
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker 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 Prosperous Future Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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PROSPEROUS FUTURE HOLDINGS LIMITED

未來發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1259)

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

A notice convening an annual general meeting of Prosperous Future Holdings Limited to be held at Room 901-905, China Insurance Group Building, 141 Des Voeux Road Central, Central, Hong Kong on Friday, 25 June 2021 at 10:00 a.m. is set out on pages 35 to 40 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.pfh.hk).

Whether or not you are able to attend the annual general meeting, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar and Transfer Office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the annual general meeting (i.e. not later than 10:00 a.m. on Wednesday, 23 June 2021) or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the meeting and in such event, the form of proxy shall be deemed to be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

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

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Annual General Meeting of the Company:

1. all Participants shall be subject to compulsory body temperature check at the entrance of the Venue and anyone with a body temperature over 37.4 degree celsius will be denied entry to the Venue;
2. all Participants are required to wear facial surgical masks appropriately in the Venue at all times and particularly during the whole process of the Annual General Meeting;
3. appropriate distancing and spacing;
4. no provision of souvenir or gift; and
5. no provision of refreshments or drinks.

Attendees who do not comply with the precautionary measures referred to in (1) to (3) above may be denied entry to the Annual General Meeting venue. For the health and safety of Shareholders, the Company strongly recommends Shareholders **NOT to attend the Annual General Meeting** in person, and advises Shareholders to appoint the Chairman of the Annual General Meeting as their proxy to vote according to their indicated voting instructions as an alternative to attending the Annual General Meeting in person.

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DEFINITIONS

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

“Adoption Date”	the date on which the New Share Option Scheme is approved and adopted by an ordinary resolution of the Shareholders at the AGM
“AGM”	an annual general meeting of the Company to be held at Room 901-905, China Insurance Group Building, 141 Des Voeux Road Central, Central, Hong Kong on Friday, 25 June 2021 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 35 to 40 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Close Associates”	has the meaning ascribed to it under the Listing Rules
“Company”	Prosperous Future Holdings Limited 未來發展控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Connected Person”	has the same meaning ascribed to it under the Listing Rules
“Core Connected Person”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	(i) any employee (whether full-time or part-time) of the Company, any of the Subsidiaries and any Invested Entity; (ii) any director (including executive, non-executive and independent non-executive directors) of the Company, any of the Subsidiaries or any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of the Group or any Invested Entity; or (v) any business or joint venture partners, contractors, agents or representatives, consultants, advisers or service providers that provides research, development, professional services or other technological support to the Group or any Invested Entity

DEFINITIONS

“Existing Share Option Scheme”	the existing share option scheme of the Company adopted on 22 June 2011 and expiring on 21 June 2021 (both dates inclusive)
“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
“Invested Entity”	any entity in which the Group holds any equity interest
“Issuance 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 new Shares not exceeding 20% of the number of issued shares of the Company as at the date of passing the relevant resolution granting the proposed Issuance Mandate
“Latest Practicable Date”	21 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Option Scheme”	the share option scheme which is proposed to be adopted by the Company at the AGM, the principal terms of which are set out in Appendix III to this circular
“Offer”	an offer for the grant of an Option made in accordance with the New Share Option Scheme
“Offer Date”	the date on which an Offer is made to an Eligible Participant
“Option(s)”	any option(s) to be granted to Eligible Participant(s) to subscribe for Share(s) under the New Share Option Scheme
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a grantee, is or are entitled to exercise the Option granted to such grantee (to the extent not already exercised)
“PRC”	The People’s Republic of China

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to repurchase Shares not exceeding 10% of the number of issued shares of the Company as at the date of passing of the relevant resolution granting the proposed Repurchase Mandate
“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 capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Shareholder(s)”	the holder(s) of 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 on the exercise of an Option
“Subsidiary(ies)”	the subsidiary(ies) of the Company
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD

PROSPEROUS FUTURE HOLDINGS LIMITED

未來發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1259)

Executive Directors:

Mr. Tsai Wallen (*Chairman*)
Mr. Lau Ka Ho (*Chief Executive Officer*)
Mr. Chan Hoi Tik (*Chief Financial Officer*)
Mr. Fok King Man Ronald (*Chief Investment Officer*)

Registered Office:

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

Non-executive Directors:

Mr. Li Zhouxin
Mr. Sze Wine Him Jaime

Principal Place of Business

in Hong Kong:

17/F., Fung House,
Nos. 19-20 Connaught Road Central
Central
Hong Kong

Independent Non-executive Directors:

Ms. Chan Sze Man
Mr. Ma Kwun Yung Stephen
Ms. Bu Yanan

27 April 2021

To the Shareholders

Dear Sir/Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of the resolutions to be proposed at the AGM for (i) the granting of the proposed Issuance Mandate and the proposed Repurchase Mandate to the Directors; (ii) the re-election of the retiring Directors; (iii) the re-appointment of auditors of the Company; and (iv) the adoption of the New Share Option Scheme.

LETTER FROM THE BOARD

2. PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 26 June 2020, general mandates were granted to the Directors to exercise the powers of the Company to issue new Shares and to repurchase Shares. Up to the Latest Practicable Date, such mandates have not been used and, if not used by the date of the AGM, will lapse at the conclusion of the AGM.

Separate ordinary resolutions will be proposed at the AGM to approve the granting of new general mandates to the Directors:

- (a) to allot, issue or otherwise deal with additional Shares not exceeding 20% of the total number of issued Shares as at the date of passing such resolution (i.e. not exceeding 362,024,600 Shares on the basis that the total number of shares in issue of 1,810,123,000 Shares remains unchanged as at the date of the AGM);
- (b) to repurchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, not exceeding 10% of the total number of issued Shares as at the date of passing such resolution (i.e. not exceeding 181,012,300 Shares on the basis that the total number of shares in issue of 1,810,123,000 Shares remains unchanged as at the date of the AGM); and
- (c) to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Issuance Mandate and the Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 9 and 10 of the notice of the AGM as set out on pages 35 to 40 of this circular.

In accordance with the requirements of the Listing Rules, the Company shall send to Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 83 (3) of the Articles of Association, Mr. Sze Wine Him Jaime (who was appointed as a non-executive Director with effect from 3 August 2020) and Mr. Fok King Man Ronald (who was appointed as an executive Director with effect from 8 January 2021) shall hold office until the AGM. Pursuant to Article 84 of the Articles of Association, Mr. Li Zhouxin, Ms. Chan Sze Man and Mr. Ma Kwun Yung Stephen shall retire by rotation at the AGM. All of the above five retiring Directors are eligible for re-election at the AGM.

