
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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HI SUN TECHNOLOGY (CHINA) LIMITED 高陽科技（中國）有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 818)

PROPOSED AMENDMENT TO THE TERMS OF THE 2018 OPTIONS GRANTED UNDER THE VBILL SHARE OPTION SCHEME; PROPOSED AMENDMENT TO THE TERMS OF THE VBILL SHARE OPTION SCHEME; PROPOSED ADOPTION OF THE VBILL (CAYMAN) SHARE OPTION SCHEME; AND NOTICE OF SPECIAL GENERAL MEETING

A notice convening a special general meeting of the Company to be held at Room 2515, 25/F., Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Wednesday, 18 November 2020 at 3:00 p.m. (“SGM”) is set out on pages SGM-1 to SGM-2 of this circular. Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of the Company at Room 2515, 25th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong as soon as practicable but in any event by 11:00 a.m. on Monday, 16 November 2020 or not less than 48 hours before the time appointed for the holding of any adjourned meeting. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the SGM (or any adjournment thereof) if they so wish.

PRECAUTIONARY MEASURES FOR THE SGM

Please see the section headed “Precautionary Measures for the SGM” in this circular for measures being taken to try to prevent and control the spread of the COVID-19 at the SGM, including:

- compulsory temperature checks and health declarations
- wearing of surgical face masks
- no distribution of corporate gift or refreshment

Any person who does not comply with the precautionary measures may be denied entry into the SGM venue. The Company strongly recommends Shareholders to exercise their voting rights by appointing the chairman of the SGM as their proxy to vote on the relevant resolutions at the SGM as an alternative to attending the SGM in person. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

28 October 2020

* For identification purpose only

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PRECAUTIONARY MEASURES FOR THE SGM

In the interest of all attendees' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the SGM is not necessary for the purpose of exercising voting rights. As an alternative, the Company strongly recommends Shareholders to use proxy forms with voting instructions inserted, to exercise their voting rights by appointing the chairman of the SGM as their proxy to vote on the relevant resolutions at the SGM instead of attending the SGM in person.

For Shareholders, authorised corporate representatives, proxies or other attendees choosing to attend the SGM in person, please note that the Company has been informed by the management company of Sun Hung Kai Centre ("Building") that there will be compulsory body temperature screening at the lobby of the Building in respect of all persons visiting the Building and any person with fever may not be given access to the Building, in which case you will not be allowed to attend the SGM. The Company is supportive of these efforts given the development of COVID-19 and, in addition, will implement the following precautionary measures at the SGM to protect attending Shareholders, staff and other attendees from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, authorised corporate representative, proxy and other attendee at the entrance of the SGM venue. Any person with a body temperature of 37.4 degrees Celsius or above may be denied entry into the SGM venue or be required to leave the SGM venue.
- (ii) All Shareholders, authorised corporate representatives, proxies and other attendees are required to complete and submit at the entrance of the SGM venue a declaration form confirming their names and contact details, and confirming that they are not subject to, or to their best of knowledge had contact with any person who is subject to, quarantine arrangements whether in a quarantine centre or not (as per the Guidelines on Prevention of Coronavirus Disease 2019 (COVID-19) for the General Public issued by the Hong Kong government accessible at www.chp.gov.hk/en/features/102742.html) and had no physical contact with a suspected COVID-19 patient in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the SGM venue or be required to leave the SGM venue.
- (iii) All attendees displaying common cold or flu symptoms may be denied entry into the SGM venue or be required to leave the SGM venue.

PRECAUTIONARY MEASURES FOR THE SGM

- (iv) All attendees are required to wear surgical face masks at the SGM venue at all times, maintain a safe distance between seats and observe good personal hygiene. Otherwise, such attendees may be denied entry into the SGM venue or be required to leave the SGM venue.
- (v) No refreshments or drinks will be served, and there will be no corporate gifts.

If Shareholders choosing not to attend the SGM in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact our investor relations department as follows:

Investor Relations
Email: ir@hisun.com.hk
Tel: 852 2588 8841
Fax: 852 2802 3300

If Shareholders have any questions relating to the SGM, please contact Tricor Tengis Limited, the Company's Hong Kong Share Registrar, as follows:

Tricor Tengis Limited
Address: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax (852) 2810 8185

The proxy form is attached to this circular for Shareholders who opt to receive physical circulars. Alternatively, the proxy form can be downloaded from the "Investor Relations" section of the Company's website at www.hisun.com.hk/en/ir/circulars.php. If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy. Completion and return of a form of proxy for the SGM will not preclude you from attending and voting in person at the SGM or any adjournment thereof if you so wish and are able to satisfy the screening measures mentioned above. In the event that you attend and vote at the SGM or any adjournment thereof after having lodged a form of proxy, your returned form of proxy will be deemed to have been revoked by operation of law.

DEFINITIONS

In this circular other than the SGM Notice, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“2018 Options”	the options granted to the VBill Grantees as more particularly described under the paragraph headed “2. MAJOR TERMS OF THE 2018 OPTIONS GRANTED PURSUANT TO THE VBILL SHARE OPTION SCHEME” in the Letter from the Board in this circular
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Board of VBill”	the board of directors of VBill from time to time or its duly authorized committee for the purpose of administering VBill Share Option Scheme
“Board of VBill (Cayman)”	the board of directors of VBill (Cayman) from time to time or its duly authorized committee for the purpose of administering VBill (Cayman) Share Option Scheme
“Business Day”	a working day other than Saturdays, Sundays and public holidays in Hong Kong, and a trading day of the Stock Exchange
“Bye-laws”	the bye-laws of the Company as may be amended from time to time
“close associate(s)”	has the meaning ascribed to it in the Listing Rules
“Company”	Hi Sun Technology (China) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“connected person(s)”	has the meaning ascribed to it in the Listing Rules

DEFINITIONS

“Date of Grant”	in respect of an Option, the date on which the Board of VBill (Cayman) resolves to make an offer of that Option to the Participant, which date must be a Business Day
“Director(s)”	director(s) of the Company
“Enlarged Registered Capital”	the maximum registered capital of VBill upon exercise of the options by the grantees in full under the VBill Share Option Scheme
“Exercise Period”	in respect of any particular Option, the period within which the Option must be exercised as determined and notified by the Board of VBill (Cayman) to the Grantee at the time of making the offer of the Option, which shall not be beyond ten years from the date of grant
“Grantee(s)”	any Participant who accepts the offer of an Option in accordance with the terms of the VBill (Cayman) Share Option Scheme, or (where the context so permits) any person who is entitled to any such Option in consequence of the death of the original Grantee, or the legal person representative of such person
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	22 October 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Mr. Guo”	Mr. Guo Yi, the senior vice president of VBill, and a VBill Grantee
“Mr. Li”	Mr. Li Huimin, the chief executive officer of VBill and the supervisor of a member of the VBill Group, and a VBill Grantee
“Mr. Shen”	Mr. Shen Zheng, a director and the chairman of the Board of VBill and a director of certain members of the VBill Group, and a VBill Grantee
“Option(s)”	the option(s) granted or to be granted to the eligible Participants under VBill (Cayman) Share Option Scheme
“Option Shares”	the number of VBill (Cayman) Shares to be allotted and issued to the Grantees pursuant to the exercise of the Options
“Participant(s)”	(i) any director(s), senior management and employee(s) of the Company; and (ii) any director(s), senior management and employee(s) of the VBill (Cayman) Group
“PRC”	the People’s Republic of China
“Proposed Amendments”	collectively, the proposed amendment to the terms of the 2018 Options and the proposed amendment to the terms of the VBill Share Option Scheme, as more particularly described under the paragraphs headed “3. AMENDMENT TO THE TERMS OF THE 2018 OPTIONS GRANTED UNDER THE VBILL SHARE OPTION SCHEME” and “4. AMENDMENT TO THE TERMS OF THE VBILL SHARE OPTION SCHEME” respectively in the Letter from the Board in this circular
“Registered Capital”	the registered capital of VBill from time to time
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“SGM”	the special general meeting of the Company convened to be held at Room 2515, 25th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Wednesday, 18 November 2020 at 3:00 p.m.
“SGM Notice”	the notice convening the SGM, which is set out on pages SGM-1 to SGM-2 of this circular
“Share(s)”	share(s) of HK\$0.0025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	US dollars, the lawful currency of the United States of America
“VBill”	隨行付支付有限公司 (unofficial English translation being VBill Payment Co. Ltd.), a limited liability company incorporated in the PRC and is accounted for as a 68.83%-owned subsidiary of the Company as at the Latest Practicable Date
“VBill (Cayman)”	VBill Limited, a company incorporated in the Cayman Islands with limited liability and is owned as to 85.99% by the Company as at the Latest Practicable Date
“VBill (Cayman) Group”	collectively, VBill (Cayman) and its subsidiaries from time to time
“VBill (Cayman) Scheme Limit”	has the meaning ascribed to it under the paragraph headed “6. MAXIMUM NUMBER OF VBILL (CAYMAN) SHARES AVAILABLE FOR SUBSCRIPTION” in the Appendix to this circular
“VBill (Cayman) Scheme Mandate Limit”	has the meaning ascribed to it under the paragraph headed “6. MAXIMUM NUMBER OF VBILL (CAYMAN) SHARES AVAILABLE FOR SUBSCRIPTION” in the Appendix to this circular

