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

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

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(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
(Stock code: 3690)

- (1) PROPOSED ELECTION OF INDEPENDENT
NON-EXECUTIVE DIRECTOR**
 - (2) PROPOSED RE-ELECTION OF DIRECTORS**
 - (3) PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES**
 - (4) PROPOSED RE-APPOINTMENT OF AUDITOR**
 - (5) PROPOSED AMENDMENTS TO THE POST-IPO
SHARE OPTION SCHEME**
 - (6) PROPOSED AMENDMENTS TO THE POST-IPO
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 - (7) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND THE ADOPTION OF THE SEVENTH AMENDED AND RESTATED
MEMORANDUM AND ARTICLES OF ASSOCIATION**
 - (8) NON-EXEMPT CONNECTED TRANSACTIONS
PROPOSED ISSUE OF CLASS B SHARES TO CONNECTED GRANTEEES
OF RESTRICTED SHARE UNITS**
- AND**
- (9) NOTICE OF ANNUAL GENERAL MEETING**

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



Capitalised terms used in this cover page shall bear the same meanings as those defined in the section headed "Definitions" in this circular. A letter from the Board is set out on pages 8 to 47 of this circular. A letter from the Independent Board Committee containing its advice to the Independent Shareholders is set out on pages 48 to 49 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 50 to 69 of this circular.

A notice convening the AGM to be held at Command Center of Meituan Beijing Office, Block A, Hengjiweiye Building, No. 4 Wang Jing East Road, Chaoyang District, Beijing on Friday, June 30, 2023 at 2:00 p.m. is set out on pages 102 to 109 of this circular. A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (about.meituan.com). Whether or not you propose to attend and vote at the AGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited (for both holders of Class A Shares and holders of Class B Shares), as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM if you so desire. If you attend and vote at the AGM, the form of proxy will be revoked.

June 8, 2023

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company scheduled to be held at Command Center of Meituan Beijing Office, Block A, Hengjiweiye Building, No. 4 Wang Jing East Road, Chaoyang District, Beijing on Friday, June 30, 2023 at 2:00 p.m. to consider and, if thought fit, to approve the resolutions contained in the notice of the meeting which is set out on pages 102 to 109 of this circular (including any adjournment thereof)
“Amendment Date”	the date on which the proposed amendments to the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme are approved by ordinary resolution(s) of the Shareholders
“Articles” or “Articles of Association”	the articles of association of the Company adopted on August 30, 2018 with effect from the Listing Date, as may be amended and/or restated from time to time
“Award(s)”	an award granted by the Board to a selected participant, which may vest in the form of Award Shares or cash, as the Board may determine in accordance with the terms of the relevant scheme rules
“Award Letter”	shall have the same meaning set out in page 30
“Award Share(s)”	the Class B Share(s) granted to a selected participant in an Award
“Board”	the board of Directors of the Company
“Cayman Companies Act”	the Companies Act (As Revised) of the Cayman Islands
“Charmway Enterprises”	Charmway Enterprises Company Limited, a limited liability company incorporated under the laws of the British Virgin Islands, which is indirectly wholly-owned by a trust established by Mr. Mu Rongjun (as settlor) for the benefit of Mr. Mu Rongjun and his family
“Class A Share(s)”	Class A ordinary share(s) in the share capital of the Company with a par value of US\$0.00001 each, conferring weighted voting rights in the Company such that a holder of a Class A Share is entitled to ten votes per share on any resolution tabled at the Company’s general meetings, save for resolutions with respect to any reserved matters as set out in the Articles of Association, in which case they shall be entitled to one vote per share

