable Date will not be meaningful to the Shareholders, since the Share Options to be granted shall not be assignable, and no holder of the Share Options shall in any way sell, transfer, charge, mortgage or create any interest (legal or beneficial) in favour of any third party over or in relation to any Share Option.

In addition, any such valuation would have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions, including the subscription price, the exercise period, lock-up period (if any), interest rate, expected volatility and other variables. As no Share Option had been granted as at the Latest Practicable Date under the New Share Option Scheme and certain variables are not available for calculating the value of the Share Options thereunder, the Directors believe that any calculation of the value of the Share Options under the New Option Scheme as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and may be misleading to the Shareholders and the investors of the Company.

LETTER FROM THE BOARD

Conditions precedent of the New Share Option Scheme

The adoption of the New Share Option Scheme is conditional upon:

- (i) the passing of ordinary resolution by the Shareholders at the AGM to approve and adopt the New Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Shares on the Stock Exchange which may fall to be allotted and issued by the Company pursuant to the exercise of the Share Options which may be granted in accordance with the terms and conditions of the New Share Option Scheme.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to be proposed at the AGM to approve the adoption of the New Share Option Scheme.

A copy of the New Share Option Scheme is available for inspection at the Company's head office and principal place of business in Hong Kong at 18/F., Wing On Centre, 111 Connaught Road Central, Hong Kong during normal business hours from the date hereof up to the date of the AGM.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the Share Options granted under the New Share Option Scheme.

RE-ELECTION OF DIRECTORS

In accordance with Article 84 of the Articles of Association, Mr. Li Minbin, Mr. Huang Wei and Mr. Zhang Chi will retire by rotation at the AGM. They, being eligible, will offer themselves for re-election as a Director at the AGM.

Pursuant to Article 83(3) of the Articles of Association, Ms. Ye Weiqing (“**Ms. Ye**”) who was appointed to fill a casual vacancy on the Board will only hold office until the first general meeting of the Company after her appointment. Accordingly, Ms. Ye will retire at the AGM, and being eligible, will offer herself for re-election as a Director at the AGM.

Particulars of each of the Directors who are subject to re-election at the AGM are set out in Appendix II to this circular.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to exercise all powers of the Company to repurchase Shares, in such number which represents up to a maximum of 10% of the total number of Shares in issue as at the date of the passing of the ordinary resolution approving the grant of the Share Repurchase Mandate.

The Share Repurchase Mandate will expire: (a) at the conclusion of the next annual general meeting of the Company following the AGM; or (b) at the end of the period within which the Company is required by the Companies Law or the Articles of Association to hold its next annual general meeting; or (c) when revoked or varied by ordinary resolutions of the Shareholders at a general meeting prior to the next annual general meeting of the Company, whichever is the earliest.

An explanatory statement to provide Shareholders with all the information reasonably necessary for them to make an informed decision in relation to this proposed resolution as required by the Listing Rules is set out in Appendix III to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed that the Directors be granted a general and unconditional mandate to allot, issue or otherwise deal with Shares of up to 20% of the total number of Shares in issue as at the date of the passing of the ordinary resolution approving the grant of the Issue Mandate. As at the Latest Practicable Date, the Company had 29,787,512,211 Shares in issue. Subject to the passing of the proposed resolution approving the grant of the Issue Mandate and on the basis that there is no change in the total number of issued Shares before the passing of the proposed resolution, the Directors will be allowed under the Issue Mandate to issue a maximum of 5,957,502,442 Shares, representing 20% of the total number of Shares in issue as at the date of the passing of the resolution. In addition, an ordinary resolution will be proposed that the Directors be authorised to allot, issue or otherwise deal with such number of Shares equal to the total number of Shares that have been bought back under the Share Repurchase Mandate.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 28 May 2020 to 2 June 2020 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 27 May 2020.

LETTER FROM THE BOARD

NOTICE OF THE AGM

The AGM Notice is set out on pages AGM-1 to AGM-6 of this circular. At the AGM, resolutions will be proposed to the Shareholders to consider and approve, among other matters, the grant to the Directors of the Share Repurchase Mandate and the Issue Mandate.

