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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult 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 **BabyTree Group 寶寶樹集團**, 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 or transfer was effected for transmission to the purchaser or transferee.

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**BABYTREE GROUP**

**寶寶樹集團**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1761)**

**PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

The notice convening the Extraordinary General Meeting of BabyTree Group 寶寶樹集團 to be held at 6th Floor, Building A, Borui Plaza, No. 26 North Road of East Third Ring, Chaoyang District, Beijing, PRC on Tuesday, October 26, 2021 at 2:00 p.m. (or at any adjournment thereof), is set out in this circular.

Whether or not you are able to attend the Extraordinary General Meeting, please complete and sign the enclosed form of proxy for use at the Extraordinary General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Extraordinary General Meeting (i.e. not later than 2:00 p.m. (Hong Kong time) on Sunday, October 24, 2021) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company ([ir.babytree.com](http://ir.babytree.com)).

October 7, 2021

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*This circular is prepared in both English and Chinese.*

*In the event of inconsistency, the English text of this circular will prevail.*

## DEFINITIONS

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

“Adoption Date”	June 13, 2019, being the date on which the Share Option Scheme was conditionally adopted by a resolution of the Shareholders
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturday) on which banks in Hong Kong generally are open for business and the Stock Exchange is open for the business of dealing in securities
“Company”	BabyTree Group (寶寶樹集團), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1761)
“Director(s)”	the director(s) of the Company, and in the context of the Share Option Scheme, the director(s) of the Group
“Employee(s)”	any employee(s) or officer(s) of the Company and/or its subsidiaries
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at 6th Floor, Building A, Borui Plaza, No. 26 North Road of East Third Ring, Chaoyang District, Beijing, PRC on Tuesday, October 26, 2021 at 2:00 p.m. (or at any adjournment thereof), the notice of which is set out on pages 16 to 17 of this circular
“Grantee”	any Participant who accepts an Offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) any person who is entitled to any Option in consequence of the death of the original Grantee
“Group”	the Company and its subsidiaries and associated companies from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

## DEFINITIONS

“Latest Practicable Date”	September 30, 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Offer”	the offer(s) of the grant of Share Option(s) made by the Board in accordance with the Share Option Scheme
“Offer Date”	the date on which an Offer(s) is/are made to Participant(s), which date must be a Business Day
“Option(s)” or “Share Option(s)”	a right granted to subscribe for the Shares pursuant to the Share Option Scheme
“Option Period”	a period to be determined and notified by the Board to each Grantee, during which an Option may be exercised (provided that such period shall not be more than 10 years commencing on the Offer Date and expiring on the last day of such period and the Board may also at its discretion impose any restrictions thereon)
“Participant(s)”	any participants eligible under the Share Option Scheme who the Board considers, in its sole discretion, have contributed or will contribute to the Group
“PRC”	the People’s Republic of China
“Proposed Amendments”	the proposed amendments to the Share Option Scheme as set out in Appendix I to this circular
“Share(s)”	ordinary share(s) of US\$0.0001 each in the share capital of the Company or if there has been a subsequent sub-division, 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)”	registered holder(s) of Share(s)

## DEFINITIONS

“Share Option Scheme”	the share option scheme adopted by the Company on June 13, 2019
“Share Option Scheme Mandate Limit”	the maximum number of Shares that may be issued upon exercise of all Options to be granted under the Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent



**BABYTREE GROUP**

**寶寶樹集團**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1761)**

*Executive Directors:*

Mr. GAO Min (*Co-Chairman*)

Mr. XU Chong

*Non-executive Directors:*

Mr. WANG Huainan (*Co-Chairman*)

Mr. QIAN Shunjiang

Mr. CHEN Bing

Mr. CHEN Weijun

Mr. WU Ying

Mr. Christian Franz REITERMANN

*Independent Non-executive Directors:*

Mr. CHEN Guanglei

Mr. De-chao Michael YU

Mr. SHIAH Hung-Yu

Mr. ZHANG Hongjiang

*Registered Office:*

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands

*Head Office and Principal Place of  
Business in the PRC:*

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No. 26 North Road of

East Third Ring Chaoyang District

Beijing

PRC

*Principal Place of Business  
in Hong Kong:*

Level 54, Hopewell Centre

183 Queen's Road East

Hong Kong

October 7, 2021

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of the ordinary resolution in relation to the approval of the Proposed Amendments to be proposed at the Extraordinary General Meeting and the notice of the Extraordinary General Meeting.