DEFINITIONS

“VBill (Cayman) Share Option Scheme”	the share option scheme of VBill (Cayman) proposed to be approved by the Shareholders at the SGM, and a summary of its principal terms is set out in the Appendix to this circular
“VBill (Cayman) Share(s)”	share(s) of par value of US\$1.00 each in the share capital of VBill (Cayman)
“VBill Grantees”	collectively, Mr. Guo, Mr. Li and Mr. Shen and each, a VBill Grantee
“VBill Group”	collectively, VBill and its subsidiaries from time to time
“VBill Option(s)”	the option(s) granted or to be granted to the eligible participants under VBill Share Option Scheme
“VBill Share Option Scheme”	the share option scheme of VBill adopted by VBill, as amended (and if applicable, approved by the Shareholders) from time to time, the principal terms of which are set out in the circular of the Company dated 19 January 2018
“%”	per cent.

Note: For the purpose of this circular, all amounts denominated in RMB have been translated (for information only) into HK\$ using the exchange rate of RMB1.00 to HK\$1.16. No representation is made that any amounts in RMB or HK\$ can be or could have been converted at the relevant dates at the above rates or any other rates at all.

LETTER FROM THE BOARD



HI SUN TECHNOLOGY (CHINA) LIMITED 高陽科技(中國)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 818)

Executive Directors:

Mr. CHEUNG Yuk Fung (*Chairman*)
Mr. KUI Man Chun (*Chief Executive Officer*)
Mr. XU Wensheng
Mr. LI Wenjin
Mr. XU Changjun

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. TAM Chun Fai
Mr. LEUNG Wai Man, Roger
Mr. CHANG Kai-Tzung, Richard

Principal place of business

in Hong Kong:
Room 2515, 25th Floor
Sun Hung Kai Centre
30 Harbour Road
Wanchai
Hong Kong

28 October 2020

To the Shareholders

Dear Sir or Madam,

**PROPOSED AMENDMENT TO THE TERMS OF THE 2018 OPTIONS GRANTED
UNDER VBILL SHARE OPTION SCHEME;
PROPOSED AMENDMENT TO THE TERMS OF
THE VBILL SHARE OPTION SCHEME;
AND
PROPOSED ADOPTION OF VBILL (CAYMAN) SHARE OPTION SCHEME**

1. INTRODUCTION

Reference is made to the announcement of the Company dated 16 October 2020 relating to, among other matters, the Proposed Amendments and the proposed adoption of VBill (Cayman) Share Option Scheme.

* For identification purpose only

LETTER FROM THE BOARD

The purposes of this circular are to provide you with information regarding the resolutions to be proposed at the SGM and to give you notice of SGM. At the SGM, resolutions relating to the amendment to the terms of the 2018 Options granted under the VBill Share Option Scheme, the amendment to the terms of VBill Share Option Scheme, and the adoption of the VBill (Cayman) Share Option Scheme will be proposed.

2. MAJOR TERMS OF THE 2018 OPTIONS GRANTED PURSUANT TO THE VBILL SHARE OPTION SCHEME

The adoption of the VBill Share Option Scheme and the grant of 2018 Options to each of Mr. Guo, Mr. Li and Mr. Shen pursuant to the terms of VBill Share Option Scheme were approved by the Shareholders on 5 February 2018 (“**Effective Date**”).

Details of the grant of 2018 Options

The VBill Grantees

Mr. Guo – the senior vice president of VBill

Mr. Li – the chief executive officer of VBill and the supervisor of a member of the VBill Group

Mr. Shen – a director and the chairman of the Board of VBill and a director of certain members of the VBill Group

Each of Mr. Li and Mr. Shen is a connected person of the Company at subsidiary level. None of the VBill Grantees is a director, chief executive or substantial shareholder of the Company or an associate of any of them.

Subscription price of the 2018 Options

The subscription price of the 2018 Options was RMB12.51 for every RMB1.0 in the Registered Capital.

As at 30 June 2020, the unaudited consolidated net asset value of VBill Group amounted to approximately RMB1,506.9 million and accordingly, the net asset value of the equity interests of VBill subject to the 2018 Options is approximately RMB7.54 for every RMB1.0 in the Registered Capital (before taking into account the exercise of the 2018 Options).

LETTER FROM THE BOARD

The unaudited operating profit of the VBill Group for the six months ended 30 June 2020 decreased by approximately 46% as compared to the same period in 2019 which is primarily attributable to the material decline in segmental turnover as transaction volumes being processed dropped significantly as a result of a decline in consumer consumption of goods and services due to the effects of the COVID-19 outbreak and epidemic prevention and control measures.

According to the rules of the VBill Share Option Scheme, the subscription price payable by any VBill Grantee shall be a price to be determined by the Board of VBill in its absolute discretion with reference to factors which may include the business performance, value of VBill Group and individual performance of the relevant VBill Grantee, but in any event, the subscription price shall not be less than the net asset value of the equity interests of VBill subject to the 2018 Option.

Having considered the recent business performance and the latest net asset value of VBill Group, the Directors considered that the subscription price of the 2018 Options of RMB12.51 for every RMB1.0 in the Registered Capital is fair and reasonable and is in accordance with the rules of the VBill Share Option Scheme.

Amount of Enlarged Registered Capital subject to the 2018 Options

Name of VBill Grantee	Aggregate Subscription Price (RMB)	Amount of Enlarged Registered Capital subject to the 2018 Options (RMB)	Percentage of the Enlarged Registered Capital (Approximate)
Mr. Guo	85,252,522.5	6,814,750	3%
Mr. Li	85,252,522.5	6,814,750	3%
Mr. Shen	170,505,045.0	13,629,500	6%
Total:	341,010,090.0	27,259,000	12%

LETTER FROM THE BOARD

Exercise Period of the 2018 Options

The VBill Grantees may exercise their 2018 Options within three years from the Effective Date, i.e. on or before 5 February 2021. The 2018 Options shall only be exercised once within the exercise period. As at the Latest Practicable Date, none of the 2018 Options has been exercised.

3. AMENDMENT TO THE TERMS OF THE 2018 OPTIONS GRANTED UNDER THE VBILL SHARE OPTION SCHEME

Proposed extension of the exercise period of the 2018 Options

As at the Latest Practicable Date, none of the 2018 Options has been exercised. The last day of the exercise period of the 2018 Options is 5 February 2021. Except for the 2018 Options, as at the Latest Practicable Date, there was no other VBill Options outstanding under the VBill Share Option Scheme.

For the reasons stated below, the Board and the Board of VBill proposed to extend the exercise period of the 2018 Options, such that the VBill Grantees can exercise the 2018 Options once within the extended exercise period, which ends on (i) the 6th anniversary of the Effective Date, being 5 February 2024; or (ii) the date on which such 2018 Options cease to be valid, whichever is earlier (“**Extended Exercise Period**”).