FORM OF PROXY

Enclosed with this circular is a form of proxy for use at the AGM. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hk1282.com). Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Share Registrar in accordance with the instructions printed thereon no less than 48 hours before the time fixed for holding the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending, and voting at, the AGM or any adjournment thereof if you so wish.

VOTING AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66 of the Articles of Association, all votes of the Shareholders at general meetings must be taken by poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share registered in his/her/its name in the register of members of the Company. A Shareholder entitled to more than one vote need not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATIONS

The Board considers that the ordinary resolutions in respect of the proposed (i) termination of Existing Share Option Scheme and adoption of New Share Option Scheme; (ii) the re-election of Directors; and (iii) the grant of the Share Repurchase Mandate and the Issue Mandate to be proposed at the AGM are in the best interests of the Group and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the AGM.

RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

ADDITIONAL INFORMATION

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

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
For and on behalf of the Board
Glory Sun Financial Group Limited
Yao Jianhui
Chairman and Chief Executive Officer

1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to enable the Board to grant Share Options to selected Eligible Persons as incentives or rewards for their contribution or potential contribution to the development and growth of the Group.

2. WHO MAY JOIN AND BASIS OF ELIGIBILITY

The Board may, at its absolute discretion and on such terms as it may think fit, grant Share Options to any Eligible Person to subscribe at a price calculated in accordance with paragraph 3 below for such number of Shares as it may determine in accordance with the terms of the New Share Option Scheme. The basis of eligibility of any of the Eligible Persons to the grant of the Share Options shall be determined by the Board from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

3. OPTION PRICE FOR SUBSCRIPTION OF SHARES

The option price per Share payable on the exercise of the Share Option is to be determined by the Board provided always that it shall be at least the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange for the date of offer of grant, which must be a business day; and (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five (5) business days immediately preceding the date of offer of grant, (as subsequently adjusted pursuant to the terms of the New Share Option Scheme, if relevant), provided that the option price per Share shall in no event be less than the nominal amount of one (1) Share.

4. ACCEPTANCE OF OFFERS

An offer for the grant of the Share Options must be accepted within thirty (30) days inclusive of the day on which such offer was made. The amount payable by the grantee of the Share Option to the Company on acceptance of the offer for the grant is HK\$1.00.

5. MAXIMUM NUMBER OF SHARES

- (A) Subject to sub-paragraphs (B) and (C) below, the maximum number of Shares issuable upon exercise of all Share Options to be granted under the New Share Option Scheme and any other share option schemes of the Company as from the commencement of the Scheme Period (excluding, for this purpose, Share Options which have lapsed in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of the Shares in issue as at the Adoption Date (the “**Scheme Mandate**”). The Shares underlying any Share Options granted under the New Share Option Scheme or any other share option schemes of the Company which have been cancelled (but not Share Options which have lapsed) will be counted for the purpose of the Scheme Mandate.

- (B) The Scheme Mandate may be refreshed at any time by obtaining approval of the Shareholders in general meeting provided that the new limit under the refreshed Scheme Mandate must not exceed 10% of the Shares in issue at the date of the Shareholders' approval of such refreshed Scheme Mandate. Share Options previously granted under the New Share Option Scheme or any other share option schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the total number of Shares subject to the refreshed Scheme Mandate.
- (C) The Company may also, by obtaining separate approval of the Shareholders in general meeting, grant Share Options beyond the Scheme Mandate provided the Share Options in excess of the Scheme Mandate are granted only to Eligible Persons specifically identified by the Company before such approval is sought.
- (D) The aggregate number of Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time. No Share Options may be granted under the New Share Option Scheme if this will result in the limit being exceeded.

6. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PERSON

The maximum number of Shares issued and to be issued upon exercise of the Share Options granted under the New Share Option Scheme and any other share option schemes of the Company to any of the Eligible Person (including cancelled, exercised and outstanding Share Options), in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue, unless (i) a circular is despatched to the Shareholders; (ii) the Shareholders approve the grant of the Share Options in excess of the 1% limit referred to in this paragraph; and (iii) the relevant Eligible Person and his associates shall abstain from voting. The number and terms (including the exercise price) of the Share Options to be granted to such Eligible Person must be fixed before the Shareholders' approval.

7. GRANT OF SHARE OPTIONS TO CERTAIN CONNECTED PERSONS

- (A) Any grant of the Share Option to the Director, chief executive of the Company or the Substantial Shareholder (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Share Options).

(B) Where any grant of Share Options to the Substantial Shareholder or an independent nonexecutive Director (or any of their respective associates) will result in the total number of Shares issued and to be issued upon exercise of the Share Options already granted and to be granted to such person under the New Share Option Scheme and any other share option schemes of the Company (including Share Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at each date of grant, in excess of HK\$5 million, such further grant of Share Options is required to be approved by the Shareholders at general meeting of the Company in accordance with the Listing Rules. Any change in the terms of a Share Option granted to a Substantial Shareholder or an independent non-executive Director or any of their respective associates is also required to be approved by the Shareholders.

8. TIME OF GRANT AND EXERCISE OF SHARE OPTIONS

A grant of Share Option may not be made after a price-sensitive event has occurred or a price sensitive matter has been the subject of a decision, until such price-sensitive information has been announced in the manner set out in the Listing Rules. In particular, no Share Options may be granted during the period commencing one (1) month immediately preceding the earlier of (a) the date of the Board meeting for the approval of the Company's interim or annual results; and (b) the deadline for the Company to publish its interim or annual results and ending on the actual date of publication of the results announcement.

No Share Options may be granted to the Eligible Person who is subject to the Model Code during the periods or times in which such Eligible Person is prohibited from dealing in Shares pursuant to the Model Code.

The Share Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period commencing on such date on or after the date on which the Share Option is granted as the Board may determine in granting the Share Options and expiring at the close of business on such date as the Board may determine in granting the Share Options but in any event shall not exceed ten (10) years from the date of grant (which is the date of offer of grant if the offer for the grant of the Share Options is accepted).

9. PERFORMANCE TARGETS

Save as determined by the Board and provided in the offer of the relevant Share Options, there is no performance target which must be achieved before any of the Share Options can be exercised.

10. RANKING OF SHARES

If under the terms of a resolution passed or an announcement made by the Company prior to the date of exercise of the Share Option, a dividend is to be or is proposed to be paid, or the Shares are to be issued or proposed to be issued by way of the capitalisation of profits or reserves or by way of rights under an offer made pro rata, to the Shareholders on the register of members of the Company on a date prior to such date of exercise, the Shares to be issued upon such exercise will not rank for such dividend or such Shares. Subject as aforesaid, Shares allotted upon the exercise of an outstanding Share Option will be subject to all the provisions of the Articles of Association 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 such exercise. The Shares allotted upon the exercise of the Share Option for the time being outstanding shall not carry voting rights until completion of the registration of the option holder (or any other person) as the holder thereof.

11. RIGHTS ARE PERSONAL TO GRANTEE

The Share Option is personal to the grantee and the grantee may not in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to the Share Option or attempt to do so.

12. RIGHTS OF EXERCISE FOR GRANTEES

Subject as hereinafter provided, an Option may be exercised by a grantee at any time or times during the Option Period provided that:–

- (a) in the event of the grantee ceasing to be an Eligible Person for any reason other than on his death, ill-health, injury, disability or the termination of his relationship with the Company and/or any of the Subsidiaries, the grantee may exercise the Option up to his entitlement at the date of cessation of being an Eligible Person (to the extent not already exercised) within the period of one month (or such longer period as the Board may determine) following the date of such cessation (which date shall be, in relation to a grantee who is an Eligible Person by reason of his employment with the Company or any of the Subsidiaries, the last actual working day with the Company or the relevant Subsidiary whether salary is paid in lieu of notice or not); and
- (b) in the case of the grantee ceasing to be an Eligible Person by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the Board) and none of the events which would be a ground for termination of his relationship with the Company and/or any of the Subsidiaries, the grantee or the personal representative(s) of the grantee shall be entitled within a period of 12 months (or such longer period as the Board may determine) from the date of cessation of being an Eligible Person or death to exercise the Option in full (to the extent not already exercised).