The five retiring Directors (i.e. Mr. Fok King Man Ronald, Mr. Sze Wine Him Jaime, Mr. Li Zhouxin, Ms. Chan Sze Man and Mr. Ma Kwun Yung Stephen) have indicated that they will offer themselves for re-election at the AGM. The Board, upon the recommendation of the nomination committee of the Board, proposed the five retiring Directors to stand for re-election as Directors at the AGM.

When identifying suitable candidates for directorship, the nomination committee of the Company carries out the selection process by making reference to the skills, experience, background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations required for the positions. All candidates must be able to meet the standards as set out in Rules 3.08 and 3.09 of the Listing Rules. A candidate who is to be appointed as an independent non-executive Director should also meet the independence criteria as set out in Rule 3.13 of the Listing Rules. Qualified candidates will then be recommended to the Board for approval.

In considering the re-election of Ms. Chan Sze Man and Mr. Ma Kwun Yung Stephen as independent non-executive Director, the Board, with the assistance and recommendation from the nomination committee of the Company, has reviewed the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to gender, age, cultural and ethnic background, professional qualification, skills, knowledge and length of service.

The Board considers that Ms. Chan Sze Man possess rich experience in the accounting industry and is able to provide valuable accounting advice to the Company, thus contributing to better corporate governance of the Company. The Board is also of the view that during the tenure of Ms. Chan as an independent non-executive Director, she has made positive contributions to the Company's strategy, policies and performance with her independent advice, comments, judgment from the perspective of her background coupled with her general understanding of business of the Group. She contributes to the diversity of the Board in terms of her gender, professional qualification and knowledge.

The Board considers that Mr. Ma Kwun Yung Stephen possess rich experience in business and is able to provide valuable advice to the Company. The Board is also of the view that during the tenure of Mr. Ma as an independent non-executive Director, he has made positive contributions to the Company's strategy, policies and performance with his independent advice, comments, judgment from the perspective of his background coupled with his general understanding of business of the Group. He contributes to the diversity of the Board in terms of his gender, professional qualification and knowledge.

LETTER FROM THE BOARD

The Board considered that each of Ms. Chan Sze Man and Mr. Ma Kwun Yung Stephen has been independent according to the requirements as set out in Rule 3.13 of the Listing Rules since her/his appointment as an independent non-executive Director on 15 September 2017 and 15 March 2017 respectively. In particular, Ms. Chan and Mr. Ma do not have any past or present financial or other interest in the business of the Company, or any of its subsidiaries or holding company. Save as serving as an independent non-executive Director, each of Ms. Chan and Mr. Ma has not taken up any other positions in the Company, or any of its subsidiaries or holding company. Therefore, the Board considered that Ms. Chan and Mr. Ma are still independent and recommended the Shareholders to re-elect Ms. Chan Sze Man and Mr. Ma Kwun Yung Stephen as an independent non-executive Director.

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

4. PROPOSED RE-APPOINTMENT OF AUDITORS

CCTH CPA Limited, will retire as the auditors of the Company at the AGM and, being eligible, offer themselves for re-appointment. The Board, upon the recommendation of the audit committee of the Company, proposed to re-appoint CCTH CPA Limited as the auditors of the Company and to hold office until the conclusion of the next annual general meeting of the Company.

5. ADOPTION OF THE NEW SHARE OPTION SCHEME

On 22 June 2011, the Company adopted the Existing Share Option Scheme, which was valid and effective for a period of ten years from its date of adoption. The Existing Share Option Scheme will expire on 21 June 2021.

Accordingly, the Company proposes to adopt the New Share Option Scheme which complies with Chapter 17 of the Listing Rules. The Directors confirm that prior to the AGM, they will not grant any further option under the Existing Share Option Scheme. There is no other share option scheme of the Company besides the Existing Share Option Scheme.

An ordinary resolution is proposed to be passed by the Company at the AGM to approve the adoption of the New Share Option Scheme, pursuant to which the Eligible Participant may be granted with Options for the subscription of the Shares upon and subject to the terms and conditions of the rules of the New Share Option Scheme.

A summary of the principal terms of the rules of the New Share Option Scheme which is proposed to be approved and adopted by the Company at the AGM is set out in the Appendix III to this circular. A copy of the New Share Option Scheme is available for inspection at the principal place of business of the Company in Hong Kong at 17/F., Fung House, Nos. 19-20 Connaught Road Central, Central, Hong Kong during normal business hours from the date hereof up to and including the date which is 14 days from the date of this circular.

LETTER FROM THE BOARD

The purpose of the New Share Option Scheme is to provide incentive or reward to Eligible Participants for their contribution or potential contribution to, and continuing efforts to promote the interests of, the Group or any Invested Entity and/or to enable the Group or any Invested Entity to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any Invested Entity. The scope of the New Share Option Scheme has included eligible participants of any Invested Entity given that the business and financial performance of any Invested Entity may have an impact on the Group in terms of the valuation of the equity interest in such Invested Entity held by the Group and/or the amount of dividend to be declared and distributed by such Invested Entity to its shareholders, including the Group. In determining whether a person has contributed or will contribute to the Group or any Invested Entity, the Group will take into account, among other things, whether contribution has been made to or will be made to the Group or any Invested Entity in terms of operation, financial performance, prospects, growth, reputation and image of the Group or any Invested Entity.

The Directors will assess the Eligible Participants that are employees and directors of the Group or any Invested Entity based on their individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, or where appropriate, contribution to the revenue, profits or business development of the Group or any Invested Entity during the financial year or in the future.

In addition, the Directors believe that the grant of Options to the Eligible Participants other than employees and directors of the Group or any Invested Entity is necessary and appropriate. The success of the Group or any Invested Entity does not only depend on the contributions by the employees and directors of the Group or any Invested Entity, but also requires the co-operations and contributions from parties who play a part in the development of the business and operations of the Group or any Invested Entity, including suppliers, customers, business partners, joint venture partners, contractors, agents or representatives, consultants, advisers or service providers appointed by the Group or any Invested Entity. The Directors believe that there is a need to maintain and develop business relationships with these stakeholders, as (i) the suppliers may offer more economic and quality supplies to the Group or any Invested Entity; (ii) the customers and contractors may maximise the quantity of their orders; (iii) the business partners, joint venture partners and agents or representatives may provide valuable business referrals and partnership introduction as well as introduce business opportunities and/or partners to the Group or any Invested Entity; and (iv) the consultants, advisers and service providers may provide recommendations and/or advice to the Group or any Invested Entity in matters including but not limited to investors' management, business research and development, technological support and professional services, so as to maintain the competitiveness of the Group or any Invested Entity as a whole. It is therefore desirable for the Company to motivate and align the interests of these parties towards the Group or any Invested Entity. The grant of Options to these parties is an appropriate means of achieving the Group's or any Invested Entity's goal. The Options will offer incentives for the suppliers, customers, business partners, joint venture partners, contractors, agents or representatives, consultants, advisers or service providers, to provide continuing efforts as mentioned above to promote the interests of the Group or any Invested Entity and benefits the long-term growth of the Group or any Invested Entity.