DEFINITIONS

“Class B Share(s)”	Class B ordinary share(s) in the share capital of the Company with a par value of US\$0.00001 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company’s general meetings
“Company”	Meituan (美团), an exempted company with limited liability incorporated under the laws of the Cayman Islands on September 25, 2015, the Class B Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3690)
“Connected Grantees”	Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong and Dr. Shum Heung Yeung Harry, each an independent non-executive Director as at the Latest Practicable Date
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Consultation Conclusion”	the consultation conclusions on the proposed amendments to listing rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022
“Crown Holdings”	Crown Holdings Asia Limited, a limited liability company incorporated under the laws of the British Virgin Islands, which is indirectly wholly-owned by a trust established by Mr. Wang Xing (as settlor) for the benefit of Mr. Wang Xing and his family
“Director(s)”	the director(s) of the Company
“Employee Participant”	any director and employee (whether full-time or part-time employee) of any members of the Group, and including persons who are granted Options or Awards as an inducement to enter into employment contracts with any members of the Group (including nominees and/or trustees of any employee benefit trust established for them)
“Group”	the Company, its subsidiaries and consolidated affiliated entities it controls through the contractual arrangements
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Board Committee”	an independent committee of the Board comprising all independent non-executive Directors, established to advise the Independent Shareholders in respect of the non-exempt connected transactions relating to the Proposed Issue of Class B Shares
“Independent Financial Adviser” or “Somerley”	Somerley Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being appointed as the independent financial adviser to the Independent Board Committee and the Independent Shareholders
“Independent Shareholders”	the Shareholders who are not required under the Listing Rules to abstain from voting at the AGM to approve the non-exempt connected transactions relating to the Proposed Issue of Class B Shares
“Kevin Sunny”	Kevin Sunny Holding Limited, a limited liability company incorporated under the laws of the British Virgin Islands on May 22, 2018, which is wholly-owned by Mr. Wang Huiwen
“Latest Practicable Date”	May 31, 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	September 20, 2018, being the date of the listing of the Company’s Class B Shares on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Memorandum and Articles of Association”	the Memorandum of Association and Articles of Association
“Memorandum of Association”	the memorandum of association of the Company adopted on August 30, 2018 with effect from the Listing Date, as may be amended and/or restated from time to time
“Nomination Committee”	the nomination committee of the Board, comprising Mr. Leng Xuesong, Mr. Wang Huiwen and Dr. Shum Heung Yueng Harry

DEFINITIONS

“Option(s)”	a right granted to subscribe for Class B Shares pursuant to the Post-IPO Share Option Scheme and any other schemes
“Option Period”	shall have the same meaning set out in page 19
“Post-IPO Share Award Scheme”	the Post-IPO share award scheme adopted by the Company on August 30, 2018
“Post-IPO Share Option Scheme”	the Post-IPO share option scheme adopted by the Company on August 30, 2018
“Post-IPO Share Schemes”	collectively, the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme
“Pre-IPO ESOP”	the pre-IPO employee stock incentive scheme adopted by the Company dated October 6, 2015 as amended from time to time, the principal terms of which are set out in the section headed “ <i>Statutory and General Information – D. Pre-IPO ESOP</i> ” in Appendix IV of the Prospectus
“Proposed Articles Amendments”	the proposed amendments to the existing Articles of Association set out in Appendix III to this circular
“Proposed Issue of Class B Shares”	the proposed issue of an aggregate of 29,058 underlying Class B Shares to the Connected Grantees upon vesting of the RSUs
“Prospectus”	the prospectus of the Company dated September 7, 2018
“PwC”	PricewaterhouseCoopers
“Related Entity”	the holding companies, fellow subsidiaries or associated companies of the Company
“Related Entity Participant(s)”	any director and/or employee of the Related Entity (including nominees and/or trustees of any employee benefit trust established for them)
“Remuneration Committee”	the remuneration committee of the Board, comprising Mr. Leng Xuesong, Mr. Mu Rongjun and Dr. Shum Heung Yeung Harry
“RMB” or “Renminbi”	Renminbi, the lawful currency of China
“RSU(s)”	restricted share unit(s)

DEFINITIONS

“Scheme Administrator”	the committee of the Board or person(s) to which the Board has delegated its authority (as applicable) to administer the Post-IPO Share Option Scheme or the Post-IPO Share Award Scheme, as the case may be
“Scheme Limit”	the limit on grant(s) of share option(s) and/or award(s) over new Shares under all share schemes of the Company approved by its Shareholders, which must not exceed 10% of the total number of issued Shares as at the date of the Shareholders’ approval of the Scheme Limit (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares)
“Service Provider(s)”	any persons (natural person or corporate entity) who provide services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements (including the hours, places and mode of services), and the business segments and focuses of the Group from time to time
“Service Provider Sublimit”	a sublimit under the Scheme Limit for share options and/or awards over new shares of the Company under all share schemes adopted by the Company granted to the Service Providers, which must not exceed 1% of the total number of issued Shares as at the date of the Shareholders’ approval of the Service Provider Sublimit (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares)
“Seventh Amended and Restated Memorandum and Articles of Association”	the seventh amended and restated Memorandum and Articles of Association of the Company incorporating and consolidating all the Proposed Articles Amendments and other amendments to the Memorandum of Association passed at previous annual general meeting(s) of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Shareholder(s)”	holder(s) of Class A Shares and Class B Shares, as context so requires