Reasons for the proposed amendment

Reference is made to the announcement of the Company dated 24 September 2019. Pursuant to the 2nd Amended Subscription Agreement (as defined in the announcement of the Company dated 24 September 2019), Mr. Guo, Mr. Li, Mr. Shen (i.e. the VBill Grantees) and Ms. Ge Xiaoxia shall transfer their interests in VBill to VBill (Cayman) and in return they will become shareholders of VBill (Cayman) (“**Share Swap**”). The Share Swap is conditional upon approval from the People’s Bank of China (“**PBOC**”). The application for approval for the Share Swap was submitted to the PBOC and such approval had not been granted as at the Latest Practicable Date. It is also contemplated under the 2nd Amended Subscription Agreement that after the completion of the Share Swap, the 2018 Options shall be cancelled and replaced by new options of similar terms issued under a new share option scheme of VBill (Cayman).

LETTER FROM THE BOARD

The application for approval for the Shares Swap was first submitted to the Operation Office (Beijing) of the PBOC in April 2019. After consultation with PBOC, the Company understands that the application has been processed by the Operation Office (Beijing) of the PBOC and was submitted to the Head Office of the PBOC for review in June 2020. It is expected that the Head Office of the PBOC will request for supplemental documents and information during their review process. Due to the uncertainty of the COVID-19 pandemic development which may warrant the nationwide implementation of emergency public health measures and other actions to curtail the spread of the pandemic including a full lockdown, the Company expects that the approval and review process may take longer. Therefore, the Company considers it reasonable to extend the original exercise period of the VBill Options for three years so that the VBill Options will not lapse before the completion of the Share Swap and replacement of the VBill Options by new options of VBill (Cayman). The Directors are of the view that the VBill Grantees, being key employees and senior management of VBill Group, have made substantial contribution to the VBill Group. In order to encourage and motivate the VBill Grantees for their continuing contribution to the success and long term development of VBill Group, the Directors consider that the alignment of the interests of the Group with the interests of VBill Grantees, being the senior management of VBill Group, would be beneficial to the Group and the VBill Group as a whole, therefore it is crucial that the original exercise period of the VBill Options be extended in order to enable the VBill Grantees to acquire proprietary interests in VBill Group, in the event approval for the Share Swap is not granted and replacement of the 2018 Options by new options of VBill (Cayman) do not take place before the expiry of the original exercise period of the 2018 Options. As a result of the VBill Grantees' subscription for equity interests in VBill Group, the capital base of VBill will be enlarged and the Directors believe that the VBill Grantees will be more committed to the furtherance of the development of VBill Group's business through their acquisition of proprietary interests in VBill Group. Therefore, the Board and the Board of VBill proposed to extend the exercise period of the 2018 Options granted so that the VBill Options can still be exercisable before they can be replaced by new options of VBill (Cayman). The VBill Grantees confirmed that they have no present intention to exercise the 2018 Options before the completion of the Share Swap.

LETTER FROM THE BOARD

4. AMENDMENT TO THE TERMS OF THE VBILL SHARE OPTION SCHEME

The VBill Share Option Scheme

The VBill Share Option Scheme, which complies with Chapter 17 of the Listing Rules, was adopted on 15 January 2018 and became effective on 5 February 2018. The purpose of the VBill Share Option Scheme is to enable VBill to grant VBill Options to selected participants as incentives or rewards for their contribution or potential contribution to VBill Group. Eligible participants of the VBill Share Option Scheme include any directors, supervisors, general managers and other employees of any member of VBill Group. Unless otherwise amended or terminated, the VBill Share Option Scheme shall be effective for a period of five years from the Effective Date.

Administration and alteration to the terms and conditions of the VBill Share Option Scheme

As disclosed in the circular of the Company dated 19 January 2018, the VBill Share Option Scheme shall be administered by the Board of VBill. The provisions of the VBill Share Option Scheme may be altered in any respect by a resolution of the Board of VBill except the provisions as to (i) the definitions of “participant”, “grantee” and “exercise period”; and relating to (ii) matters governed by Rule 17.03 of the Listing Rules, shall not be altered to the advantage of the participants of the VBill Share Option Scheme unless with the prior approval of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any VBill Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the grantees of the VBill Share Option Scheme.

LETTER FROM THE BOARD

In addition, according to note (2) of Rule 17.03 of the Listing Rules and the rules of the VBill Share Option Scheme, any alterations to the terms and conditions of the VBill Share Option Scheme which are of a material nature or any change to the terms of VBill Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the VBill Share Option Scheme. The amended terms of the VBill Share Option Scheme or the VBill Options shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

Exercise period of the VBill Options

A VBill Option may be exercised in accordance with and subject to the terms of the VBill Share Option Scheme at any time during the relevant exercise period, or such other period to be determined and notified by the Board of VBill to each grantee, which period may commence on the date of grant and shall end in any event not later than five years from the date of grant of the VBill Options subject to the provisions of for early termination, lapse or cancellation thereof.

Proposed extension of the exercise period of VBill Options

As at the Latest Practicable Date, none of the 2018 Options has been exercised and in the event that none of the VBill Grantees exercises the 2018 Options within the exercise period, the 2018 Options will lapse on 5 February 2021, being the last day of the exercise period of the 2018 Options.

As mentioned in the section headed “3. AMENDMENT TO THE TERMS OF THE 2018 OPTIONS GRANTED UNDER THE VBILL SHARE OPTION SCHEME – Proposed extension of the exercise period of the 2018 Options” in this circular, the amendment to extend the exercise period of the 2018 Options will be proposed at the SGM. Given that such proposed amendment to the terms of the 2018 Options may extend the exercise period of the 2018 Options to six years from the Effective Date, the original exercise period of five years from the date of grant under the VBill Share Option Scheme will be exceeded. To tally with the proposed amendment to the terms of the 2018 Options, an extension of the exercise period of VBill Options under the VBill Share Option Scheme for one year from the original exercise period of five years from the date of grant to six years from the Effective Date, will be proposed at the SGM.

LETTER FROM THE BOARD

Reasons for the proposed amendment

Taking into account that if the extension of the exercise period of the 2018 Options is approved by the Shareholders at the SGM, the Extended Exercise Period will exceed the exercise period of the VBill Options under the VBill Share Option Scheme, the Board and the Board of VBill consider that the rules in relation to the exercise period under the VBill Share Option Scheme have to be altered, so as to tally with the proposed amendment to the terms of the 2018 Options. It also allows VBill more flexibility in retaining, incentivising, rewarding and/or providing benefits to the Participants through the grant of the VBill Options.

The Directors (including all the independent non-executive Directors) consider that the Proposed Amendments are in the interests of VBill, the Company and the Shareholders as a whole. All the Directors (including the independent non-executive Directors) have approved the Proposed Amendments.

5. ADOPTION OF THE VBILL (CAYMAN) SHARE OPTION SCHEME

The VBill (Cayman) Share Option Scheme

On 16 October 2020, the directors and shareholders of VBill (Cayman) passed resolutions to adopt the VBill (Cayman) Share Option Scheme. The VBill (Cayman) Share Option Scheme shall comply with the requirements under Chapter 17 of the Listing Rules and will be subject to approval by the Shareholders at the SGM.