LETTER FROM THE BOARD

When assessing the eligibility of Eligible Person(s) other than employees and directors of the Group or any Invested Entity, the Directors will consider the following factors (where applicable):

- (i) his/her/their potential and/or actual contribution to the business affairs of and benefits to the Group or any Invested Entity (in terms of, including without limitation, proactively promoting/catalysing the continuing development and growth of the Group or any Invested Entity, and bringing innovation, new talents and expertise to the Group or any Invested Entity), with regard to the quality or importance of services/goods provided/supplied or expected to be provided/supplied by such Eligible Persons to the Group or any Invested Entity, and the actual or expected change in the Group's or any Invested Entity's revenue or profits which is or may be attributable to the provision or supply of such services/goods;
- (ii) the potential/actual degree of involvement in and/or cooperation with the Group or any Invested Entity with regard to the number, scale and nature of the projects, and the period of engagement/cooperation/business relationship with the Group or any Invested Entity; and/or
- (iii) whether he/she/they is/are regarded as a valuable human resource of the Group or any Invested Entity based on his/her/their work experience, professional qualifications, knowledge in the industry or other relevant factors (including without limitation technical know-how, market competitiveness, synergy between him/her/them and the Group or any Invested Entity, external business connections, strategic value, and repute and credibility).

Based on the above, the Board considers that the inclusion of these persons other than the employees and directors of the Group is appropriate and in the interest of the Company and the Shareholders as a whole, and would enable the purpose of the New Share Option Scheme to be achieved.

The New Share Option Scheme is to be adopted conditionally upon:

- (i) the passing of the ordinary resolution at the AGM approving the adoption of the New Share Option Scheme; and
- (ii) the Listing Committee granting the listing of, and permission to deal in any new Shares to be issued upon the exercise of any Options that may be granted under the New Share Option Scheme.

The Existing Share Option Scheme will expire on 21 June 2021, after which period no further option can be granted thereunder but in all other respects, the provisions of the Existing Share Option Scheme shall remain in force and any option granted prior to such expiry shall continue to be valid and exercisable in accordance therewith.

LETTER FROM THE BOARD

Since the adoption of the of the Existing Share Option Scheme and up to the Latest Practicable Date, the Board has granted an aggregate of 263,036,500 share options under the Existing Share Option Scheme, of which 4,225,000 share options had been exercised, 23,687,000 share options had been lapsed and 39,000,000 share options had been cancelled. As at the Latest Practicable Date, the Company has (i) 8,790,000 outstanding share options entitling the option holders to convert into 8,790,000 Shares at the exercise price of HK\$1.92 per Share; (ii) 7,058,000 outstanding share options entitling the option holders to convert into 7,058,000 Shares at the exercise price of HK\$2.94 per Share; (iii) 22,140,000 outstanding share options entitling the option holders to convert into 22,140,000 Shares at the exercise price of HK\$1.83 per Share; (iv) 38,136,500 outstanding share options entitling the option holders to convert into 38,136,500 Shares at the exercise price HK\$0.81 per Share; and (v) 120,000,000 outstanding share options entitling the option holders to convert into 120,000,000 Shares at the exercise price of HK\$0.084 per Share.

Assuming that there is no change in the issued share capital of the Company between the Latest Practicable Date and the Adoption Date of the New Share Option Scheme, the number of Shares that may be issued pursuant to the New Share Option Scheme and any other share option schemes will be 181,012,300 Shares, representing 10% of the total issued shares as at the date of passing the ordinary resolution. The limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Existing Share Option Scheme, the New Share Option Scheme and any other schemes must not exceed 30% of the relevant class of securities of the Company in issue from time to time.

Save for a few changes that have been made in the New Share Option Scheme to conform with the market practices, the terms of the New Share Option Scheme and the Existing Share Option Scheme are broadly similar.

The terms of the New Share Option Scheme provide that in granting the Options under the New Share Option Scheme, the Board may offer to grant any Option subject to such terms and conditions in relation to the performance criteria to be satisfied before such Option can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also have the discretion in determining the Subscription Price in respect of any Option, provided that the relevant requirements in the Listing Rules are complied with. The Directors are of the view that the flexibility given to the Directors to impose performance targets and other conditions that have to be achieved before the Options can be exercised, will place the Group in a better position to attract human resources that are valuable to the growth and development of the Group as a whole. None of the Directors shall be a trustee of the New Share Option Scheme or has a direct or indirect interest in any such trustee. As at the Latest Practicable Date, the Company does not have any plan to grant Options under the New Share Option Scheme.

LETTER FROM THE BOARD

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are crucial for the calculation of the value of such Options cannot be determined. The variables which are critical for the determination of the value of such Options include the Subscription Price for the Shares upon the exercise of the subscription rights attaching to the Options, whether or not any Options will be granted under the New Share Option Scheme and the timing of the granting of such Options, the period during which the subscription rights may be exercised, the discretion of the Board to impose any performance target that has to be achieved before the subscription right attaching to the Options can be exercised, any other conditions that the Board may impose on the grantees of the Options, and whether or not such Options if granted will be exercised by the Option holders. The Subscription Price depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. It is also difficult to ascertain with accuracy the Subscription Price given the volatility the Share price may be subject to fluctuation during the ten year life span of the New Share Option Scheme. In light of the above, the Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical basis and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options as of the Latest Practicable Date as if they were granted will not be meaningful and may be misleading to Shareholders in the circumstances.

As provided in the New Share Option Scheme, the Options shall be granted to certain Eligible Participants who, in the sole discretion of the Board, have contributed or may contribute to the Group and the grant of Options does not constitute an offer to the public. As such, the prospectus requirements of the Companies (Winding Up and Miscellaneous Provision) Ordinance will not be applicable to the New Share Option Scheme proposed to be adopted by the Company.

6. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 35 to 40 of this circular. At the AGM, resolutions will be proposed to approve, inter alia the granting of the general mandates to issue and repurchase Shares, the re-election of Directors, the re-appointment of auditors of the Company and the adoption of the New Share Option Scheme.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. 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.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.pfh.hk). Whether or not you are able to attend the AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's Branch Share Registrar and Transfer Office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM (i.e. not later than 10:00 a.m. on Wednesday, 23 June 2021) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the AGM and in such event, the form of proxy shall be deemed to be revoked.

7. 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 misleading.

8. RECOMMENDATION

The Directors consider that the ordinary resolutions in respect of (i) the granting of the proposed Issuance Mandate and the proposed Repurchase Mandate to the Directors; (ii) the re-election of the retiring Directors; (iii) the re-appointment of the auditors of the Company and (iv) the adoption of the New Share Option Scheme as set out in the Notice of AGM are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of all resolutions approving such matters at the AGM.

LETTER FROM THE BOARD

9. GENERAL INFORMATION

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 resolutions to be proposed at the AGM. The Board confirms that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he or she has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his Shares to a third party, either generally or on a case-by-case basis.

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

Yours faithfully,
By order of the Board
Prosperous Future Holdings Limited
Tsai Wallen
Chairman and Executive Director

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company, the Group and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued shares of the Company comprised 1,810,123,000 Shares.

Subject to the passing of the ordinary resolution set out in item 9 of the notice of the AGM in respect of the granting of the Repurchase Mandate and on the basis that the total number of shares in issue of the Company remains unchanged as at the date of the AGM, i.e. being 1,810,123,000 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, 181,012,300 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

3. FUNDING OF REPURCHASES

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purposes in accordance with the Company's memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2020) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time befitting the Company.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, 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 Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Golden Sparkle Limited, a company controlled by Mr. Lai Wai Lam Ricky, was interested in 263,308,500 Shares, representing approximately 14.55% of the total number of Shares in issue of the Company.

On the basis that (i) the total number of Shares in issue of the Company (being 1,810,123,000 Shares) remains unchanged as at the date of the AGM; and (ii) the shareholding of Golden Sparkle Limited in the Company (being 263,308,500 issued Shares) remains unchanged immediately after the full exercise of the Repurchase Mandate, in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the relevant ordinary resolution to be proposed at the AGM (presuming that apart from the decrease of the issued share capital arising from the said full exercise of the Repurchase Mandate, there is no other change in the Company's issued share capital), the shareholding interest of Golden Sparkle Limited in the issued Shares would be increased to approximately 16.16% of the total number of Shares in issue of the Company. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

In addition, the Listing Rules prohibit a company from making repurchase of shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the company's number of issued shares would be in public hands. The Directors do not propose to repurchase Shares, which would result in less than the prescribed minimum percentage of Shares in public hands.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during each of the previous 12 months were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
April	0.100	0.070
May	0.091	0.070
June	0.096	0.078
July	0.100	0.077
August	0.103	0.081
September	0.111	0.074
October	0.093	0.078
November	0.090	0.070
December	0.090	0.072
2021		
January	0.093	0.077
February	0.092	0.078
March	0.200	0.072
April (up to the Latest Practicable Date)	0.092	0.069

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the previous 6 months (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the AGM according to the Articles of Association, are provided below.

(1) MR. FOK KING MAN RONALD

Position and Experience

Mr. Fok King Man Ronald (“Mr. Fok”), age 44, was appointed as an executive Director, member of executive committee of the Company and member of investment and credit committee of the Company on 8 January 2021. He has been the chief investment officer of the Company since June 2020. He is currently the director of certain indirect wholly-owned subsidiaries of the Group. Mr. Fok graduated from University of Oxford with a master degree in engineering and computing science. Mr. Fok also hold an executive master of business administration of Chinese University of Hong Kong. He has more than 20 years of experience in investment banking, wealth management and asset management businesses. Upon graduation in 2000 and he joined UBS Investment Bank and held various positions in the equity derivatives division where his last position was Head of Asia Exotics Trading. He then joined the UBS Wealth Management in 2018 as Deputy Team Head supervising client advisors and serving clients from Greater China.

Save as disclosed above, Mr. Fok has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service contract entered into between Mr. Fok and the Company, his current term of office is 3 years from 8 January 2021, unless terminated by either party giving to the other not less than 3 months’ prior notice in writing. He is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Fok does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Fok was not interested or deemed to be interested in any Shares or underlying Shares of the Company pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service contract, Mr. Fok is entitled to receive a director's fee of HK\$20,000 per month for his service as an executive Director on a 12 months' basis and remuneration of HK\$177,000 per month for his service as the chief investment officer on a 13 months' basis and year end discretionary bonus Mr. Fok is also eligible to participate in the share option scheme of the Company. The remuneration of Mr. Fok is determined with reference to prevailing market conditions, his experience, duties and responsibilities with the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Fok to be disclosed pursuant to any of the requirements under paragraphs 13.51 (2) (h) to 13.51 (2) (v) of the Listing Rules; and there are no other matters concerning Mr. Fok that need to be brought to the attention of the Shareholders.

(2) MR. SZE WINE HIM JAIME**Position and Experience**

Mr. Sze Wine Him Jaime ("Mr. Sze"), aged 46, was appointed as a non-executive Director of the Company on 3 August 2020. Mr. Sze has more than 25 years of experience in the investment industry. He is currently the investment director of Hang Tung Resources Holding Limited. He is also the Vice President of the 12th Committee of All-China Youth Federation, the Founding and Emeritus chairman of The Y.Elites Association, the member of Council of The Hong Kong Polytechnic University, the President and Honorary Chairman of Centum Charitas Foundation, the Co-Founding Chairman of the ACYF HK Members Association and the Director and Honorary Chairman of The Committee of Youth Activities in Hong Kong. In recognition of his valuable contribution to Hong Kong, he was appointed as a Justice of the Peace by the Hong Kong Special Administrative Region Government on 1 July 2014, and was awarded the Bronze Bauhinia Star on 1 July 2019.

Mr. Sze has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service contract entered into between Mr. Sze and the Company, his current term of office is 3 years from 3 August 2020, unless terminated by either party giving to the other not less than 1 month's prior notice in writing. He is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Sze does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Sze was not interested or deemed to be interested in any Shares or underlying Shares of the Company pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service contract, Mr. Sze is entitled to receive a director's fee of HK\$80,000 per month on a 13-month basis in addition to discretionary bonus. Mr. Sze is also eligible to participate in the share option scheme of the Company. The remuneration of Mr. Sze is determined with reference to prevailing market conditions, his experience, duties and responsibilities with the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Sze to be disclosed pursuant to any of the requirements under paragraphs 13.51 (2) (h) to 13.51 (2) (v) of the Listing Rules; and there are no other matters concerning Mr. Sze that need to be brought to the attention of the Shareholders.