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“Share(s)”	the Class A Shares and the Class B Shares in the share capital of the Company, as the context so requires
“Shared Patience”	Shared Patience Inc., a limited liability company incorporated under the laws of the British Virgin Islands, which is wholly-owned by Mr. Wang Xing
“Shared Vision”	Shared Vision Investment Limited, a limited liability company incorporated under the laws of the British Virgin Islands, which is wholly-owned by Mr. Mu Rongjun
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	shall have the same meaning set out in page 19
“subsidiary”	has the meaning ascribed to it in the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“U.S.” or “United States”	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“US\$”	U.S. dollars, the lawful currency of the United States
“weighted voting rights”	has the meaning ascribed to it in the Listing Rules
“%”	percent

LETTER FROM THE BOARD



(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
(Stock code: 3690)

Mr. Wang Xing (*Chairman, Executive Director*)
Mr. Mu Rongjun (*Executive Director*)

Mr. Wang Huiwen (*Non-executive Director*)
Mr. Neil Nanpeng Shen (*Non-executive Director*)

Mr. Orr Gordon Robert Halyburton
(*Independent Non-executive Director*)
Mr. Leng Xuesong
(*Independent Non-executive Director*)
Dr. Shum Heung Yeung Harry
(*Independent Non-executive Director*)

Registered office:
PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

*Principal place of business
in the PRC:*
Block B&C, Hengjiweiye Building
No. 4 Wang Jing East Road
Chaoyang District
Beijing 100102
China

*Principal place of business
in Hong Kong:*
5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

June 8, 2023

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED ELECTION OF INDEPENDENT
NON-EXECUTIVE DIRECTOR
- (2) PROPOSED RE-ELECTION OF DIRECTORS
- (3) PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES
- (4) PROPOSED RE-APPOINTMENT OF AUDITOR
- (5) PROPOSED AMENDMENTS TO THE POST-IPO
SHARE OPTION SCHEME
- (6) PROPOSED AMENDMENTS TO THE POST-IPO
SHARE AWARD SCHEME
- (7) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE
ADOPTION OF THE SEVENTH AMENDED AND RESTATED MEMORANDUM AND
ARTICLES OF ASSOCIATION
- (8) NON-EXEMPT CONNECTED TRANSACTIONS
PROPOSED ISSUE OF CLASS B SHARES TO CONNECTED GRANTEEES
OF RESTRICTED SHARE UNITS
AND
- (9) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

On behalf of the Board, I would like to invite you to attend the AGM to be held at Command Center of Meituan Beijing Office, Block A, Hengjiweiye Building, No. 4 Wang Jing East Road, Chaoyang District, Beijing on Friday, June 30, 2023 at 2:00 p.m.. The purpose of this circular is to give you notice of the AGM and to provide you with information regarding the following proposals to be put forward at the AGM for the Shareholders' consideration and, if thought fit, approval of:

- (i) the proposed election of an independent non-executive Director;

LETTER FROM THE BOARD

- (ii) the proposed re-election of Directors;
- (iii) the proposed granting of general mandate to issue and repurchase Shares;
- (iv) the proposed re-appointment of auditor;
- (v) the proposed amendments to the Post-IPO Share Option Scheme;
- (vi) the proposed amendments to the Post-IPO Share Award Scheme;
- (vii) the Proposed Articles Amendments and the adoption of the Seventh Amended and Restated Memorandum and Articles of Association; and
- (viii) the Proposed Issue of Class B Shares to the Connected Grantees of RSUs.

2. PROPOSED ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated June 7, 2023 in relation to, inter alia, the proposed election of Ms. Marjorie Mun Tak Yang as an independent non-executive Director after considering the recommendation of the Nomination Committee.

The proposed election of Ms. Marjorie Mun Tak Yang as an independent non-executive Director is subject to (i) the approval by the Shareholders at the Annual General Meeting by way of an ordinary resolution and (ii) the passing of the special resolution to approve, inter alia, the Proposed Articles Amendments; and will take effect, if approved, from the conclusion of the Annual General Meeting.