The purpose of the VBill (Cayman) Share Option Scheme is to enable VBill (Cayman) to grant options to selected Participants as incentives or rewards for their contribution or potential contribution to the VBill (Cayman) Group. The Board of VBill (Cayman) considers that the VBill (Cayman) Share Option Scheme will provide the Participants with the opportunity to acquire proprietary interests in VBill (Cayman) and encourage Participants to work towards enhancing the value of equity interests in VBill (Cayman) for the benefit of the VBill (Cayman) Group and its shareholders as a whole. The VBill (Cayman) Share Option Scheme will provide VBill (Cayman) with a flexible means of retaining, incentivising, rewarding, and/or providing benefits to the Participants. Given the different nature of the duties of the employees of various business units of the Group, the Directors believe that the authority given to the Board of VBill (Cayman) under the VBill (Cayman) Share Option Scheme to determine the eligibility of any Participant of any Option from time to time based on his or her contribution or potential contribution to the development and growth of the VBill (Cayman) Group on a case by case basis, and specify any minimum holding period and/or performance target at its discretion as conditions in any Option granted will serve to protect the value of VBill (Cayman) and achieve the purpose stated above.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the number of VBill (Cayman) Shares in issue is 9,308. Assuming that there is no change in the number of VBill (Cayman) Shares between the Latest Practicable Date and the date of the SGM and subject to the conditions mentioned below having been satisfied, the maximum number of VBill (Cayman) Shares which may be allotted and issued to the Grantees upon exercise of all options which may be granted under the VBill (Cayman) Share Option Scheme and any other share option schemes of VBill (Cayman) will be 930.8, being 10% of the VBill (Cayman) Shares in issue as at the date of the SGM, unless the Company obtains a fresh approval from Shareholders to renew the 10% limit (i.e. VBill (Cayman) Scheme Mandate Limit), provided that the maximum number of VBill (Cayman) Shares allotted and issued or to be allotted and issued to the grantees in respect of which options may be granted under the VBill (Cayman) Share Option Scheme together with any options outstanding and yet to be exercised under the VBill (Cayman) Share Option Scheme and any other share option schemes of VBill (Cayman) shall not exceed 30% of the number of VBill (Cayman) Shares from time to time (i.e. the VBill (Cayman) Scheme Limit).

After the Share Swap has completed, it is expected that Options, representing approximately 10.79% of the then issued share capital of VBill (Cayman), will be granted to the VBill Grantees under the VBill (Cayman) Share Option Scheme at similar terms of 2018 Options in replacement of their 2018 Options. Save as disclosed above, at present, VBill (Cayman) has not identified any other Participants for the grant of Options under VBill (Cayman) Share Option Scheme in the coming 12 months.

The Company will comply with the requirements under the Listing Rules when the Options are granted to and exercised by the VBill Grantees under the VBill (Cayman) Share Option Scheme.

Conditions

The VBill (Cayman) Share Option Scheme shall be effective subject to the fulfillment and satisfaction of the following conditions:

- (i) all necessary consents, waivers and permits (if any) required to be obtained by VBill (Cayman) (including but not limited to the directors and shareholders of VBill (Cayman)) in accordance with the constitutional documents of VBill (Cayman) and all applicable laws having been obtained; and
- (ii) the Shareholders having approved the adoption of the VBill (Cayman) Share Option Scheme at the SGM.

A summary of the principal terms of the VBill (Cayman) Share Option Scheme is contained in the Appendix to this circular.

LETTER FROM THE BOARD

The VBill (Cayman) Share Option Scheme complies with the applicable requirements under Chapter 17 of the Listing Rules. Copies of the amended VBill Share Option Scheme and the VBill (Cayman) Share Option Scheme will be available for inspection at the Company's head office and principal place of business in Hong Kong at Room 2515, 25th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong from (and including) Wednesday, 28 October 2020, and up to (and including) Wednesday, 18 November 2020 and at the SGM.

Information of VBill (Cayman) Group

VBill (Cayman) is an exempted company incorporated in the Cayman Islands on 5 December 2018 with limited liability with authorised share capital of US\$50,000.00 comprising 50,000 VBill (Cayman) Shares of par value of US\$1.00 each. As at the Latest Practicable Date, the Company owns approximately 85.99% of VBill (Cayman). VBill (Cayman) is an investment holding company.

As at the Latest Practicable Date, VBill (Cayman) has seven wholly-owned subsidiaries, being:

- (1) VBill Technology Limited (“**VBill BVI**”), a company incorporated in the British Virgin Islands with limited liability, a direct wholly-owned subsidiary of VBill (Cayman) and an investment holding company.
- (2) VBill HK Limited (“**VBill HK**”), a company incorporated in Hong Kong with limited liability, a direct wholly-owned subsidiary of VBill (BVI) and an investment holding company.
- (3) 北京微碼數據科技有限公司 (unofficial English translation, being Beijing Microcode Data Technology Co., Ltd.) (“**WFOE**”), a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of VBill (HK). WFOE is the wholly foreign-owned enterprise designated by VBill (Cayman) to exercise management control over Chongqing JIM and VBill pursuant to certain contractual arrangements.
- (4) 海南海躍浩天科技有限公司 (unofficial English translation being Hai Nan Hai Yue Hao Tian Technology Co., Ltd.), a company incorporated in the PRC with limited liability, a direct wholly-owned subsidiary of WFOE and is principally engaged in the research and development of payment processing systems.

LETTER FROM THE BOARD

- (5) Chongqing JIM Mobile Business Co., Ltd (重慶結行移動商務有限公司) (“**Chongqing JIM**”), a company incorporated in the PRC with limited liability, which is principally engaged in platform operation solutions business in the PRC. Management control of Chongqing JIM is exercised by WFOE pursuant to certain contractual arrangements.
- (6) 信爾觀明(北京)科技有限公司 (unofficial English translation being Xin Er Guan Ming (Beijing) Technology Co., Ltd.), a company incorporated in the PRC with limited liability, a direct wholly-owned subsidiary of Chongqing JIM and is principally engaged in the operation of e-commerce sales platform.
- (7) 北京蔚藍天際科技有限公司 (unofficial English translation being Beijing Wei Lan Tian Ji Technology Co., Ltd.), a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of Chongqing JIM, which is principally engaged in the business of cloud computing and financial technology.

As at the Latest Practicable Date, VBill is accounted for as a 68.83%-owned subsidiary of the Company. VBill is a company incorporated under the laws of the PRC with limited liability and is principally engaged in the provision of payment processing solutions in the PRC. As at the Latest Practicable Date, VBill has nine wholly-owned subsidiaries, being:

- (1) 北京隨信雲鏈科技有限公司 (unofficial English translation being Beijing Sui Xin Yunlian Technology Co. Ltd.) (“**Beijing Sui Xin**”), a company incorporated in the PRC with limited liability, which is principally engaged in the provision of supply chain financial services and technology for financial institutions and merchants in the PRC.
- (2) 北京車信科技有限公司(unofficial English translation being Beijing Che Xin Technology Co., Ltd.), a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of Beijing Sui Xin, which is principally engaged in the business of financial technology of automobile industry.
- (3) 隨行付(北京)金融信息服務有限公司 (unofficial English translation being VBill (Beijing) Financial Information Service Co. Ltd.), a company incorporated in the PRC with limited liability, which is principally engaged in the provision of financial information services such as customer referral services and credit checks services in the PRC.

LETTER FROM THE BOARD

- (4) 南昌市宏恒技術開發有限公司 (unofficial English translation being Nanchang Hongheng Technology Development Co., Ltd.), a company incorporated in the PRC with limited liability, which is principally engaged in the development of finance related technology in the PRC.
- (5) 南昌隨行付網絡小額貸款有限公司 (unofficial English translation being Nanchang VBill Internet Micro-Credit Co. Ltd.), a company incorporated in the PRC with limited liability, which is principally engaged in online and offline small loan business in the PRC.
- (6) 北京銀企融合技術開發有限公司 (unofficial English translation being Beijing Bank & Enterprise Integration Technology Development Co. Ltd.), a company incorporated in the PRC with limited liability, which is principally engaged in the provision of payment related system integrated services in the PRC.
- (7) 北京隨行付商業保理有限公司 (unofficial English translation being Beijing VBill Commercial Factoring Co. Ltd.), a company incorporated in the PRC with limited liability, which is principally engaged in the provision of commercial factoring services in the PRC.
- (8) 重慶鑫聯隨行付科技有限公司 (unofficial English translation being Chongqing Xinlian Technology Co. Ltd.), a company incorporated in the PRC with limited liability, which is principally engaged in recommending payment or financial products to customers and merchants in the PRC.
- (9) 北京天闢科技有限公司 (unofficial English translation being Beijing Tian Que Technology Co. Ltd., a company incorporated in the PRC with limited liability, which is principally engaged in the development of scan payment solutions technology.