(3) MR. LI ZHOUXIN**Position and Experience**

Mr. Li Zhouxin ("Mr. Li"), aged 36, was appointed as an executive Director of the Company on 27 January 2016 and re-designated to a non-executive Director with effect from 30 June 2017. He was the chief financial officer of the Company and resigned on 27 April 2017. Mr. Li joined the Group in November 2011. Mr. Li graduated from Fuzhou University with a bachelor degree in finance in 2007 and received an EMBA degree from the Hong Kong University of Science and Technology in June 2019. Mr. Li is a PRC certified public accountant (non-practising) and a certified management accountant recognised by Institute of Management Accountants of the United States of America. Mr. Li also holds a Certification in Risk Management Assurance accredited by The Institute of Internal Auditors. He is also the vice chairman of the 8th Executive Committee of the Youth Business Association of Fujian Province (福建省青年商會).

Mr. Li is currently an independent non-executive director of OKG Technology Holdings Limited (a company listed on the main board of the Stock Exchange; stock code: 1499).

Save as disclosed above, Mr. Li has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service contract entered into between Mr. Li and the Company, his current term of office is 3 years from 27 January 2019, unless terminated by either party giving to the other not less than 3 months' prior notice in writing. He is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Li does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Li was not interested or deemed to be interested in any Shares or underlying Shares of the Company pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service contract, Mr. Li is entitled to receive a director's fee of HKD840,000 per annum. He is also entitled to year end discretionary bonus upon completion of 12 months of employment. Mr. Li is also eligible to participate in the share option scheme of the Company. The remuneration of Mr. Li is determined with reference to prevailing market conditions, his experience, duties and responsibilities with the Company.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Li to be disclosed pursuant to any of the requirements under paragraphs 13.51 (2) (h) to 13.51 (2) (v) of the Listing Rules; and there are no other matters concerning Mr. Li that need to be brought to the attention of the Shareholders.

(4) MS. CHAN SZE MAN**Position and Experience**

Ms. Chan Sze Man (“Ms. Chan”), aged 39, was appointed as an independent non-executive Director of the Company on 20 September 2016. She is also the Chairman of each of the Audit Committee and the Nomination Committee and member of Remuneration Committee of the Company. Ms. Chan received a Bachelor’s Degree in Business Administration (majoring in Accountancy) from The Hong Kong University of Science and Technology. Ms. Chan is a member of the Hong Kong Institute of Certified Public Accountants and has over 16 years of experience in accounting and auditing for Hong Kong listed companies and private companies. Ms. Chan is currently a non-executive director of Tongda Group Holdings Limited (a company listed on the main board of the Stock Exchange; stock code: 698) and an independent non-executive director of Chi Kan Holdings Limited (a company listed on the main board of Stock Exchange; stock code: 9913).

Save as disclosed above, Ms. Chan has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service contract entered into between Ms. Chan and the Company, her current term of office is 3 years from 20 September 2019, unless terminated by either party giving to the other not less than 1 month’s prior notice in writing. She is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Ms. Chan does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Chan was not interested or deemed to be interested in any Shares or underlying Shares of the Company pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service contract entered into between Ms. Chan and the Company, she is entitled to receive a Director's fee of HK\$240,000 per annum. Ms. Chan is also eligible to participate in the share option scheme of the Company. The above emolument of Ms. Chan is determined by the Board by reference to her qualifications, experience and responsibilities.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Ms. Chan to be disclosed pursuant to any of the requirements under paragraphs 13.51 (2) (h) to 13.51 (2) (v) of the Listing Rules; and there are no other matters concerning Ms. Chan that need to be brought to the attention of the Shareholders.

(5) MR. MA KWUN YUNG STEPHEN**Position and Experience**

Mr. Ma Kwun Yung Stephen ("Mr. Stephen Ma"), aged 40, was appointed as an independent non-executive Director of the Company on 15 March 2017, He is also the Chairman of the Remuneration Committee and member of each of the Audit Committee and the Nomination Committee of the Company. Mr. Stephen Ma has over 7 years of experience in renewable energy management. He obtained a Bachelor degree of Business Systems from Monash University in Australia in 2003 and a Master degree of Applied Finance from The University of Melbourne, Australia in 2005. He is a director and a shareholder of EcoSmart Energy Management Limited, a private company principally engaged in the provision of design, consultation and building of energy projects to private and listed companies.

Mr. Stephen Ma has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Length of service

Pursuant to the existing service contract entered into between Mr. Stephen Ma and the Company, his current term of office is 3 years from 15 March 2020, unless terminated by either party giving to the other not less than 1 month's prior notice in writing. He is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Relationships

As far as the Directors are aware, Mr. Stephen Ma does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in Shares

As far as the Directors are aware, as at the Latest Practicable Date, Mr. Stephen Ma was not interested or deemed to be interested in any Shares or underlying Shares of the Company pursuant to Part XV of the SFO.

Director's emoluments

Pursuant to the service contract entered into between Mr. Stephen Ma and the Company, he is entitled to receive a Director's fee of HK\$240,000 per annum. Mr. Stephen Ma is also eligible to participate in the share option scheme of the Company. The above emolument of Mr. Stephen Ma is determined by the Board by reference to his qualifications, experience and responsibilities.

Other information and matters that need to be disclosed or brought to the attention of the Shareholders

As far as the Directors are aware, there is no information of Mr. Stephen Ma to be disclosed pursuant to any of the requirements under paragraphs 13.51 (2) (h) to 13.51 (2) (v) of the Listing Rules; and there are no other matters concerning Mr. Stephen Ma that need to be brought to the attention of the Shareholders.

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

(A) PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to provide an incentive or a reward to selected Eligible Participants for their contribution or potential contribution to, and continuing efforts to promote the interests of, the Group or any Invested Entity and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any Invested Entity.

(B) WHO MAY JOIN THE NEW SHARE OPTION SCHEME

Subject to the provisions in the New Share Option Scheme, the Board shall be entitled at any time and from time to time within the period of ten (10) years after the Adoption Date to make an offer to any of the following Eligible Participant(s):

- (i) any employee (whether full-time or part-time) of the Company, any of the Subsidiaries and any Invested Entity;
- (ii) any director (including executive, non-executive and independent non-executive directors) of the Company, any of the Subsidiaries or any Invested Entity;
- (iii) any supplier of goods or services to any member of the Group or any Invested Entity;
- (iv) any customer of the Group or any Invested Entity; or
- (v) any business or joint venture partners, contractors, agents or representatives, consultants, advisers or service providers that provides research, development, professional services or other technological support to the Group or any Invested Entity.