## LETTER FROM THE BOARD

### 2. PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME

The Company conditionally adopted the Share Option Scheme at the annual general meeting on June 13, 2019 to attract, retain and motivate talented employees to strive towards long-term performance targets set by the Group and to provide them with an incentive to work better for the interest of the Group. The Share Option Scheme shall remain in force for a period of 10 years commencing on June 13, 2019. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force.

The Board shall be entitled at any time during the life of the Share Option Scheme to make an Offer to any Participant as the Board may in its absolute discretion select to take up Options entitling him or her to subscribe for such number of Shares as the Board may determine at the exercise price pursuant to the terms of the Share Option Scheme. Subject to the provisions of the Listing Rules, Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (e.g. by linking their exercise to the attainment or performance of milestones by the Company and/or its subsidiaries, the Grantee or any group of Participants) as the Board may determine, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Share Option Scheme. It is expected that the Share Option Scheme will link the value of the Company with the interests of the Participants, enabling the Participants and the Company to develop together and promote the Company's corporate culture.

#### (i) The Share Option Scheme Mandate Limit

Pursuant to the terms of the Share Option Scheme, the total number of Shares which may be issued upon exercise of Options to be granted under the Share Option Scheme and any other share option scheme(s) adopted by the Company shall not exceed 3% of total Shares in issue on June 13, 2019. Accordingly, Options to subscribe for up to 50,654,643 Shares may be granted under the existing Share Option Scheme Mandate Limit, representing 3% of the Shares in issue as at June 13, 2019. As at the Latest Practicable Date, no Option had been granted or agreed to be granted, and thus no Options had been exercised, cancelled or lapsed under the Share Option Scheme.

In order to give the Company flexibility to grant Options to eligible Participants under the Share Option Scheme as incentives and rewards for their contribution to the Group, the Board proposed to increase the existing Share Option Scheme Mandate Limit at the Extraordinary General Meeting.

Subject to the approval of the Shareholders at the Extraordinary General Meeting and such other requirements prescribed under the Listing Rules, the existing Share Option Scheme Mandate Limit will be increased so that the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme shall not exceed 10% of the Shares in issue at the date of approval of the increased Share Option Scheme Mandate Limit.

## LETTER FROM THE BOARD

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all Options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not exceed 30% of the Shares in issue from time to time. No Options shall be granted under any scheme(s) of the Company if this will result in the 30% limit being exceeded.

The Board considers it to be a suitable time to increase the Share Option Scheme Mandate Limit as (i) since the Adoption Date, the price of Shares has substantially decreased which caused the granting of Options to Participants to become unattractive as the total value of such Options had relatively decreased. As such, by increasing the Share Option Scheme Mandate Limit, the Company will have the flexibility in increasing the total value of the Options by issuing more Options to offset the decrease in Share price, thereby rendering it more accurate to serve the initial purpose of the Share Option Scheme; and (ii) subject to the passing of the relevant ordinary resolutions by the Shareholders at the Extraordinary General Meeting to approve the Proposed Amendments, the Company expects the increased need for the grant of Options to be in line with the increase in the number of Participants, with more employees of the Company and/or its subsidiaries expected to be included by the Board to participate in the Share Option Scheme and the inclusion of consultants of the Company and/or its subsidiaries into the scope of Participants. The Company also considers the granting of Options an important part of its human resources policy. As such, the Company shall grant Options as and when the Board considers appropriate to incentivize the Participants. The Directors consider that such an increase in the Share Option Scheme Mandate Limit is in the best interests of the Company and the Shareholders as a whole.