As at the Latest Practicable Date, VBill (Cayman) is a substantial shareholder of CodeOne Data Limited (“**CodeOne**”), a company incorporated in Hong Kong with limited liability, and is interested in 82.28% of the equity interests of CodeOne. CodeOne is principally engaged in (i) payment processing; (ii) consumer financing and (iii) supply chain financing. As at the Latest Practicable Date, CodeOne has one wholly-owned subsidiary, namely JagoLink Limited, a company incorporated in Hong Kong with limited liability and is principally engaged in the business of financial technology.

As at the Latest Practicable Date, VBill was interested in 65% of the equity interests of 海南同信拓達科技有限公司 (unofficial English translation being Hainan Tong Xin Tuo Da Technology Co., Ltd.), a company incorporated in the PRC with limited liability and is principally engaged in provision of flexible staffing platform.

LETTER FROM THE BOARD

None of the Directors is a trustee of the VBill (Cayman) Share Option Scheme or has any direct or indirect interests in the trustees.

6. SGM

According to note (2) of Rule 17.03 of the Listing Rules and rules of the VBill Share Option Scheme, any alterations to the terms and conditions of the VBill Share Option Scheme which are of a material nature must be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the VBill Share Option Scheme. In addition, pursuant to note (1) of Rule 17.03 of the Listing Rules and the rules of the VBill Share Option Scheme, the exercise period of the options granted under the VBill Share Option Scheme shall not be altered to the advantage of the participants without the prior approval of the Shareholders in general meeting.

Pursuant to Rule 17.02(1) of the Listing Rules, the proposed adoption of VBill (Cayman) Share Option Scheme must be approved by Shareholders in general meeting.

Accordingly, both the Proposed Amendments and the proposed adoption of VBill (Cayman) Share Option Scheme shall be approved by the Shareholders at the SGM to take effect.

The SGM Notice is set out on pages SGM-1 to SGM-2 of this circular. Ordinary resolutions in respect of the approval for (1) the amendment to the terms of the 2018 Options; (2) the amendment to the terms of the VBill Share Option Scheme; and (3) the adoption of VBill (Cayman) Share Option Scheme, will be proposed at the SGM.

A form of proxy for use at the SGM is enclosed with this circular and published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.hisun.com.hk). Whether or not you intend to be present at the meeting, you are requested to complete the form of proxy and return it to the Company in accordance with the instructions printed thereon as soon as practicable but in any event by 11:00 a.m. on Monday, 16 November 2020 or not less than 48 hours before the time appointed for holding of any adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting in person at the SGM or any adjourned meeting (as the case may be) if they so wish.

Each of Mr. Guo, Mr. Li and Mr. Shen and their respective close associates (or associates if he/she is a connected person) ("**Interested Shareholders**"), shall abstain from voting at the SGM on the resolutions approving the Proposed Amendments.

As at the Latest Practicable Date, Mr. Guo was interested in 1,491,000 Shares and Mr. Shen was interested in 4,449,000 Shares. As at the Latest Practicable Date, save for Mr. Guo and Mr. Shen, none of the Interested Shareholders was interested in any Shares.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made reasonable enquiries, save for the Interested Shareholders, no other Shareholder is required to abstain from voting under the Listing Rules on the ordinary resolutions contained in the SGM Notice.

Record date for determining eligibility to attend and vote

Record date (being the last date for registration of any share transfer given there will be no book closure) for determining the entitlement of the Shareholders to attend and vote at the SGM will be Thursday, 12 November 2020. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 12 November 2020.

Voting by poll

Rule 13.39(4) of the Listing Rules requires that all votes of shareholders at a general meeting must be taken by poll except where the chairman of the meeting in good faith decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the SGM will therefore demand a poll for the ordinary resolutions to be put to the vote at the SGM pursuant to Bye-law 66 of the Bye-laws and the Listing Rules. The results of the voting will be published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.hisun.com.hk) after the SGM pursuant to the Listing Rules.

7. RECOMMENDATION

The Directors (including all the independent non-executive Directors) consider that the Proposed Amendments are in the interests of VBill, the Company and the Shareholders as a whole. The Directors (including all the independent non-executive Directors) also consider that the proposed adoption of the VBill (Cayman) Share Option Scheme is in the interests of VBill (Cayman), the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions in connection therewith to be proposed at the SGM.

LETTER FROM THE BOARD

8. RESPONSIBILITY STATEMENT

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

9. GENERAL INFORMATION

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

Yours faithfully,
By Order of the Board
Hi Sun Technology (China) Limited
LI Wenjin
Executive Director

Set out below is a summary of the principal terms and conditions of the VB Bill (Cayman) Share Option Scheme.

1. CONDITIONS

The VB Bill (Cayman) Share Option Scheme shall be effective subject to the fulfilment and satisfaction of the following conditions:

- (i) all necessary consents, waivers and permits (if any) required to be obtained by VB Bill (Cayman) (including but not limited to the directors and shareholders of VB Bill (Cayman)) in accordance with the constitutional documents of VB Bill (Cayman) and all applicable laws having been obtained; and
- (ii) the Shareholders having approved the adoption of the VB Bill (Cayman) Share Option Scheme at the SGM.

2. PURPOSE OF THE VBILL (CAYMAN) SHARE OPTION SCHEME

The purpose of the VB Bill (Cayman) Share Option Scheme is to enable VB Bill (Cayman) to grant options to selected Participants as incentives or rewards for their contribution or potential contribution to the VB Bill (Cayman) Group. The Board of VB Bill (Cayman) considers that the VB Bill (Cayman) Share Option Scheme will provide the Participants with the opportunity to acquire proprietary interests in VB Bill (Cayman) and to encourage Participants to work towards enhancing the value of equity interests in VB Bill (Cayman) for the benefit of the VB Bill (Cayman) Group and its shareholders as a whole.

When determining the persons who will be offered Options, the Board of VB Bill (Cayman) will assess on an individual basis and will only offer Options to Participants who, in their opinion, have demonstrated significant value to the VB Bill (Cayman) Group based on his or her personal attributes and/or historical performance. Furthermore, although it is not a general requirement under the terms of the VB Bill (Cayman) Share Option Scheme for any minimum period for which an Option must be held or any performance targets which must be achieved before any Options granted can be exercised, the Board of VB Bill (Cayman) has discretion on a case-by-case basis or generally to impose such conditions, including (i) minimum periods for which an Option must be held; and/or (ii) minimum performance targets that must be reached before the Option can be exercised in whole or in part; and/or (iii) such other terms as may be imposed at the discretion of the Board of VB Bill (Cayman) on the Options where appropriate.

In this way, the Board of VBill (Cayman) considers that the terms of the VBill (Cayman) Share Option Scheme can serve the purpose of giving incentives or rewards to the Participants for their contribution or potential contribution to the VBill (Cayman) Group, and can encourage such Grantee's ongoing performance towards the business and the value of the VBill (Cayman) Group.

The VBill (Cayman) Share Option Scheme will provide VBill (Cayman) with a flexible means of retaining, incentivising, rewarding, and/or providing benefits to the Participants. Given the different nature of the duties of the employees of various business units of the Group, the Directors believe that the authority given to the Board of VBill (Cayman) under the VBill (Cayman) Share Option Scheme to determine the eligibility of any Participant of any Option from time to time based on his or her contribution or potential contribution to the development and growth of the VBill (Cayman) Group on a case by case basis, and specify any minimum holding period and/or performance target at its discretion as conditions in any Option granted will serve to protect the value of VBill (Cayman) and achieve the purpose stated above.

3. WHO MAY JOIN AND BASIS OF DETERMINING ELIGIBILITY

The Participants of the VBill (Cayman) Share Option Scheme include:

- (a) any directors, senior management and employees of the Company; and
- (b) any directors, senior management and employees of the VBill (Cayman) Group.