13. FAILURE TO MEET CONTINUING ELIGIBILITY CRITERIA

If the Board in the offer granting the relevant Share Option has specified that the grantee has to meet certain continuing eligibility criteria and that the failure of the grantee to meet any such continuing eligibility criterion would entitle the Company to cancel the Share Option then outstanding (or part thereof), then upon the failure of the grantee to meet any such continuing eligibility criterion, his outstanding Share Option shall lapse and determine on the date the Board exercises the Company's right to cancel the Share Option on the ground of such failure.

14. RIGHTS ON A GENERAL OFFER

If a general offer by way of takeover is made to all the Shareholders 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 grantee of a Share Option shall, subject to paragraph 8 above, be entitled to exercise at any time within a period of fourteen (14) days after such control has been obtained by the offeror any Share Option in whole or in part to the extent not already exercised (and notwithstanding any restrictions which would otherwise have prevented such Share Option from being exercisable at that time). For the avoidance of doubt, the Share Option not so exercised shall remain valid in accordance with its terms and subject to such restrictions as applied to it before the general offer.

15. RIGHTS ON WINDING-UP

If notice is given by the Company to the Shareholders of a general meeting at which a resolution will be proposed for the voluntary winding-up of the Company, the Company shall forthwith give notice to all grantees of the Share Options and each grantee shall be entitled, at any time no later than two (2) business days prior to the proposed general meeting of the Company, to exercise any of his outstanding Share Options in whole or in part to the extent not already exercised (and notwithstanding any restrictions which would otherwise have prevented such Share Options from being exercisable at that time). If such resolution is duly passed, all Share Options shall, to the extent that they have not been exercised, thereupon lapse and determine on the commencement of the winding-up.

16. RIGHTS ON COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and Shareholders or the Company's creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company, notice of the relevant meeting shall be given to the grantees of the Share Options on the same day notice is given to the Shareholders and the Company's creditors, and thereupon each grantee (or where permitted his personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling two (2) calendar months thereafter and the date on which such compromise or arrangement is sanctioned by the courts of the Cayman Islands be entitled to exercise his Share Option, but such exercise of a Share Option shall be conditional upon such compromise or arrangement being sanctioned by the courts of the Cayman Islands and becoming effective. Failing such exercise, all Share Options will lapse.

17. LAPSE OF SHARE OPTIONS

A Share Option shall lapse automatically on the earliest of:

- (i) the expiry of the period referred to in paragraph 8 above;
- (ii) the date on which the grantee commits a breach of paragraph 11 above, if the Board shall exercise the Company's right to cancel the Share Option;
- (iii) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraph 12 or 13 above; and
- (iv) the expiry of any of the relevant periods referred to in paragraph 15 or 16 above.

18. CANCELLATION OF SHARE OPTIONS GRANTED BUT NOT YET EXERCISED

Following the cancellation of the Share Options granted under the New Share Option Scheme but not exercised, new Share Options may only be granted to the same grantee under the New Share Option Scheme with available unissued Share Options (excluding the cancelled Share Options) within the limit of the Scheme Mandate then available to the Board.