If the Share Option Scheme Mandate Limit is increased at the Extraordinary General Meeting, on the basis of 1,660,711,609 Shares in issue at the Latest Practicable Date and assuming that no Shares are issued or repurchased by the Company prior to the Extraordinary General Meeting, Options to subscribe for up to 166,071,160 Shares may be granted under the Share Option Scheme and any other scheme(s) of the Company, representing 10% of the Shares in issue as at date of approval of the increased Share Option Scheme Mandate Limit.

The Directors consider that it is not appropriate to state the value of all the Options that can be granted as if they had been granted as at the Latest Practicable Date prior to the date of approval of the increased Share Option Scheme Mandate Limit given that the variables which are crucial for the calculation of the value of such Options cannot be determined. These variables include, but are not limited to, the subscription price payable for the Shares upon the exercise of subscription rights attaching to the Options, the length of the Option Period, any lock-up period, performance targets or other conditions, restrictions or limitations that the Board may impose with respect to the Options. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.



## LETTER FROM THE BOARD

The increase in the Share Option Scheme Mandate Limit of the Share Option Scheme is conditional upon:

- (i) the passing of the relevant ordinary resolution by the Shareholders at the Extraordinary General Meeting to approve the Proposed Amendments; and
- (ii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which may be issued pursuant to the exercise of Options granted under increased Share Option Scheme Mandate Limit which shall not exceed 10% of the Shares in issue at the date of approval of such increase.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options up to 10% of the Shares in issue as at the date of approval of the increased Share Option Scheme Mandate Limit.

### **(ii) Participants**

Further and in line with the reasons set out under “(i) The Share Option Scheme Mandate Limit” above and the purpose of the Share Option Scheme, in order to allow the Board to have more flexibility in the administration of the Share Option Scheme and to expand the scope of the Share Option Scheme to include persons who have otherwise made contributions or will otherwise make contributions to the Group and improve the attractiveness of the Share Option Scheme as incentive or reward, the Board proposes to amend certain provisions of the Share Option Scheme to include consultants of the Company and/or its subsidiaries who the Board considers, in its sole discretion, have contributed or will contribute to the Group as Participants eligible to participate in the Share Option Scheme. For the better development of the Group, it is important that the Group is able to maintain a good relationship with its consultants, who play a role in the continuous development of the business of the Group, as they provide fundamental services to the Group’s businesses, including but not limited to assisting the Group to formulate strategic directions and providing industry experience. Expanding the scope of the Share Option Scheme to include such consultants is one of the means to attract and retain those persons who contribute to the continuous development of the Group, so that they have an incentive to render improved services and/or support to the Group on a long-term basis. The Board also believes it is in the interest of the Group by giving incentive to its consultants to participate in the growth of, and contribute to the Group in the form of Options, as the broadened category of Participants will share common interests and objectives with the Group upon their exercise of the Options. The eligibility of the consultants will be determined by the Board considering, among others, (i) the potential and/or actual contribution of these consultants to the operation and business of the Group with regard to the quality or importance of services provided or expected to be provided to the Group; (ii) the period of engagement/cooperation/business relationship with the Group and the frequency of the provision of services; (iii) their work experience, professional qualifications and knowledge in the industry; and (iv) any potential business development opportunities to the Group and other relevant factors which could be valuable to the Group.

## LETTER FROM THE BOARD

Accordingly, the Board considers that the proposed inclusion of consultants of the Company and/or its subsidiaries who the Board considers, in its sole discretion, have contributed or will contribute to the Group as eligible Participants under the Share Option Scheme would induce and provide further incentive to both current and future consultants of the Company and/or its subsidiaries to contribute to the development, growth and success of the Group, and is in line with the modern commercial practice with reference to other companies listed on the Stock Exchange to include Participants, such as consultants of the Company and/or its subsidiaries, to be given incentives to work towards enhancing the value and attaining the long-term objectives of the Company and for the benefit of the Group as a whole.