The basis of eligibility of any of the above classes of Participants to the grant of any Options shall be determined by the Board of VBill (Cayman) from time to time on an individual basis and will take into account such factors as it may, in its opinion, consider appropriate including but not limited to the Participant's personal attributes, historical performance, responsibilities and/or contribution or potential contribution to the development and growth of the VBill (Cayman) Group.

It is expected that the authority given to the Board of VBill (Cayman) to set any minimum holding period and/or minimum performance targets as conditions in any Options granted on a case-by-case basis will motivate Grantees to make efforts to align their interests with VBill (Cayman) Group and contribute to the business and value of the VBill (Cayman) Group and therefore, serve to achieve the purpose of the VBill (Cayman) Share Option Scheme.

4. ADMINISTRATION OF THE SCHEME

The VBill (Cayman) Share Option Scheme is to be administered by the Board of VBill (Cayman), and the decisions of the Board of VBill (Cayman) shall be final and binding on all parties. The Board of VBill (Cayman) shall have the right to (i) interpret and construe the provisions of the VBill (Cayman) Share Option Scheme, (ii) determine the persons who will be offered Options under the VBill (Cayman) Share Option Scheme, the terms on which Options are granted, the subscription price upon exercise of Options, subject to paragraph 11, in relation to such Options, (iii) subject to paragraphs 8 and 21, make such adjustments to the terms of the VBill (Cayman) Share Option Scheme and to the terms of the Options granted under the VBill (Cayman) Share Option Scheme as it deems necessary, and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the VBill (Cayman) Share Option Scheme.

5. LIFE OF THE SCHEME

The Board of VBill (Cayman) is entitled, at any time within 10 years after the date on which the VBill (Cayman) Share Option Scheme becomes unconditional in accordance with the terms of the VBill (Cayman) Share Option Scheme, to make an offer to any Participant, as the Board of VBill (Cayman) may in its absolute discretion select, to take up an Option pursuant to which such Participant may, during the Exercise Period, subscribe for such number of VBill (Cayman) Shares at such subscription price as the Board of VBill (Cayman) may determine. The offer shall specify the terms on which the Option is to be granted, including the subscription price, the corresponding number of VBill (Cayman) Shares that may be subscribed for, and may include, at the discretion of the Board of VBill (Cayman), other terms either on a case-by-case basis or generally.

After the expiry of the ten-year period, no further Options shall be offered, but in all other respects the provisions of the VBill (Cayman) Share Option Scheme shall remain in full force and effect. Subject to other provisions under the VBill (Cayman) Share Option Scheme, Options complying with the provisions of Chapter 17 of the Listing Rules that are granted during the life of the VBill (Cayman) Share Option Scheme shall continue to be exercisable in accordance with their terms of issue after the end of the ten-year term.

**6. MAXIMUM NUMBER OF VBILL (CAYMAN) SHARES AVAILABLE FOR
SUBSCRIPTION**

- (a) The maximum number of VBill (Cayman) Shares which may be allotted and issued to the Grantees upon the exercise of all outstanding options granted and yet to be exercised under the VBill (Cayman) Share Option Scheme and any other share option scheme(s) adopted by VBill (Cayman) (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not in aggregate exceed 30% of the VBill (Cayman) Shares in issue from time to time (“**VBill (Cayman) Scheme Limit**”). No option may be granted under the VBill (Cayman) Share Option Scheme or any other share options scheme(s) adopted by the VBill (Cayman) if the grant of such Option will result in the VBill (Cayman) Scheme Limit being exceeded.
- (b) The total number of VBill (Cayman) Shares which may be allotted and issued to the Grantees upon exercise of all Options to be granted under the VBill (Cayman) Share Option Scheme and other share option scheme(s) of VBill (Cayman) shall not in aggregate exceed 10% of the VBill (Cayman) Shares in issue as at the date of approval of the VBill (Cayman) Share Option Scheme (“**VBill (Cayman) Scheme Mandate Limit**”), being 9,308 VBill (Cayman) Shares multiplied by 10% which equals to 930.8 VBill (Cayman) Shares, assuming that there is no change in the VBill (Cayman) Shares in issue between the Latest Practicable Date and the date of the SGM. Options lapsed in accordance with the terms of the VBill (Cayman) Share Option Scheme will not be counted for the purpose of calculating the VBill (Cayman) Scheme Mandate Limit.
- (c) Subject to (a) above and without prejudice to (d) below, the Company may seek approval of the Shareholders in general meeting for refreshing the VBill (Cayman) Scheme Mandate Limit under the VBill (Cayman) Share Option Scheme. However, the total number of VBill (Cayman) Shares which may be allotted and issued to the Grantees upon exercise of all Options to be granted under the VBill (Cayman) Share Option Scheme as refreshed, and other share option scheme(s) of VBill (Cayman), shall not exceed 10% of the VBill (Cayman) Shares in issue as at the date of the approval of the aforesaid VBill (Cayman) Scheme Mandate Limit. Options previously granted under the VBill (Cayman) Share Option Scheme and other share option scheme(s) of VBill (Cayman) (including those outstanding, cancelled, lapsed in accordance with its terms or exercised options), will not be counted for the purpose of calculating the limit as refreshed. A circular must be sent to the Shareholders in connection with the meeting at which their approval will be sought.

- (d) Subject to (a) above and without prejudice to (c) above, VBill (Cayman) may also seek separate approval of the Shareholders in general meeting for granting Options beyond the VBill (Cayman) Scheme Mandate Limit provided the Options in excess of the VBill (Cayman) Scheme Mandate Limit are granted only to Participants specifically identified by the Company before such approval is sought. In such event, a circular shall be sent to the Shareholders containing a generic description of the specified Participants who may be granted such Options, the number and terms of the Options to be granted and the purpose of granting Options to the specified Participants with an explanation as to how the terms of the Options serve such purpose.
- (e) If VBill (Cayman) conducts a share consolidation or subdivision after the VBill (Cayman) Scheme Mandate Limit, or if applicable, the refreshed limit referred to in (c) above, has been approved in general meeting, the maximum number of VBill (Cayman) Shares that may be allotted and issued upon exercise of all Options to be granted under the VBill (Cayman) Share Option Scheme or any other share option schemes of VBill (Cayman), or if applicable, the refreshed limit referred to in (c) above, as a percentage of the total number of VBill (Cayman) Shares in issue at the date immediately before and after such consolidation or subdivision shall be the same.

7. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of VBill (Cayman) Shares issued and which may fall to be issued to each Participant upon exercise of the Options and the options granted under any other share option scheme(s) of the VBill (Cayman) (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the VBill (Cayman) Shares in issue (“**Individual Limit**”). Any further grant of Options to a Participant under the VBill (Cayman) Share Option Scheme which would result in the VBill (Cayman) Shares issued and to be issued upon exercise of all Options granted and proposed to be granted to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant of Options exceeding the Individual Limit shall be subject to approval of the Shareholders in general meeting in advance with such Participant and his close associates (or his associates if such Participant is a connected person) abstaining from voting. A circular must be sent to the Shareholders disclosing the identity of such Participant and the number and terms of the Options granted and proposed to be granted. The number and terms (including the subscription price) of Options to be granted to such Participant shall be fixed before Shareholders’ approval is sought and the date of the Board meeting for proposing such further grant shall for all purposes be the Date of Grant for the purpose of calculating the subscription price under note (1) to Rule 17.03(9) of the Listing Rules.

8. GRANT OF OPTIONS TO CONNECTED PERSONS

Each grant of Options to any Director, chief executive or substantial shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of Options). Where any grant of Options to a substantial shareholder of the Company or an independent non-executive Director, or any of their respective associates, would result in the VBill (Cayman) Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the Date of Grant, representing in aggregate over 0.1% of the VBill (Cayman) Shares in issue, such further grant of Options shall be subject to prior approval by the Shareholders in general meeting. The Grantee, his associates and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour at such general meeting, and any such person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular to be sent to the Shareholders in connection therewith and has complied with Rules 13.40 to 13.42 of the Listing Rules. The circular in respect of such further grant shall contain the necessary information specified under Rule 17.04(3) of the Listing Rules.