The Nomination Committee, having reviewed the composition of the Board and assessed the background, experience and expertise of Ms. Yang in accordance with the nomination policy and board diversity policy of the Company (which takes into factors such as, including without limitation, gender, age, cultural and educational background, ethnicity, geographical location, professional experience, skills, knowledge and length of service into consideration), recommended that Ms. Yang be nominated and be proposed for election as an independent non-executive Director by the Shareholders at the Annual General Meeting. Ms. Yang has confirmed her independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee has also assessed and was satisfied with the independence of Ms. Yang.

In view of the extensive knowledge and invaluable experience of Ms. Yang, the Board has accepted the aforesaid nomination from the Nomination Committee as to the proposed election of Ms. Yang as an independent non-executive Director by the Shareholders. It is expected that Ms. Yang will bring a broader perspective to the Board and provide new thoughts for the Company's overall strategic planning and business development. The Board is of the view that the appointment of Ms. Yang is in the best interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Following the appointment of Ms. Marjorie Mun Tak Yang taking effect upon the conclusion of the AGM, the Board will achieve gender diversity and thus fulfils the requirement under Rule 13.92 of the Listing Rules.

Details of Ms. Marjorie Mun Tak Yang who is subject to election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

3. PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to the Articles of Association, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to but not less than, one-third) shall retire from office by rotation and shall be eligible for re-election at every annual general meeting, provided that every Director shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Wang Huiwen, being a non-executive Director, Mr. Orr Gordon Robert Halyburton and Mr. Leng Xuesong, being independent non-executive Directors, shall retire by rotation at the Annual General Meeting. All of the above retiring Directors, being eligible, have offered themselves for re-election as Director at the Annual General Meeting.

Mr. Orr Gordon Robert Halyburton and Mr. Leng Xuesong, the retiring independent non-executive Directors, have confirmed their independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategies. The Nomination Committee has recommended to the Board on re-election of all the retiring Directors at the Annual General Meeting. The Board considers that Mr. Orr Gordon Robert Halyburton and Mr. Leng Xuesong are independent according to the independence guidelines set out in the Listing Rules. After due consideration of the retiring Directors' contribution to the Company, the Board is satisfied with all the retiring Directors' contribution to the Company, which will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

The Board is of the view that Mr. Orr Gordon Robert Halyburton's extensive working experiences in financial and accounting industry, Mr. Leng Xuesong's extensive working experiences in financial industry and their extensive corporate governance experience will contribute to the diversity of the Board.

Details of the above retiring Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

LETTER FROM THE BOARD

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

On May 18, 2022, a resolution was passed by the then Shareholders to grant a general unconditional mandate to the Directors, exercisable on their behalf by Mr. Wang Xing, to allot, issue and deal with Class B Shares. Such mandate, to the extent not renewed, revoked or varied by the date of the Annual General Meeting, will lapse at the conclusion of the Annual General Meeting.

In order to give the Company the flexibility to issue Class B Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of a new general mandate to the Directors, exercisable on their behalf by Mr. Wang Xing, to allot, issue or deal with additional Class B Shares not exceeding 10% of the total number of issued Shares as at the date of passing of such resolution (the “**Issuance Mandate**”).

As at the Latest Practicable Date, the issued share capital of the Company comprised 604,519,783 Class A Shares and 5,637,585,004 Class B Shares. Subject to the passing of the ordinary resolution 7 and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 624,210,478 Class B Shares. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issuance Mandate.

5. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

On May 18, 2022, a resolution was passed by the then Shareholders to grant a general unconditional mandate to the Directors, exercisable on their behalf by Mr. Wang Xing, to exercise the powers of the Company to repurchase its own Shares. Such mandate, to the extent not renewed, revoked or varied by the date of the Annual General Meeting, will lapse at the conclusion of the Annual General Meeting.

In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of a new general mandate to the Directors, exercisable on their behalf by Mr. Wang Xing, to exercise the powers of the Company to repurchase Shares representing up to 10% of the total number of issued Shares as at the date of passing of such resolution (the “**Repurchase Mandate**”).

As at the Latest Practicable Date, the issued share capital of the Company comprised 604,519,783 Class A Shares and 5,637,585,004 Class B Shares. Subject to the passing of the ordinary resolution 8 and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 624,210,478 Shares. The Directors wish to state that they have no immediate plans to repurchase any Shares pursuant to the Repurchase Mandate.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

The Issuance Mandate and the Repurchase Mandate, if granted, shall continue to be in force during the period from the date of passing of the resolution for the approval of the Issuance Mandate and the Repurchase Mandate up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws; or (iii) the date on which the authority set out in the Issuance Mandate and the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first.