(C) DURATION AND ADMINISTRATION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall continue in force for the period commencing from the Adoption Date, which is expected to be the date of the AGM, and expiring at the close of business on the date which falls ten (10) years after the Adoption Date, after such period no further Options will be granted but the provisions of the New Share Option Scheme shall remain in full force and effect in respect of any Options granted before its expiry or termination but not yet exercised.

The New Share Option Scheme shall be subject to the administration of the Board whose decision shall be final and binding on all parties. Subject to the requirements of the Listing Rules, the Board shall have the right (i) to interpret and construe the provisions of the New Share Option Scheme; (ii) to determine the persons who will be awarded Options under the Scheme, the minimum period of the Options to be held, the number of Shares to be issued under the Option and the Subscription Price; (iii) to make such appropriate and equitable adjustments to the terms of Options granted under the New Share Option Scheme as it deems necessary; and (iv) to make such other decisions, determinations or regulations as it shall deem appropriate in the administration of the New Share Option Scheme.

(D) GRANT AND ACCEPTANCE OF OPTIONS

Subject to the terms of the New Share Option Scheme, the Board may, in its absolute discretion, invite any Eligible Participant to take up Options to subscribe for Shares at a price calculated in accordance with paragraph (f).

An offer of the grant of an Option shall be made to Eligible Participants in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine and shall remain open for acceptance by the Eligible Participant concerned for a period of twenty-one (21) days inclusive of, from the date upon which it is made provided that no such offer shall be open for acceptance after the earlier of the 10th anniversary of the Adoption Date or the termination of the New Share Option Scheme or the Eligible Participant to whom such offer is made has ceased to be an Eligible Participant.

A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an Option. An Option shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Option duly signed by the Eligible Participant together with the said consideration of HK\$1.00 is received by the Company.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in such number of Shares as represents a board lot for the time being for the purpose of trading on the Stock Exchange or an integral multiple thereof.

(E) EXERCISE OF OPTIONS

An Option may be exercised in whole or in part by the grantee giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given. Within thirty (30) days after receipt of the notice and the remittance, the Company shall allot and issue the relevant Shares to the grantee (or his Personal Representative(s)) credited as fully paid.

(F) SUBSCRIPTION PRICE FOR SHARES

The Subscription Price for Shares under the New Share Option Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the highest of: (i) the closing price of the Shares on the Stock Exchange as shown in the daily quotations sheet of the Stock Exchange on the Offer Date, which must be a Business Day; (ii) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) Business Days immediately preceding the Offer Date; and (iii) the nominal value of the Share on the Offer Date.

(G) MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUE

- (i) Subject to the Listing Rules, the overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Existing Share Option Scheme, the New Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the relevant class of Shares in issue from time to time. No Options may be granted under the New Share Option Scheme or any other share option schemes of the Company if this will result in this limit being exceeded.
- (ii) Subject to the limit mentioned in (g)(i) above, the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the Shares in issue as at the date of the approval of the New Share Option Scheme, unless Shareholders' approval has been obtained pursuant to sub-paragraphs (iii) and (iv) below. Options lapsed in accordance with the terms of the New Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit.

- (iii) Subject to the limit mentioned in (g)(i) above, the Company may refresh the Scheme Mandate Limit subject to approval of the Shareholders in general meeting, provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of passing the relevant resolution. Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with such schemes or exercised Options) will not be counted for the purpose of calculating this limit. The Company must send a circular to the Shareholders containing such information as required under the Listing Rules.
- (iv) Subject to the limit mentioned in (g)(i) above, the Company may also seek separate approval of the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing a generic description of the specified Eligible Participants, the number and terms of Options to be granted, the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose and such other information as required under the Listing Rules.
- (v) If the Company or the Subsidiary conducts a share consolidation or subdivision after the 10% limit has been approved in general meeting, the maximum number of securities that may be issued upon exercise of all options to be granted under all of the share option schemes of the Company or the Subsidiary under the 10% Scheme Mandate Limit as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same.

(H) GRANT OF OPTIONS TO CONNECTED PERSONS OR ANY OF THEIR ASSOCIATES

Any grant of Options to a connected person (including but not limited to a Director, chief executive or substantial Shareholder) or its associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options). Where Options are proposed to be granted to a connected person who is also a substantial Shareholder (as defined in the Listing Rules) of the Company or an independent non-executive Director or their respective associates and if such grant would result in the total number of Shares issued and to be issued upon exercise of the Options granted and to be granted (including Options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant to such person representing in aggregate over 0.1 % of the total issued Shares and having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, then the proposed grant must be subject to the approval of Shareholders taken on a poll in a general meeting. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting.

A circular must be prepared by the Company explaining the proposed grant, disclosing (i) details of the number and terms (including the Subscription Price) of the Options to be granted to each participant, which must be fixed before the shareholders' meeting, and the date of board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the Subscription Price; (ii) containing a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a grantee) on whether or not to vote in favour of the proposed grant; and (iii) such other information as required under the Listing Rules.

Any change in the terms of Options granted to a connected person or its associates must be approved by Shareholders in a general meeting.

(I) MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

The total number of Shares issued and to be issued upon exercise of the Options granted to each Eligible Participant or grantee (including exercised and outstanding Options) in any twelve (12)-month period up to the date of grant shall not exceed 1% of the Shares in issue. Where it is proposed that any offer is to be made to an Eligible Participant (or where approximate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such person (including exercised, cancelled and outstanding Options) in the twelve (12)-month period up to and including the relevant date of grant to exceed such limit, such offer and any acceptance thereof must be conditional upon Shareholders' approval in general meeting with such Eligible Participant (or where appropriate, an existing grantee) and his, her or its close associates (or his, her or its associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Participant or grantee, the number and terms of Options to be granted (and Options previously granted) to such Eligible Participant, and containing the information required under the Listing Rules. The number and terms (including the Subscription Price) of Options to be granted to such Eligible Participant must be fixed before the date on which Shareholders' approval is sought and the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

(J) TIME OF EXERCISE OF OPTIONS

Subject to the terms of the New Share Option Scheme, an Option may be exercised in whole or in part at any time during the period to be determined and notified by the Directors to the grantee thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the provisions for early termination of the New Share Option Scheme (the "**Option Period**").

There is no specified minimum period under the New Share Option Scheme for which an Option must be held or the performance target which must be achieved before an Option can be exercised under the terms of the New Share Option Scheme.