Any change in the terms of Options granted to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates must be approved by the independent Shareholders in general meeting.

9. MINIMUM PERIOD TO BE HELD AND PERFORMANCE TARGETS

There is no general requirement under the terms of the VBill (Cayman) Share Option Scheme for any minimum period for which an Option must be held or any performance targets which must be achieved before any Options granted can be exercised. However, the Board of VBill (Cayman) has discretion on a case-by-case basis or generally to impose such conditions, including (i) minimum period for which an Option must be held; and/or (ii) minimum performance targets that must be reached before the Option can be exercised in whole or in part; and/or (iii) such other terms as may be imposed at the discretion of the Board of VBill (Cayman) conditions on the Options where appropriate.

10. TIME OF ACCEPTANCE AND EXERCISE OF OPTION

An offer of the grant of the Option may be accepted by a Participant within seven days from the date of the offer of the Option. An Option may be exercised in accordance with and subject to the terms of the VBill (Cayman) Share Option Scheme at any time during the Exercise Period, or such other period to be determined and notified by the Board of VBill (Cayman) to each Grantee, which period may commence on the Date of the Grant and shall end in any event not later than ten years from the Date of Grant subject to the provisions for early termination, lapse or cancellation thereof.

An offer shall be deemed to have been accepted and the Option to which the offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the offer duly signed by the Grantee with the number of VBill (Cayman) Shares which the Grantee accepts to subscribe for in respect of which the offer is accepted clearly stated therein, together with a total remittance in favour of VBill (Cayman) of HK\$1.00 by way of consideration for the grant thereof, is received by VBill (Cayman). Such remittance shall not be refundable in any circumstances.

Upon an offer being accepted by a Participant in whole or in part in accordance with the aforesaid manner, an option in respect of the number of VBill (Cayman) Shares regarding which the offer was so accepted will be deemed to have been granted by the Company to such Participant on the date on which such offer of grant of Option is made to such Participant. To the extent that the offer is not accepted within the time specified in the offer letter in the aforesaid prescribed manner, it will be deemed to have been irrevocably declined.

11. SUBSCRIPTION PRICE PAYABLE UPON EXERCISE OF OPTION

The subscription price payable by any Grantee shall be a price to be determined by the Board of VBill (Cayman) in its absolute discretion at the time of the grant of the relevant Option with reference to factors which may include the business performance, value of VBill (Cayman) Group and individual performance of the relevant Grantee, but in any event, the subscription price shall not be less than the net asset value of the interests of VBill (Cayman) subject to the Option calculated from the latest audited accounts of VBill (Cayman).

The subscription price shall be paid by the Grantees in cash to VBill (Cayman) if and when the Options are exercised.

The subscription price of Options granted in respect of VBill (Cayman) after the Company has resolved to seek a separate listing of VBill (Cayman) on the Stock Exchange, GEM of the Stock Exchange or an overseas stock exchange and up to the listing date of VBill (Cayman) must not be lower than the new issue price (if any). In particular, any Options granted during the period commencing six months before the lodgement of Form A1 (or its equivalent for listing on GEM of the Stock Exchange or the overseas stock exchange) up to the listing date of VBill (Cayman) are subject to this requirement. For Options granted during such period, the Board of VBill (Cayman) will make any necessary adjustment of the subscription price so that the subscription price shall not be lower than the new issue price.

12. LAPSE OF OPTIONS

An Option shall lapse automatically (to the extent not already exercised) on a Grantee upon occurrence of any of the following events:

- (1) on termination of employment between the Grantee and the Company or VBill (Cayman) Group (as the case may be);
- (2) the Grantee, in performance of the duties as a director, senior management or an employee of the Company or VBill (Cayman) Group (as the case may be), contravenes any of the provisions of the Companies Law, the constitutional documents or other regulations of the Company or VBill (Cayman) Group (as the case may be) or conducts any acts to the significant detriment of the Company or VBill (Cayman) Group (as the case may be);
- (3) the Grantee, through his obvious misconduct, in performance of the duties as a director, senior management or an employee of the Company or VBill (Cayman) Group (as the case may be), causes significant loss to the Company or VBill (Cayman) Group (as the case may be);
- (4) the Board of VBill (Cayman), in its absolute discretion, considers the Grantee to be directly responsible for any of the financial loss or deterioration of business of the Company or VBill (Cayman) Group (as the case may be);
- (5) the Grantee is liable for any criminal offence;

- (6) the Grantee is in breach of any laws, the constitutional documents or any regulations of the Company or VBill (Cayman) Group (as the case may be), or his relevant employment contract with the Company or VBill (Cayman) Group (as the case may be);
- (7) the Grantee is in breach of the any rule of the VBill (Cayman) Share Option Scheme, including any terms stated by the Board of VBill (Cayman) in the offer letter for grant of the Option;
- (8) the expiry of the Exercise Period in respect of such Option; or
- (9) the termination of the VBill (Cayman) Share Option Scheme by the Board of VBill (Cayman).

Transfer of employment of a Grantee within the Company or any member of the VBill (Cayman) Group (as the case may be) shall not be considered as a termination of employment for the purpose of the VBill (Cayman) Share Option Scheme.

13. COVENANTS OF THE GRANTEE

Each Grantee, upon exercise of his Option, shall undertake and covenant with the Board of VBill (Cayman) such terms and conditions as determined by the Board of VBill (Cayman) from time to time as stated in the offer letter for grant of the Options.

14. TERMINATION

The Board of VBill (Cayman) may at any time terminate the operation of the VBill (Cayman) Share Option Scheme and in such event no further Options will be offered or granted but in all other respects the provisions of the VBill (Cayman) Share Option Scheme shall remain in full force and effect. Options which are unexercised and unexpired immediately prior to the termination of the operation of the VBill (Cayman) Share Option Scheme shall continue to be valid and exercisable in accordance with their respective terms of issue after the termination of the VBill (Cayman) Share Option Scheme.

15. OPTION PERSONAL TO GRANTEE

An Option is personal to the Grantee and shall not be transferable or assignable.

16. RESTRICTIONS ON THE TIME OF GRANT

For so long as the Shares are listed on the Stock Exchange, no offer for grant of Options shall be made after an inside information has come to the knowledge of the Company until the Company has announced such information. In particular, during the period commencing one month immediately preceding the earlier of (a) the date of the meeting of the Directors for the approval of the Company's results for any year, half-year, quarter or any other interim period (whether or not required under the Listing Rules); and (b) the last date on which the Company must publish an announcement of its results for any year, half-year, quarter or any other interim period (whether or not required under the Listing Rules), and ending on the date of the announcement of the results, no offer for grant of Option may be made. No Option may be granted during any period of delay in publishing a results announcement.

17. RANKING OF OPTION SHARES

The VBill (Cayman) Shares to be allotted and issued to a Grantee upon the exercise of an Option will be subject to all the provisions of the articles of association of VBill (Cayman) and will rank *pari passu* in all respects with the then existing fully paid VBill (Cayman) Shares in issue on the date such Option is duly exercised ("Exercise Date") and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. Any VBill (Cayman) Shares allotted and issued upon exercise of an Option shall not be deemed to carry voting rights until the completion of the registration of the Grantee as a holder of such VBill (Cayman) Share in accordance with all applicable laws.

Where VBill (Cayman) cancels Options and issues new Options to the same Grantee, the issue of such new Options may only be made under the VBill (Cayman) Share Option Scheme with available unissued Options (excluding the cancelled Options) within the VBill (Cayman) Scheme Mandate Limit or the new limits approved by Shareholders pursuant to sub-paragraphs 6(c) and (d) above.