6. PROPOSED RE-APPOINTMENT OF AUDITOR

Following the recommendation of the audit committee of the Board, the Board proposed to re-appoint PwC as the auditor of the Company with a term expiring upon the next annual general meeting of the Company; and the Board proposed it be authorized to fix the remuneration of the auditor.

An ordinary resolution in respect of the re-appointment of the auditor of the Company will be proposed at the AGM for consideration and approval by the Shareholders.

7. PROPOSED AMENDMENTS TO THE POST-IPO SHARE SCHEMES

The Company currently has a total of three share schemes, namely (i) the Pre-IPO ESOP, (ii) the Post-IPO Share Option Scheme, and (iii) the Post-IPO Share Award Scheme, amongst which the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme each took effect on the Listing Date.

Following the adoption of the Post-IPO Share Schemes, in July 2022, the Stock Exchange published its conclusions to the consultation on the proposals to amend the Listing Rules relating to share schemes of listed issuers (i.e. the Consultation Conclusions), pursuant to which, inter alia, the requirements for share schemes as set out in Chapter 17 of the Listing Rules has been amended with effect from January 1, 2023.

As a result of the aforesaid amendments to Chapter 17 of the Listing Rules, the existing terms of each of the Post-IPO Share Schemes no longer comply with new Listing Rules. Coupled with the observance of other applicable requirements under the Listing Rules, the Directors consider that it would be in the best interests of the Company and its Shareholders to amend each of the Post-IPO Share Schemes to comply with the Listing Rules, and to adopt the Scheme Limit and the Service Provider Sublimit.

LETTER FROM THE BOARD

In addition, having considered that equity-based remuneration continues to be an important means of ensuring alignment between the interests of the Shareholders and all members of the Board, including the independent non-executive Directors, the Board believes the inclusion of independent non-executive Directors as eligible participants, if any, under each of the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme will allow the Company to keep its remuneration package competitive, and that any potential grant of the options and/or awards under each of the Post-IPO Share Schemes to the independent non-executive Directors will not lead to bias in their decision-making or impair their independence and objectivity due to the following reasons:

- (a) the Company does not anticipate to attach any performance-related elements to potential grants of options and/or awards to independent non-executive Directors in the future, which is consistent with the previous customary practice of the Company in terms of equity-based remuneration to independent non-executive Directors, with the Board mindful of the Recommended Best Practice E.1.9 of Appendix 14 to the Listing Rules which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors;
- (b) the independent non-executive Directors will, and should, continue to comply with the independence requirement under Rule 3.13 of the Listing Rules;
- (c) any options and awards to be granted under all share schemes of the Company to an independent non-executive Director or any of their respective associates would not result in the Class B Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant scheme(s)) to such person in the 12-month period up to and including the date of the grant representing in aggregate over 0.1% of the total number of issued Shares as at the date of grant.

The proposed amendments to the terms of the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme are set forth in this Letter from the Board to this circular, respectively. The ordinary resolutions in relation to the proposed amendments to the Post-IPO Share Schemes will be proposed at the Annual General Meeting.

Shareholders should note that no similar amendments are required to be made in relation to the Pre-IPO ESOP (which was adopted by the Company on October 6, 2015 and as amended and/or supplemented from time to time) for the reason that no further options or awards can be granted thereunder on or after the Listing Date. Accordingly, the Pre-IPO ESOP and the options and awards already granted thereunder are unaffected by the recent amendments to Chapter 17 of the Listing Rules with effect from January 1, 2023. Shareholders should refer to the annual reports of the Company for the twelve months ended December 31, 2021 and 2022 for details of the options and awards granted under the Pre-IPO ESOP.

LETTER FROM THE BOARD

7A. PROPOSED AMENDMENTS TO THE POST-IPO SHARE OPTION SCHEME

In light of a series of amendments to Chapter 17 of the Listing Rules, which became effective on January 1, 2023 and the reasons for the proposed amendments to the Post-IPO Share Schemes as aforesaid in this circular, the Board is of the view that the Post-IPO Share Option Scheme should be amended in compliance with the new requirements of Chapter 17 of the Listing Rules, which applies to share award schemes and share options schemes.

A summary of the principal terms of the Post-IPO Share Option Scheme (as amended) is set out below.

