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China Wacan Group Company Limited
中國網成集團股份有限公司

(Formerly known as China Wacan Group Company Limited 中國網成集團有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1920)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of China Wacan Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 2 September 2025, the Board has resolved to grant share options (the “**Options**”) to subscribe for a total of 26,000,000 ordinary shares of HK\$0.1 each in the share capital of the Company (the “**Share(s)**”) under the share option scheme adopted by the Company on 22 July 2019 (the “**Scheme**”) to certain eligible participants (as defined in the rules of the Scheme) (the “**Grantees**”), subject to their acceptance. Details of the Options offered to be granted are as follows:

Date of grant : 2 September 2025

Total number of Options granted : 26,000,000, each entitles its holder to subscribe for one Share

Exercise price of Options granted : HK\$0.453 per Share, being the highest of: (i) closing price of HK\$0.420 per Share as quoted on the Stock Exchange of the date of grant of the Options; (ii) the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 trading days immediately preceding the date of grant of the Options of HK\$0.453 per Share; and (iii) the nominal value of HK\$0.1 per Share.

Closing price of the Shares on the : HK\$0.420 per Share
date of grant

Exercise period of the Options : Subject to early termination, the Options shall be exercisable by the Grantees up to 1 September 2035, i.e. ten years from the date of grant of the Options

Vesting period of the Options : 26,000,000 Shares comprising in the Options are vested on 2 September 2025 to the Grantees

The vesting period of the Options granted is less than 12 months. In this regard, there is no specific requirement on the minimum vesting period under the Scheme. The Board is of the view that the grant of the Options (i) acts as a recognition of the past contribution of the relevant Grantees to the Group's business, which can motivate and incentivise the relevant Grantees to continuously contribute to the operation, development and long-term growth of the Group; and (ii) is in line with the overall purpose of attracting, motivating and retaining core talents of the Group. Accordingly, the grant of the Options to the Grantees with a shorter vesting period aligns with the purpose of the Scheme.

Clawback mechanism : The Options granted will be subject to a clawback mechanism as set out in the Scheme, including but not limited to lapse of Options upon expiry of the exercise period of the Options and the Grantee ceasing to be an eligible participant by reason of the termination of employment on the ground that the Grantee has been guilty of misconduct or has committed an act of bankruptcy. For details, please refer to the section headed "Appendix IV Statutory and General Information – Other Information – 1. Share Option Scheme – (m) Lapse of Option" in the prospectus of the Company dated 6 August 2019.

Performance target : There is no performance target attached to the Options granted.

The remuneration committee of the Company (the “**Remuneration Committee**”) understands that the purpose of the Scheme is to provide incentives or rewards to the Grantees for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any entity in which the Group holds any equity interest.

Having considered the purpose of the Scheme above and the following factors, the Remuneration Committee is of the view that the performance target is not necessary and the grant of the Options is in line with the purpose of the Scheme without the performance target:

- (a) subject to the clawback mechanism and the value of the Options is linked to the future Share price and performance of the Group, the grant of the Options can align the interests of the Grantees and the Group;
- (b) as the Grantees are either Directors or employees of the Group who have made direct contributions to the operational performance and business development of the Group, and the grant of the Options will enable the Grantees to reap the results of the Group and be incentivised to work towards the sustainable growth of the Group and shareholder value creation; and
- (c) the number of the Options to be granted to each Grantee has been determined based on the work performance and the future potential contributions to the Group of the relevant Grantee.

Number of Shares available for future grant : After the grant of the Options as disclosed in this announcement, no more Shares are available for future grant(s) since the total number of shares available for issue under the Scheme was 26,000,000 Shares, being 10% of the total issued Shares on the adoption date of the Scheme, and following the adjustment on the coming into effect of the ten-to-one share consolidation on 15 August 2023.

The Company may issue a circular to the Shareholders and seek approval from the Shareholders in general meeting for refreshing the limit such that the total number of Shares which may be issued upon the exercise of the Option(s) to be granted under the Scheme, in any event shall not exceed 10% of the total number of Shares in issue.

Financial assistance : The Group did not provide any financial assistance to the Grantees to facilitate their purchase of Shares under the Scheme.

An aggregate of 26,000,000 Options were granted to the Directors and employees of the Group as follows:

Name/Category of Grantee Position		Number of Options
Zhou Zhenlin	Chairman of the Board and executive Director	3,744,000
Peng Yunying	President and executive Director	1,872,000
Guo Xianjiao	Executive Director	<u>1,684,800</u>
	Sub-total	7,300,800
18 employee participants	Employees	<u>18,699,200</u>
	Total	<u><u>26,000,000</u></u>

The grant of Options to the above Directors has been approved by the independent non-executive Directors of the Company in accordance with rule 17.04(1) of the Listing Rules. None of the offer of the Options will be subject to approval by independent shareholders of the Company.

To the best knowledge, information and belief of the Board having made all reasonable enquiries, save as disclosed above, none of the Grantees of the Options is (i) a Director, chief executive or substantial shareholder of the Company, nor an associate (as defined under the Listing Rules) of any of them; (ii) a participant with Options granted and to be granted exceeding the 1% individual limit (as defined in the Listing Rules); or (iii) a related entity participant or service provider (as defined in the Listing Rules). The grant of the Options will not result in the Shares issued and to be issued in respect of all Options granted (excluding any Options lapsed in accordance with the terms of the Scheme) to any Grantee in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding treasury shares, if any).

By order of the Board
China Wacan Group Company Limited
Zhou Zhenlin
Chairman of the Board and Executive Director

Hong Kong, 2 September 2025

As at the date of this announcement, the Board comprises Mr. Zhou Zhenlin, Ms. Peng Yunying and Mr. Guo Xianjiao as executive Directors and Ms. Ding Xin, Mr. Zhu Qi, Ms. Zhang Lingke and Professor Lam Sing Kwong Simon as independent non-executive Directors.