19. EFFECTS OF ALTERATIONS TO CAPITAL

In the event of any alteration in the capital structure of the Company by way of capitalisation issue, rights issue, sub-division or consolidation of the Shares or reduction of the share capital of the Company (other than an issue of the Shares as consideration in respect of a transaction while any Share Option remains exercisable), such corresponding alterations (if any) will be made in (i) the number of Shares subject to the Scheme Mandate Limit, (ii) the numbers of the Shares subject to any outstanding Share Options and/or (iii) the subscription price per Share as the independent financial adviser or the auditors for the time being of the Company shall at the request of the Company or any grantee certify in writing to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that the grantee shall have the same proportion of the issued share capital of the Company (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes) to which he was entitled before such alteration and the aggregate subscription price payable by the grantee on the full exercise of any Share Options shall remain as nearly as possible the same as (but not greater than) it was before such event, but so that no such alterations shall be made the effect of which would be to enable the Share to be issued at less than its nominal value. Save in the case of a capitalisation issue, an independent financial adviser or the auditors of the Company for the time being must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements and/or such other requirement prescribed under the Listing Rules from time to time.

20. PERIOD OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme will remain in force for a period of ten (10) years commencing on the date on which the New Share Option Scheme is adopted by the Shareholders in general meeting and shall expire at the close of business on the day immediately preceding the tenth (10th) anniversary thereof unless terminated earlier by the Shareholders in general meeting.

21. ALTERATION TO THE NEW SHARE OPTION SCHEME

The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any alteration to the advantage of the grantees or the Eligible Persons (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules;
- (ii) any change to the authority of the Board or scheme administrators in relation to any alteration to the terms of the New Share Option Scheme; and
- (iii) any material alteration to the terms and conditions of the New Share Option Scheme or any change to the terms of the Share Options granted (except any alterations which take effect automatically under the terms of the New Share Option Scheme),

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect the Share Option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the New Share Option Scheme.

The amended terms of the New Share Option Scheme shall still comply with Chapter 17 of the Listing Rules.

22. TERMINATION TO THE NEW SHARE OPTION SCHEME

The Company may by resolution in general meeting or the Board may at any time terminate the New Share Option Scheme and in such event no further Share Option shall be offered but the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Share Option granted prior to the termination or otherwise as may be required in accordance with the provisions of the New Share Option Scheme.

Share Options granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

23. CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is conditional on (1) the passing by the Shareholders of an ordinary resolution at the AGM to approve the adoption of the New Share Option Scheme; and (2) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Share Options which may be granted under the New Share Option Scheme.

The following sets out the biographical information of the Directors eligible for re-election at the AGM:

EXECUTIVE DIRECTORS

Ms. Ye Weiqing (葉偉青), aged 48, has been the Co-chairman of the Company since 30 August 2019. She also serves as member of each of the Strategic Committee and Investment Committee of the Company.

Ms. Ye completed a Master's degree in Business Administration from the South China of Technology. She has served as a director of CSG Holding Co., Ltd. (stock code: 000012.SZ (A Shares) and 200012.SZ (B Shares)) since January 2016. She has been a senior vice president of Shenzhen Baoxin Industrial Group Limited* (深圳寶新實業集團有限公司), an indirect non wholly-owned subsidiary of the Company since June 2019. She was a senior management of Shenzhen Baoneng Investment Group Co., Ltd and its subsidiaries from March 2000 to June 2019. She was a director of Jonjee Hi-tech Industrial and Commercial Holding Co., Ltd (stock code: 600872.SH) from May 2016 to November 2018.

Mr. Li Minbin (李敏斌), aged 39, was appointed as a Non-executive Director of the Company in August 2015 and re-designated as an Executive Director in November 2015. He has been the Vice President of the Company since January 2016. He serves as a director to multiple subsidiaries of the Company. He also serves as a member of each of the Strategic Committee and Investment Committee of the Company.

Mr. Li obtained the Master's degree of Business Administration from the Chinese University of Hong Kong. He has comprehensive experience in operation and management of logistics, real estate, investment and financial industries. He was an executive director of Glory Sun Land Group Limited (stock code: 00299.HK) from December 2018 to May 2019. He served as the supervisor, assistant to general manager and representative of securities affair of Baocheng Investment Co., Ltd. (stock code: 600892.SH, currently known as Dasheng Times Cultural Investment Co., Ltd) ("**Baocheng Investment**") from July 2010 to March 2014 and acted as director and secretary to the board of directors of Baocheng Investment from March 2014 to March 2016. He served as the assistant to manager of the investment department of Shenzhen Shum Yip Logistics Group Holdings Co., Ltd* (深圳深業物流集團股份有限公司) from July 2004 to July 2010. He served as the manager of the securities department of Shenzhen Baoneng Investment Group Co., Ltd from December 2007 to October 2008.