In view of the reasons set out above, the Board proposes to amend sub-paragraphs 1(A), 7(C), 8 and 9(A)(i) of the Share Option Scheme and the proposed insertions and deletions are indicated by the underlined text and the strikethrough text as set out in Appendix I to this circular.

As at the Latest Practicable Date, the Company plans to grant Options to Participants in the coming 12 months under the Share Option Scheme after obtaining approval through the Extraordinary General Meeting, among which, the expected size of the first batch Options to be granted to the target Participants who are Directors or members of senior management of the Group is approximately 0.26% and 4.90% of the total issued Shares, respectively. Nonetheless, such grants may be subject to further changes. The Company will make further announcements in compliance with the Listing Rules in due course.

Save for the Proposed Amendments, all principal terms of the Share Option Scheme remain unchanged and are set out in Appendix III to the circular of the Company dated April 26, 2019.

### **3. LISTING RULE IMPLICATIONS**

Pursuant to note (2) of Rule 17.03(18) of the Listing Rules, any alterations to the terms and conditions of the 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 Share Option Scheme. As the Proposed Amendments to the Share Option Scheme will not take effect automatically under the existing terms of the Share Option Scheme and are considered to be material in nature, the Proposed Amendments to the Share Option Scheme will be subject to approval by the Shareholders at the Extraordinary General Meeting.

Accordingly, an ordinary resolution will be proposed at the Extraordinary General Meeting as set out in the notice convening the Extraordinary General Meeting to give effect to the proposals as described above.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution to be proposed at the Extraordinary General Meeting to approve the Proposed Amendments to the Share Option Scheme.

## LETTER FROM THE BOARD

#### 4. EXTRAORDINARY GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Extraordinary General Meeting is set out on pages 16 to 17 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll where the chairman in good faith, decides to allow a resolution purely relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Extraordinary General Meeting in the manner prescribed under the Listing Rules. None of the Shareholders is required to abstain from voting on any resolutions to be proposed at the Extraordinary General Meeting pursuant to the Listing Rules and/or the Articles of Association.

A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([ir.babytree.com](http://ir.babytree.com)). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Extraordinary General Meeting (i.e. not later than 2:00 p.m. (Hong Kong time) on Sunday, October 24, 2021) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting if you so wish.

#### 5. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of (i) the existing Share Option Scheme; (ii) the amended Share Option Scheme reflecting the Proposed Amendments; and (iii) this circular are available for inspection at the Company's principal place of business in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong during normal business hours of any Business Day from the date of this circular up to and including the date of the Extraordinary General Meeting.

#### 6. 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.

## LETTER FROM THE BOARD

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

### 7. RECOMMENDATION

The Directors consider that the Proposed Amendments are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the Extraordinary General Meeting.

Yours faithfully,  
For and on behalf of the Board  
**BabyTree Group**  
寶寶樹集團  
**GAO Min**  
**WANG Huainan**  
*Co-Chairmen*

The proposed form of the amendments to the Share Option Scheme upon Shareholders' approval of the Proposed Amendments, showing insertions in underline and deletions in strikethrough, is as follows:

- that the definitions in sub-paragraph 1(A) of the Share Option Scheme be amended to reflect the additions as indicated by the text in underline below and the deletions as indicated by the text in strikethrough below:

“Employee(s)”                      any employee(s) or officer(s) of the Company and/or its subsidiaries ~~any member of the Group~~;

“Participants”                      any Director(s), ~~or Employee(s)~~ or consultant(s) of the Company and/or its subsidiaries who the Board considers, in its sole discretion, have contributed or will contribute to the Group;

“Share Option Scheme Mandate Limit”                      the maximum number of Shares that may be issued upon exercise of all Options to be granted under the Share Option Scheme;

- that the provision in sub-paragraph 7(C) of the Share Option Scheme be amended to reflect the additions as indicated by the text in underline below and the deletions as indicated by the text in strikethrough below:

Subject as hereinafter provided and subject to the terms and conditions upon which an Option was granted, the Option may be exercised by the Grantee at any time during the Option Period, provided that:

- (i) (a) in the event ~~a~~ where the Grantee (being is an Employee or a Director ~~of any member of and where the Grantee Group)~~ ceases to be an Employee or a Director for any reason other than (i) his or her death, (ii) his or her retirement, or (iii) on one or more of the grounds of termination of employment, appointment or directorship specified in sub-paragraph 7(C)(i)(b) or 8(vi), the Grantee may exercise the Option up to his or her entitlement at the date of cessation (to the extent he or she is entitled to exercise at the date of cessation but not already exercised) on the date of such cessation which date shall be the last actual working day with the Group whether salary is paid in lieu of notice or not (provided that such exercise is during the relevant Option Period), failing which it will lapse;

- (b) in the case where the Grantee is an Employee or a Director and where the Grantee ceases to be an Employee or a Director ~~of the Group~~ by reason of the termination of his or her employment, appointment or directorships on the grounds that he or she has become insolvent or has made any arrangements or compositions with his or her creditors generally or by reason of actual financial difficulties, the Grantee shall only be entitled to exercise the Options up to the entitlement of such Grantee as at the date on which such Grantee ceased to be an Employee or a Director ~~of the Group~~ (to the extent not already exercised) on the date of such cessation (provided that such exercise is during the relevant Option Period), failing which it will lapse;
- (c) in the case where the Grantee is not an Employee or a Director and where the Grantee under a fixed term contract ceases to be a Participant by reason of termination or expiry of the term of the relevant fixed term contract without any extension or renewal by the Company or the relevant subsidiary of the Company for reasons other than (i) his or her death, or (ii) on one or more of the grounds specified in sub-paragraph 8(viii), the Grantee (or, if applicable, the Grantee's nominee on the Grantee's behalf) may exercise the Option up to his or her entitlement at the date of cessation (to the extent not already exercised) on the date of such cessation, which date shall be the date of expiry of the relevant fixed term contract.
- (d) in the case where the Grantee is not an Employee or a Director and where the Grantee not under a fixed term contract ceases to be a Participant by reason of the Participant ceasing to provide any further advisory or consultancy or other kind of services, support, assistance or contribution to the Company or the relevant subsidiary of the Company as may be determined by the Board and notified to such third-party service provider in writing within three months after the provision of its last services, support, assistance or contribution to the Company or the relevant subsidiary of the Company for reasons other than (i) his or her death, or (ii) on one or more of the grounds specified in sub-paragraph 8(viii), the Grantee (or, if applicable, the Grantee's nominee on the Grantee's behalf) may exercise the Option up to his or her entitlement at the date of cessation (to the extent not already exercised) within the period of three months (or such other period as the Board may determine) following the date of such cessation, which date shall be the date of the written notification to the Grantee.

- that the provision in sub-paragraph 8 of the Share Option Scheme be amended to reflect the additions as indicated by the text in underline below and the deletions as indicated by the text in strikethrough below:

An Option shall lapse automatically (to the extent vested but not already exercised, as applicable) on the earliest of:

- (i) the expiry of the Option Period (subject to the provisions of sub-paragraph 4(A));
- (ii) the expiry of the periods for exercising the Option as referred to in sub-paragraphs 7(C)(i), (ii), (iii), (iv), (vii) or (viii);
- (iii) subject to the scheme of arrangement becoming effective, the expiry of the period for exercising the Option referred to in sub-paragraph 7(C)(v);
- (iv) subject to sub-paragraph 7(C)(vi), the date of commencement of the winding up of the Company;
- (v) the date on which the Grantee commits a breach of sub-paragraph 7(A);
- (vi) the date on which:

the Grantee (being an Employee or a Director ~~of any member of the Group~~) ceases to be an Employee or a Director by reason of the termination of his or her employment, appointment or directorship on the grounds that he or she has been guilty of serious misconduct or has been convicted of any criminal offence involving his or her integrity or honesty or on any other ground on which an employer would be entitled to terminate his or her employment summarily,

provided that whether any one or more of the events specified in the above occur in relation to a Grantee shall in the reasonable opinion of the Board be solely and conclusively determined by the Board;