(K) RANKING OF SHARES

The Shares to be allotted and issued upon the exercise of an Option shall be subject to 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 of the Company as at the date of allotment and issue (“**Exercise Date**”), and will entitle the holders of Shares to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the Exercise Date.

(L) RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

Grant of Options may not be made:

- (i) after inside information has come to the knowledge of the Company until it has been announced pursuant to the requirements of the Listing Rules; and
- (ii) during the period commencing from one month immediately preceding the earlier of:
 - (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to publish its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcements.

No Option may be granted during any period of delay in publishing a results announcement.

(M) RIGHTS ARE PERSONAL TO GRANTEES

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 interest whatsoever in favour of any third party over or in relation to any Option or enter into any agreement so to do. Any breach of the foregoing by a grantee shall entitle the Company to cancel any Option or part thereof granted to such grantee to the extent not already exercised.

(N) RIGHTS ON CESSATION OF EMPLOYMENT

Where the grantee of an outstanding Option ceases to be an employee of the Group for any reason other than his/her death or the termination of his/her employment on one or more of the grounds specified in paragraph (v)(v), the Option shall lapse on the date of cessation (to the extent not already exercised) and not be exercisable unless our Board otherwise determines to grant an extension (to the extent which has become exercisable and not already exercised) and subject to any other terms and conditions decided at the discretion of our Board. For the avoidance of doubt, such period of extension (if any) shall be granted within and in any event ended before the expiration of the period of one month following the date of his/her cessation to be an employee of the Group.

(O) RIGHTS ON DEATH

Where the grantee of an outstanding Option dies before exercising the Option in full or at all, and none of the events specified in paragraph (v)(v) which would be a ground for termination of his/her employment or engagement arises, the Option may be exercised in full or in part (to the extent not already exercised) by his/her Personal Representative(s) within 18 months following the date of his/her death or such longer period as our Board may at its absolute discretion determine from the date of death to exercise the Option up to the entitlement of such grantee as at the date of death (to the extent which has become exercisable and not already exercised).

(P) RIGHTS ON A GENERAL OFFER

In the event of a general or partial offer (whether by way of take-over offer, share buy-back offer or scheme of arrangement or otherwise in like manner) being made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, and if such offer becomes or is declared unconditional, a grantee shall be entitled to exercise his/her/its Option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his/her/its Option within one month after the date on which the offer becomes or is declared unconditional.

(Q) RIGHTS ON WINDING UP

In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall, on the same date as or soon after it despatches such notice to each Shareholder, give notice thereof to all grantees and thereupon, each grantee (or his/her Personal Representative(s)) shall, subject to the provisions of all applicable laws, be entitled to exercise all or any of his/her/its Options (to the extent which has become exercisable and not already exercised) at any time not later than two Business Days prior to the proposed general meeting of the Company, by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate 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 and issue the relevant Shares to the grantee credited as fully paid.

(R) RIGHTS ON SCHEME OF ARRANGEMENT

In the event of a general or partial offer by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary number of holders of Shares at the requisite meetings, the grantee (or his/her Personal Representative(s)) may thereafter (but only until such time as shall be notified by the Company, after which it shall lapse) exercise the Option (to the extent which has become exercisable and not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company at any time thereafter and the record date for entitlements under the scheme of arrangement.

(S) RIGHTS ON COMPROMISE OR ARRANGEMENT BETWEEN THE COMPANY AND THE CREDITORS

In the event of a compromise or arrangement between the Company and the creditors or between the Company and our Shareholders in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all grantees on the same day as it gives notice of the meeting to the Shareholders or creditors to consider such a compromise or arrangement, and thereupon any grantee (or his/her Personal Representative(s)) may by notice in writing to the Company accompanied by the remittance of the Subscription Price in respect of the relevant Option (such notice to be received by the Company not later than two Business Days before the proposed meeting) exercise any of his/her/its Options (to the extent which has become exercisable and not already 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 of competent jurisdiction and becoming effective. The Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed meeting referred to above, allot and issue such number of Shares to the grantee which may fall to be issued on such exercise credited as fully paid and register the grantee as holder of such Shares. 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 grantee (or his/her Personal Representative(s)) to transfer or otherwise deal with the Shares issued 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.

(T) EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), such corresponding alterations (if any) will be made in (i) the numbers or nominal amount of Shares subject to any Option so far as such Option remains unexercised and/or (ii) the Subscription Price per Share as the auditors or independent financial advisers 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 to which he or she was entitled before such alteration and the aggregate Subscription Price payable by the grantee on the full exercise of any Option shall remain as nearly as possible the same as it was before such event, but so that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. Save in the case of a capitalization issue, the auditors or independent financial advisers for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.

(U) CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is conditional upon:

- (i) the Stock Exchange granting the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme; and
- (ii) the passing of ordinary resolution to adopt the New Share Option Scheme.

(V) LAPSE OF OPTIONS

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

- (i) the expiry of the Option Period (subject to the provision referred to in paragraph (z));
- (ii) the expiry of any of the periods referred to in paragraphs (n), (o) or (s), where applicable;
- (iii) subject to the court of competent jurisdiction not making an order prohibiting the offeror from acquiring the remaining Shares in the offer, the expiry of the period referred to in paragraph (p);
- (iv) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph (r);

- (v) the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his/her/its employment or engagement on the grounds that he/she/it has been guilty of misconduct, or has been in breach of a material term of the relevant employment contract or engagement contract, or appears either to be unable to pay or have no reasonable prospect to be able to pay debts, or has committed any act of bankruptcy, or has become insolvent, or has been served a petition for bankruptcy or winding-up, or has made any arrangements or composition with his/her/its creditors generally, or has been convicted of any criminal offence or (if so determined by the Board, the board of the relevant subsidiary or the board of the relevant associated company of the Company, as the case may be) on any other ground on which an employer or a sourcing party would be entitled to terminate his/her/its employment or engagement at common law or pursuant to any applicable laws or under the grantee's service contract or supply contract with the Company, the relevant subsidiary or the relevant associated company of the Company (as the case may be);
- (vi) the date of the commencement of the winding-up of the Company;
- (vii) the date on which the Directors shall exercise the Company's right to cancel the Option by reason of a breach of paragraph (m) by the grantee of the Option in respect of that or any other Option; or
- (viii) the date on which the Option is cancelled by our Board as set out in paragraph (x).

(W) DISPUTES

Any dispute arising in connection with the New Share Option Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price at which the grantee may subscribe for Shares on the exercise of an Option or otherwise) shall be referred to the decision of an independent financial adviser appointed by the Company or the auditors of the Company who shall act as experts and not as arbitrators and whose decision, save in the case of manifest error, shall be final, conclusive and binding.