Mr. Huang Wei (黃煒), aged 45, was appointed as an Executive Director of the Company in August 2015, re-designated as a Non-executive Director in November 2015 and further re-designated as an Executive Director in November 2018. He also serves as a member of the Investment Committee of the Company.

Mr. Huang obtained a Master's degree in Economics from the Hunan University. He has over 20 years of experience in investment and financing industries. He has served as the senior vice president of Shenzhen Baoneng Investment since December 2013. He served as the vice manager of the department of personal housing loan of the Shenzhen branch of Industrial and Commercial Bank of China from August 2002 to November 2004, the vice general manager of the corporate financing management centre from November 2004 to September 2008, the general manager of the department of corporate financing management from September 2008 to February 2012 and the general manager of the department of institutional banking from January 2013 to December 2013.

NON-EXECUTIVE DIRECTOR

Mr. Zhang Chi (張弛), aged 31, was appointed as an Executive Director of the Company in July 2017 and re-designated as a Non-executive Director in August 2019. He also serves as a member of the Audit Committee of the Company.

Mr. Zhang graduated with a Bachelor's degree in Laws from the Shenzhen University and obtained a Master's degree of Science in Management from New York University. He is experienced in fund investment. He served as an officer in the investment department in Shenzhen Sichuang Technology Development Co. Ltd.* (深圳思創科技發展有限公司) from January 2013 to June 2013. He worked in Shenzhen Creative Investment Group Limited* (深圳市創新投資集團有限公司) and served as an intern in the fund management headquarter from September 2015 to April 2016, an officer in the fund management headquarter since April 2016, and has acted as an investment manager in a management headquarter managing a Government Guide Fund since October 2016.

GENERAL

There are no other matters concerning any of the above Directors that need to be brought to the attention of the Shareholders in relation to their re-election and there is no other information which is discloseable pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision whether to vote for or against the resolution to approve the grant of the Share Repurchase Mandate to the Directors.

1. LISTING RULES

The Listing Rules permit a company with a primary listing on the Stock Exchange to repurchase its securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below. The Company is empowered by its Memorandum and Articles of Association to repurchase its own Shares.

(a) Shareholders' approval

The Listing Rules provide that all on-market repurchase of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval with reference to a specific transaction.

Such authority may only continue in force during the period from the passing of the resolution until the earlier of: (i) the conclusion of the next annual general meeting of the company; (ii) the expiration of the period within which the next annual general meeting of the company is required by law to be held; and (iii) the passing of an ordinary resolution by shareholders in general meeting of the company revoking or varying such mandate.

(b) Source of funds

Repurchase must be paid out of funds legally available for the purpose and in accordance with the listed company's memorandum and articles of association and the laws of the jurisdiction in which the listed company is incorporated or otherwise established. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the laws of the Cayman Islands, repurchases by a company may only be made out of profits of the company or out of proceeds of a fresh issue of shares made for the purpose, or, if so authorised by its memorandum and articles of association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the shares to be purchased must be provided for out of profits of the company or out of the company's share premium account, or if so authorised by its memorandum and articles of association and subject to the provisions of the Companies Law, out of capital.

(c) Trading restrictions

Where the securities to be repurchased by a company are shares, such shares must be fully paid shares.

2. SHARES IN ISSUE

As at the Latest Practicable Date, the Company had 29,787,512,211 Shares in issue.

Subject to the passing of the proposed resolution for the grant of the Share Repurchase Mandate and on the basis that there is no change in the total number of issued Shares between the Latest Practicable Date and the AGM, the Company will be allowed under the Shares Repurchase Mandate to repurchase a maximum of 2,978,751,221 Shares.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might consider it appropriate to repurchase Shares, the Directors believe that an ability to do so will give the Company additional flexibility that is beneficial to the Company. An exercise of the Share Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the Listing Rules and the applicable laws of the Cayman Islands. Any repurchase of Shares will be made out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purpose of the purchase or, if authorized by the Articles of Association and subject to the Companies Law, out of the capital of the Company.