- (vii) where the Grantee is an Employee or a Director of the Company's subsidiaries and/or associated companies ~~a member of the Group (other than the Company)~~, the date on which such subsidiaries and/or associated companies ~~member~~ ceases to be a subsidiary and/or an associated company ~~member~~ of the Company ~~Group~~;
- (viii) the date on which:
  - (a) the contract between the Grantee (being a consultant) and the Company or the relevant subsidiary of the Company is terminated, where such contract is terminated by reason of breach of contract on the part of the Grantee; or

- (b) the Grantee (being a consultant) appears either unable to pay or have no reasonable prospect to be able to pay debts, or had become insolvent, or has made any arrangement (including a voluntary arrangement) or composition with his or her creditors generally, or ceases or threatens to cease to carry on his or her business, or is bankrupted or has been convicted of any criminal offence involving integrity or honesty, provided that whether any one or more of the events specified above occur in relation to such Grantee shall, in its reasonable opinion, be solely and conclusively determined the Board;
- (ix) the date on which the Grantee (being a consultant) ceases to be a Participant by reason of:
  - (a) for a Grantee under a fixed term contract, termination or expiry of the term of the relevant fixed term contract without any extension or renewal by the Company or the relevant subsidiary of the Company for reasons other than those specified in sub-paragraph 8(viii) above or on his or her death; or
  - (b) for a Grantee not under any fixed term contract, ceasing to provide any further advisory or consultancy or other kind of services, support, assistance or contribution to the Company or the relevant subsidiary as may be determined by the Board and notified to such Option holder in writing within three months after the provision of its last service, support, assistance or contribution to the Company or the relevant subsidiary of the Company for reasons other than those specified in sub-paragraph 8(viii) above or on his death;
- (x) where there are circumstances not referred to in sub-paragraph 7(C), the date the Grantee ceases to be a Participant for any reason, unless the Board otherwise determines; and
- (xi) the date on which the Option is cancelled by the Board as provided in sub-paragraph 7(E).

Unless the Board otherwise determines, an Option granted but not yet vested with the Grantee shall also lapse automatically in the event that the Grantee ~~being an Employee or a Director~~ ceases to be an Employee, ~~or a Director or a consultant of the Company and/or its subsidiaries~~, as the case may be, for whatever reason.



- that the provision in sub-paragraph 9(A)(i) of the Share Option Scheme be amended to reflect the additions as indicated by the text in underline below and the deletions as indicated by the text in strikethrough below:

Subject to sub-paragraph 9(A)(ii):

- (a) The total number of Shares which may be issued upon exercise of Options to be granted under this Scheme or any other share option schemes adopted by the Company (and to which the provisions of chapter 17 of the Listing Rules are applicable) shall not exceed ~~310%~~ 310% of the aggregate of the Shares in issue on the ~~Adoption Date~~ date of approval of the increased Share Option Scheme Mandate Limit. Options which have lapsed shall not be counted in calculating the ~~310%~~ 310% limit.
- (b) The Company may refresh the ~~310%~~ 310% limit set out in sub-paragraph 9(A)(i)(a) with shareholders' approval provided that each such limit (as refreshed) may not exceed the ~~310%~~ 310% of the Shares in issue as at the date of the shareholders' approval. Options previously granted under this Scheme and any other share option schemes adopted by the Company (and to which the provisions of chapter 17 of the Listing Rules are applicable) (including those outstanding, cancelled or lapsed in accordance with the relevant scheme or exercised options) will not be counted for the purpose of calculating the limit to be refreshed. In such case, the Company shall send a circular to its shareholders containing the information required under the Listing Rules.
- (c) The Company may seek separate approval by shareholders in general meeting for granting Options beyond the ~~310%~~ 310% limit set out in sub-paragraph 9(A)(i)(a) provided that the Options in excess of the limit are granted only to Participants ~~specifically~~ specially identified by the Company before such approval is sought. In such case, the Company shall send a circular to its shareholders containing the information required under the Listing Rules.