(X) CANCELLATION OF OPTIONS

The Board may, with the consent of the relevant grantee, at any time at its absolute discretion cancel any Option granted but not exercised. Where the Company cancels Options and offers new Options to the same Option holder, the offer of such new Options may only be made under the New Share Option Scheme with available Options (to the extent not yet granted and excluding the cancelled Options) within the Scheme Mandate Limit approved by the shareholders of the Company.

(Y) ALTERATIONS TO THE TERMS OF THE NEW SHARE OPTION SCHEME

- (i) The New Share Option Scheme may be altered in any respect to the extent allowed by the Listing Rules by resolution of the Board except that the provisions relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to extend the class of persons eligible for the grant of Options or to the advantage of the grantees or Eligible Participants except with the prior approval of a resolution of the Shareholders in general meeting, with the grantees and their associates abstaining from voting. 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 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.
- (ii) Any alterations to the terms and conditions of the New Share Option Scheme, which are of a material nature or any change to the terms of Options granted, shall be approved by the Stock Exchange and the Shareholders, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (iii) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (iv) Any change to the authority of the Directors or scheme administrators in relation to any alteration to the terms of the New Share Option Scheme must be approved by the Shareholders at general meeting.

(Z) 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. Options granted prior to such termination and not then exercised shall continue to be valid and exercisable in accordance with the New Share Option Scheme and the Listing Rules.

(AA) MISCELLANEOUS

The New Share Option Scheme and all Options granted thereunder shall be governed by and construed in accordance with the Listing Rules and the laws of Hong Kong in force from time to time.

NOTICE OF THE AGM

PROSPEROUS FUTURE HOLDINGS LIMITED

未來發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1259)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Prosperous Future Holdings Limited 未來發展控股有限公司 (the “**Company**”) will be held at Room 901-905, China Insurance Group Building, 141 Des Voeux Road Central, Central, Hong Kong on Friday, 25 June 2021 at 10:00 a.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the reports of the directors and auditors of the Company for the year ended 31 December 2020;
2. To re-elect Mr. Fok King Man Ronald as an executive director of the Company;
3. To re-elect Mr. Sze Wine Him Jaime as a non-executive director of the Company;
4. To re-elect Mr. Li Zhouxin as a non-executive director of the Company;
5. To re-elect Ms. Chan Sze Man as an independent non-executive director of the Company;
6. To re-elect Mr. Ma Kwun Yung Stephen as an independent non-executive director of the Company;
7. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
8. To re-appoint CCTH CPA Limited as auditors of the Company and to authorize the board of directors of the Company to fix auditors’ remuneration;
9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited or on another stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

NOTICE OF THE AGM

- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
 - (c) for the purpose of this resolution, “Relevant Period” means the period from 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”;
10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);

NOTICE OF THE AGM

- (ii) the exercise of the outstanding conversion rights attaching to any convertible bonds or securities issued by the Company, which are convertible into shares of the Company;
- (iii) the exercise of options under a share option scheme of the Company; and
- (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from 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 revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”; and

NOTICE OF THE AGM

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

“**THAT** conditional upon the passing of the resolutions set out in items 9 and 10 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 10 of the Notice be and is hereby extended by the addition to the total number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the total number of shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 9 of the Notice, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing of this resolution.”.

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

“**THAT:**

- (a) conditional upon The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the shares (the “**Shares**”) of the Company falling to be allotted and issued pursuant to the share option scheme (the “**New Share Option Scheme**”), the terms of which are set out in the document marked “A” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the rules of the New Share Option Scheme be and are hereby approved and adopted and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal in the Shares as may be required to be allotted and issued upon the exercise of any option granted thereunder and to take all such steps as they may consider necessary or expedient to implement the New Share Option Scheme;
- (b) the aggregate number of Shares to be allotted and issued pursuant to (a), together with any issue of Shares upon the exercise of any options granted under any other share option schemes of the Company as may from time to time adopted by the Company, shall not exceed 10 per cent. of the Shares in issue as at the date of passing of this resolution; and

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- (c) any one director (“**Director**”) of the Company be and is hereby authorised to do all such further acts and things and execute all such further documents and take all steps which in his/her opinion may be necessary, desirable or expedient to implement and/or give effect to the New Share Option Scheme and the transactions contemplated thereunder, and to approve any changes and amendments thereto as he/she may consider to be necessary, desirable or expedient for and on behalf of the Company.”

By order of the Board
Prosperous Future Holdings Limited
Tsai Wallen
Chairman and Executive Director

27 April 2021

Notes:

- a. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on his/her/its behalf. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- b. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company’s Branch Share Registrar and Transfer Office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting (i.e. not later than 10:00 a.m. on Wednesday, 23 June 2021) or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
- c. To ascertain shareholders’ eligibility to attend and vote at this meeting, the register of members of the Company will be closed from Monday, 21 June 2021 to Friday, 25 June 2021 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the annual general meeting, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Branch Share Registrar and Transfer Office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Friday, 18 June 2021.
- d. References to time and dates in this notice are to Hong Kong time and dates.
- e. If Typhoon Signal No. 8 or above is hoisted, or a “black” rainstorm warning signal or “extreme conditions after super typhoons” announced by the Government of Hong Kong is/are in force in Hong Kong at or at any time after 7:00 a.m. on the date of the meeting, the meeting will be postponed. The Company will publish an announcement on the website of the Company at www.pfh.hk and on the website of the Stock Exchange at www.hkexnews.hk to notify Shareholders of the date, time and venue of the rescheduled meeting.

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As at the date of this notice, the Board comprises (i) four executive Directors, namely Mr. Tsai Wallen, Mr. Lau Ka Ho, Mr. Chan Hoi Tik and Mr. Fok King Man Ronald; (ii) two non-executive Directors, namely Mr. Li Zhouxin and Mr. Sze Wine Him Jaime; and (iii) three independent non-executive Directors, namely Ms. Chan Sze Man, Mr. Ma Kwun Yung Stephen and Ms. Bu Yanan.

This Circular, in both English and Chinese versions, is available on the Company's website at www.pfh.hk.

Shareholders may at any time change their choice of language(s) (either English only or Chinese only or both languages) of the corporate communications of the Company (the "Corporate Communications").

Shareholders may send their request to change their choice of language(s) of Corporate Communications by notice in writing to the Company's Branch Share Registrar and Transfer Office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.

Shareholders who have chosen to receive the Corporate Communications in either English or Chinese version will receive both English and Chinese versions of this Circular since both languages are bound together into one booklet.