Taking into account the current working capital position of the Group, the Directors consider that, if the Share Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position as at 31 December 2019, being the date on which its latest published audited consolidated financial statements were made up. However, the Directors do not intend to make any repurchase to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Group which in the opinion of the Directors are from time to time appropriate for the Group.

5. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
April	0.345	0.310
May	0.325	0.285
June	0.395	0.270
July	0.365	0.290
August	0.335	0.275
September	0.340	0.290
October	0.290	0.280
November	0.300	0.270
December	0.300	0.260
2020		
January	0.420	0.290
February	0.385	0.250
March	0.275	0.240
April (up to the Latest Practicable Date)	0.290	0.255

6. TAKEOVERS CODE AND PUBLIC FLOAT REQUIREMENT

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

As at the Latest Practicable Date, and to the best knowledge and belief of the Directors based on the register of members kept by the Company under Section 336 of the SFO, 13,417,759,600 Shares of the Company are held by Bao Xin International Group Limited, a company 100% held by Mr. Yao Jianhui. Mr. Yao Jianhui also holds 44,468,000 Shares in the Company. Thus, Mr. Yao Jianhui is deemed to be interested in 13,462,227,600 Shares, representing approximately 45.19% of the total issued share capital of the Company as at the Latest Practicable Date. On the basis of 29,787,512,211 Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of issued shares before the AGM, if the Share Repurchase Mandate were exercised in full, the aggregate percentage shareholding of Mr. Yao Jianhui in the Company would increase to approximately 56.49% of

the then issued share capital of the Company, As such, Mr. Yao Jianhui would be obliged to make a mandatory general offer for all the Shares that he does not own under Rule 26 of the Takeovers Code. The Company has no intention to exercise the Share Repurchase Mandate to such an extent that would result in the Takeovers Code being triggered or the number of shares held by the public being reduced to less than 25% of the issued share capital of the Company.

7. UNDERTAKINGS

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their close associates have any present intention to sell any Shares to the Company if the Share Repurchase Mandate is approved at the AGM and exercised.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules, the laws of the Cayman Islands and the regulations set out in the Memorandum and Articles of Association.

As at the Latest Practicable Date, no core connected person of the Company had notified the Company that he/she/it had a present intention to sell any securities to the Company nor had such core connected person undertaken not to sell any of the securities held by him/her/it to the Company in the event that the Share Repurchase Mandate is granted.

8. SHARE REPURCHASE MADE BY THE COMPANY

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



寶新金融集團有限公司

GLORY SUN FINANCIAL GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01282)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “AGM”) of Glory Sun Financial Group Limited (the “Company”) will be held at 18/F., Wing On Centre, 111 Connaught Road Central, Hong Kong on Tuesday, 2 June 2020 at 11:00 a.m. for the purpose of considering and if thought fit, passing the following resolutions as ordinary resolutions of the Company:

As Ordinary Business

1. To receive and adopt the audited consolidated financial statements and the reports of the directors and the auditors of the Company for the year ended 31 December 2019;
2. To re-elect Ms. Ye Weiqing, a retiring director of the Company, as an executive director;
3. To re-elect Mr. Li Minbin, a retiring director of the Company, as an executive director;
4. To re-elect Mr. Huang Wei, a retiring director of the Company, as an executive director;
5. To re-elect Mr. Zhang Chi, a retiring director of the Company, as a non-executive director;
6. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company;
7. To re-appoint BDO Limited as auditors of the Company and authorise the board of directors of the Company to fix their remuneration;