## NOTICE OF EXTRAORDINARY GENERAL MEETING



### BABYTREE GROUP

### 寶寶樹集團

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1761)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the extraordinary general meeting (the “**Extraordinary General Meeting**”) of BabyTree Group 寶寶樹集團 (the “**Company**”) will be held at 6th Floor, Building A, Borui Plaza, No. 26 North Road of East Third Ring, Chaoyang District, Beijing, PRC on Tuesday, October 26, 2021 at 2:00 p.m. (or at any adjournment thereof), for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company, with or without amendments:

### ORDINARY RESOLUTION

**“THAT:**

- (a) subject to and conditional upon The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme adopted by the Company on June 13, 2019 (the “**Share Option Scheme**”) and any other share option scheme(s) as may from time to time be adopted by the Company, approval be and is hereby granted for the proposed amendments to sub-paragraphs 1(A), 7(C), 8 and 9(A)(i) of the Share Option Scheme, as set out in Appendix I to the circular to the shareholders of the Company dated October 7, 2021 (the “**Circular**”) and contained in the amended Share Option Scheme, a copy of which is available for inspection as detailed in the Circular and produced to this meeting marked “A” and for the purposes of identification initialed by the chairman of this meeting; and
- (b) any one director be and is hereby authorized to exercise all rights and powers available to it as it may in its sole discretion consider necessary or expedient to give full effect to the proposed amendments to the Share Option Scheme.”

On behalf of the Board  
**BabyTree Group**  
寶寶樹集團  
**GAO Min**  
**WANG Huainan**  
Co-Chairmen

Hong Kong, October 7, 2021

## NOTICE OF EXTRAORDINARY GENERAL MEETING

*Notes:*

1. All resolutions at the meeting will be taken by poll (except where the chairman in good faith, decides to allow a resolution purely relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Company's articles of association and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder may appoint any number of proxies to represent him and vote on his behalf at the above meeting. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the above meeting (i.e. not later than 2:00 p.m. (Hong Kong time) on Sunday, October 24, 2021) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Closure of Register of Members

For the purpose of determining the entitlement to attend and vote at the Extraordinary General Meeting, the Register of Members of the Company will be closed from Thursday, October 21, 2021 to Tuesday, October 26, 2021, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Extraordinary General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, October 20, 2021.

In the event that the Extraordinary General Meeting is adjourned to a date later than Tuesday, October 26, 2021 because of bad weather or other reasons, the book closure period and record date for determination of entitlement to attend and vote at the above meeting will remain the same as stated above.

5. The Extraordinary General Meeting is expected to be held for no more than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses. In addition, in order to get well prepared for the containment of COVID-19 pneumonia epidemic and protect people who will attend the meeting, shareholders who wish to attend the Extraordinary General Meeting on-site must pay attention in advance and strictly abide by the regulations and requirements of Beijing on health status declaration, quarantine and observation during the epidemic containment period. The Company will strictly follow the epidemic containment requirements of relevant government departments and take appropriate epidemic prevention and control measures for the on-site shareholders under the guidance and supervision of relevant government departments. Shareholders who have fever and other symptoms or do not comply with the epidemic prevention and control requirements may not be admitted to the venue of the Extraordinary General Meeting.
6. References to time and dates in this notice are to Hong Kong time and dates.

*As at the date of this notice, the Board comprises Mr. GAO Min and Mr. XU Chong as executive Directors; Mr. WANG Huainan, Mr. QIAN Shunjiang, Mr. CHEN Bing, Mr. CHEN Weijun, Mr. WU Ying and Mr. Christian Franz REITERMANN as non-executive Directors; and Mr. CHEN Guanglei, Mr. De-chao Michael YU, Mr. SHIAH Hung-Yu and Mr. ZHANG Hongjiang as independent non-executive Directors.*