18. RIGHTS ON WINDING UP

Subject to the applicable laws of the Cayman Islands, in the event of a resolution being proposed for the winding-up of VBill (Cayman) during the Exercise Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to VBill (Cayman) at any time not less than two Business Days before the date on which such resolution is to be considered and/or passed, exercise his or her Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the VBill (Cayman) Share Option Scheme and VBill (Cayman) shall allot and issue to the Grantee the VBill (Cayman) Shares in respect of which such Grantee has exercised his or her Options not less than one Business Day before the date on which such resolution is to be considered and/or passed whereupon the Grantee shall accordingly be entitled, in respect of the VBill (Cayman) Shares allotted and issued to him or her in the aforesaid manner, to participate in the distribution of the assets of VBill (Cayman) available in liquidation pari passu with other existing shareholders on the day prior to the date of such resolution. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up of VBill (Cayman).

19. CANCELLATION OF OPTIONS

The Board of VBill (Cayman) shall be entitled for the following causes to cancel any Option in whole or in part by giving notice in writing to the Grantee stating that such Option is thereby cancelled with effect from the date specified in such notice (“**Cancellation Date**”):

- (i) the Grantee commits or permits or attempts to commit or permit a breach of the paragraph headed “15. OPTION PERSONAL TO GRANTEE” or any terms or conditions attached to the grant of the Option;
- (ii) the Grantee makes a written request to the Board of VBill (Cayman) for the Option to be cancelled; or
- (iii) if the Grantee has, in the opinion of the Board of VBill (Cayman), conducted himself in any manner whatsoever to the detriment of or prejudicial to the interests of VBill (Cayman) or its subsidiary(ies).

The Option shall be deemed to have been cancelled with effect from the Cancellation Date in respect of any part of the Option which has not been exercised as at the Cancellation Date. No compensation shall be payable upon any such cancellation, provided that the Board of VBill (Cayman) shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case.

20. ALTERATION OF THE CAPITAL STRUCTURE OF VBILL (CAYMAN)

In the event of any alteration to the capital structure of VB Bill (Cayman) arising from capitalisation issue, rights issue, sub-division or consolidation of VB Bill (Cayman) Shares, sub-division or reduction of the share capital of VB Bill (Cayman) while any Option remains exercisable (other than any alteration to the capital structure of VB Bill (Cayman) as a result of an issue of VB Bill (Cayman) Shares as consideration in a transaction), such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of VB Bill (Cayman) Shares subject to any Option so far as unexercised; and/or
- (ii) the subscription price payable by any Grantee upon exercise of Option; and/or
- (iii) the maximum number of VB Bill (Cayman) Shares referred to in paragraphs 6 and 7 above; and/or
- (iv) a combination thereof.

The auditors or independent financial adviser to be engaged by VB Bill (Cayman) (as appropriate) must certify to the Board in writing that any such alteration, in their opinion, is fair and reasonable and in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and any applicable guidance issued by the Stock Exchange from time to time. Any such alteration so certified by the auditors or independent financial adviser of VB Bill (Cayman) shall be made on the basis that a Grantee shall have the same proportion of the VB Bill (Cayman) Shares as that to which he/she/it was previously entitled to subscribe for before such alteration, but no such alteration shall be made to the extent that any VB Bill (Cayman) Share would be issued at less than its nominal value.

The capacity of an independent financial adviser to be appointed by VB Bill (Cayman) or the auditors of VB Bill (Cayman) (as the case may be) for the purpose of this paragraph is that of experts and not of arbitrators and their confirmation shall, in the absence of manifest error, be final, conclusive and binding on VB Bill (Cayman) and the Grantees.

21. AMENDMENT TO VBILL (CAYMAN) SHARE OPTION SCHEME

The VB Bill (Cayman) Share Option Scheme may be altered in any respect by a resolution of the Board of VB Bill (Cayman) except that the provisions of the VB Bill (Cayman) Share Option Scheme as to (i) the definitions of “Participant”, “Grantee” and “Exercise Period”; and (ii) the provisions of the VB Bill (Cayman) Share Option Scheme relating to the matters governed by Rule 17.03 of the Listing Rules, shall not be altered to the advantage of the Participants except with the prior approval of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees.

Any alterations to the terms and conditions of the VB Bill (Cayman) Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the VB Bill (Cayman) Share Option Scheme. The amended terms of the VB Bill (Cayman) Share Option Scheme or the Options shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

Any change to the authority of the Board of VB Bill (Cayman) or scheme administrators in relation to any alteration to the terms of the VB Bill (Cayman) Share Option Scheme shall be approved by the Shareholders in general meeting.

NOTICE OF SGM



HI SUN TECHNOLOGY (CHINA) LIMITED

高陽科技（中國）有限公司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 818)

NOTICE IS HEREBY GIVEN that a special general meeting (“**Meeting**”) of Hi Sun Technology (China) Limited (“**Company**”) will be held at Room 2515, 25th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Wednesday, 18 November 2020 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the following ordinary resolutions (with or without modifications):

ORDINARY RESOLUTIONS

1. “**THAT** the proposed amendment (“**Proposed Amendment**”) to the share option scheme of 隨行付支付有限公司 (unofficial English translation being VBill Payment Co. Ltd.) (“**VBill**”) (“**VBill Share Option Scheme**”) (a copy of which has been produced to this Meeting marked “A” and initialled by the chairman of the Meeting for the purpose of identification) regarding the rule(s) about the exercise period of the options granted or to be granted thereunder to 6 years from the date on which the VBill Share Option Scheme became unconditional be and are hereby approved and the directors of the Company (“**Directors**”) be and are hereby authorised to execute such documents and take such actions as they deem appropriate to implement and give effect to the Proposed Amendment.”

2. “**THAT** subject to the passing of resolution no.1, the proposed extension of the exercise period of the options granted pursuant to the share option scheme of VBill on 5 February 2018 (“**2018 Options**”) to end on (i) the 6th anniversary of the date of grant of the 2018 Options; or (ii) the date on which such 2018 Options cease to be valid, whichever is earlier (“**Extended 2018 Options**”), details of which are set out under the paragraph headed “3. AMENDMENT TO THE TERMS OF THE 2018 OPTIONS GRANTED UNDER VBILL SHARE OPTION SCHEME” in the circular of the Company dated 28 October 2020, be and are hereby approved and the Directors be and are hereby authorised to execute such documents and take such actions as they deem appropriate to implement and give effect to the Extended 2018 Options.”

* For identification purpose only

NOTICE OF SGM

3. “**THAT** the rules of the proposed share option scheme of VBill (Cayman) Limited (“**VBill (Cayman) Share Option Scheme**”) (a copy of which has been produced to this Meeting marked “B” and initialled by the chairman of the Meeting for the purpose of identification) be and are hereby approved and adopted and the Directors be and are hereby authorised to execute such documents and take such actions as they deem appropriate to implement and give effect to the VBill (Cayman) Share Option Scheme.”

By Order of the Board of Directors
Hi Sun Technology (China) Limited
Li Wenjin
Executive Director

28 October 2020

Notes:

- (1) A member of the Company entitled to attend and vote at the Meeting (or any adjournment thereof) convened by this notice is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the Meeting is enclosed.
- (3) Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the Meeting if the member so desires.
- (4) To be valid, a form of proxy must be duly completed and signed in accordance with the instructions printed thereon and lodged, 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, at the principal place of the business of the Company at Room 2515, 25th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong as soon as practicable but in any event by 11:00 a.m. on Monday, 16 November 2020 or not less than 48 hours before the time appointed for holding the adjourned Meeting (if any).
- (5) Record date (being the last date of registration of any share transfer given there will be no book closure) for determining the entitlement of the shareholders of the Company to attend and vote at the Meeting will be Thursday, 12 November 2020. All transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong Share Registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 12 November 2020.
- (6) All votings on the resolutions in this notice by the members at the Meeting shall be conducted by poll.

As at the date of this notice, the Board consists of five executive Directors, namely Mr. Cheung Yuk Fung, Mr. Kui Man Chun, Mr. Xu Wensheng, Mr. Li Wenjin and Mr. Xu Changjun; three independent non-executive Directors, namely Mr. Tam Chun Fai, Mr. Leung Wai Man, Roger and Mr. Chang Kai-Tzung, Richard.