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As Special Business

8. **“THAT:**

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) granting the approval for the listing of, and the permission to deal in, the ordinary shares of HK\$0.10 each in the share capital of the Company (or such nominal amount as shall result from a capitalisation issue, rights issue, sub-division, consolidation, re-classification, reconstruction or reduction of share capital of the Company from time to time) (the **“Share(s)”**) to be issued pursuant to the exercise of the share options granted which may be granted under the new share option scheme (the **“New Share Option Scheme”**), a copy of which is tabled at the AGM and marked **“A”** and initialled by the chairman of the AGM for identification purpose;
- (b) the New Share Option Scheme be and is hereby approved and adopted; and the Directors 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 share options will be granted to the Eligible Persons (as defined in the New Share Option Scheme) eligible under the New Share Option Scheme to subscribe for the Shares, including but not limited to determining and granting the share options in accordance with the terms of the New Share Option Scheme;
 - (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 the modification and/or amendment and subject to Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the **“Listing Rules”**);
 - (iii) to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the exercise of the share options under the New Share Option Scheme and subject to the Listing Rules;
 - (iv) to make application at appropriate time or times to the Stock Exchange; and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the share options under the New Share Option Scheme; and

NOTICE OF THE AGM

- (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;

9. **“THAT:**

- (a) subject to paragraph (c) below, pursuant to the Listing Rules, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with the unissued shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares in the Company, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options, including warrants to subscribe for shares in the Company, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares of the Company allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares in the Company in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company (**“Articles of Association”**) in force from time to time; or (iv) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares in the Company shall not exceed 20% of the total number of shares of the Company in issue on the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any other applicable law of the Cayman Islands to be held; and

NOTICE OF THE AGM

- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution;

“**Rights Issue**” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares in the Company open for a period fixed by the directors of the Company to holders of shares on the Company’s register of members on a fixed record date in proportion to their then holdings of shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

10. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on the Stock Exchange or any other stock exchange on which the shares in the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong (“**SFC**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the total number of shares in the Company which may be or agreed to be bought by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of shares of the Company in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any other applicable law of the Cayman Islands to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

NOTICE OF THE AGM

11. “**THAT** conditional on the passing of resolutions numbered 9 and 10 above, the general mandate granted to the directors of the Company pursuant to paragraph (a) of resolution numbered 9 above be and is hereby extended by the addition to the total number of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to or in accordance with such general mandate of such number of shares of the Company bought back by the Company pursuant to or in accordance with the authority granted under paragraph (a) of resolution numbered 10 above.”

Yours faithfully,
For and on behalf of the Board
Glory Sun Financial Group Limited
Yao Jianhui
Chairman and Chief Executive Officer

Hong Kong, 29 April 2020

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

*Head office and principal place of business
in Hong Kong:*
18/F., Wing On Centre
111 Connaught Road Central
Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, subject to the provisions of the Articles of Association, vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with any power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 48 hours before the time fixed for holding the meeting or any adjournment thereof.
3. The register of members of the Company will be closed from Thursday, 28 May 2020 to Tuesday, 2 June 2020, both days inclusive, during which period no transfer of shares of the Company will be registered.

In order to qualify for attending and voting at the AGM, all share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong at the address stated in note 2 above no later than 4:30 p.m. on Wednesday, 27 May 2020.

NOTICE OF THE AGM

4. In relation to the proposed resolutions numbered 9 and 10 above, approval is being sought from the shareholders of the Company for the grant to the Directors of a general mandate to authorise the allotment and issue of shares under the Listing Rules. The Directors have no immediate plans to issue any new shares other than shares which may fall to be issued upon the exercise of options granted under the share option scheme of the Company or otherwise or any scrip dividend scheme of the Company which may be approved by the shareholders of the Company.
5. In relation to the proposed resolution numbered 10 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase shares of the Company in circumstances which they seem appropriate for the benefit of the shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in an appendix to the circular of the Company to be dispatched to the shareholders.

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Yao Jianhui, Ms. Ye Weiqing, Mr. Lau Wan Po, Mr. Li Minbin and Mr. Huang Wei; one non-executive director, namely Mr. Zhang Chi; and three independent non-executive directors, namely Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew, and Mr. Lee Kwan Hung, Eddie.