Purpose

The purpose of the Post-IPO Share Option Scheme is to provide eligible persons with the opportunity to acquire proprietary interests in the Company and to encourage eligible persons to work towards enhancing the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole. The Post-IPO Share Option Scheme has been providing, and is expected to continue to provide, the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to eligible persons.

Participants of the Scheme and the Basis of Determining the Eligibility of Participants

The eligible persons who may be selected to become a participant of the Post-IPO Share Option Scheme are any individuals, or corporate entities (as the case may be), being any of (i) an Employee Participant; (ii) a Related Entity Participant; and (iii) a Service Provider, who the Board or its delegates considers, in its sole discretion, to have contributed or will contribute to the Group. No individual who is resident in a place where the grant, acceptance or exercise of the Options pursuant to the Post-IPO Share Option Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such individual, shall be entitled to participate in the Post-IPO Share Option Scheme.

(i) Employee Participant and the Basis of Eligibility

In the case of Employee Participants, assessing factors include, among others, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, and the length of engagement with the Group.

(ii) Related Entity Participant and the Basis of Eligibility

In the case of Related Entity Participants, assessing factors include, among others, the contributions to the returns and benefits of the Group's investment and/or interest in the Related Entity, the business synergy and opportunities brought by them to the Group and/or the Related Entity, and whether they should be rewarded to further motivate their performances for the benefit of the Group and/or the Related Entity.

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(iii) Service Provider and the Basis of Eligibility

Service Providers are any persons (natural person or corporate entity) who provide services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements (including the hours, places and mode of services), and the business segments and focuses of the Group from time to time, including:

- (i) supplier or business partner (including joint venture partners or other contractual parties) who, or are anticipated to be going forward, significant to the Group's business or otherwise will contribute significantly to the growth of the Group's financial or business performance; or
- (ii) any independent contractor, consultant, agent and/or advisors who (a) provides advisory services, consultancy services, sales and marketing services, technology services, administrative services to the Company, where the continuity and frequency of their services are akin to those of employees, or (b) provides advisory services and consultancy services after stepping down from an employment or director position with the Group,

excluding (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service provider such as auditors or valuers who provide assurance or are required to perform their services with impartially and objectively.

The assessing factors for Service Providers include, among others, the length of business relationship with the Group, the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties), track record in the quality of services provided to and/or cooperation with the Group and the scale of business dealing with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider.

The Board believes that the grant of Options to the aforesaid eligible participants would not only align the interest of the Group with these grantees but also provide incentive and reward for (i) their participant and involvement in promotion the business of the Group, (ii) their joint and collaborate efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Options, such eligible persons will have a common goal as the Group in the growth and development of the Group's business and therefore aligns with the purpose of the Post-IPO Share Option Scheme.

LETTER FROM THE BOARD

View of independent non-executive Directors on inclusion of (i) Related Entity Participant and (ii) Service Provider as eligible participants

The Board (including the independent non-executive Directors) is of the view that the proposed inclusion of (i) a Related Entity Participant and (ii) a Service Provider of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group as eligible participants under the Post-IPO Share Option Scheme would, on the one hand, enable the Company to preserve flexibility using share incentives to encourage Related Entity Participant to contribute to the Group and align the mutual interests; and on the other hand, induce and provide further incentive to both current and future Service Providers of the Group 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 Service Providers of the Group, 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.

Accordingly, the Board (including the independent non-executive Directors) considers the inclusion of (i) a Related Entity Participant and (ii) a Service Provider as participants fits the purpose of the Post-IPO Share Option Scheme and is in the interests of the Company and its Shareholders.

Scheme Limit

The Company shall not make any further grant of Options which will result in the aggregate number of Class B Shares to be issued by the Company in respect of all grants of options and awards made after the Amendment Date pursuant to the Post-IPO Share Option Scheme and any other share schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) to exceed 10% of the total number of issued Shares as at the date of the Shareholders' approval of the Scheme Limit (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares) unless Shareholders approve a further refreshment of the Scheme Limit or Shareholders' approval is obtained in compliance with the Listing Rules. As at the Latest Practicable Date, the Company has 6,242,104,787 issued Shares (including 604,519,783 Class A Shares and 5,637,585,004 Class B Shares), subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Scheme Limit will be 624,210,478 Class B Shares.

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Class B Shares which may fall to be issued pursuant to the vesting of any awards and/or exercise of options of up to 10% of the total number of issued Shares as at the date of the AGM.

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Service Provider Sublimit

As the scope of eligible participants under the Post-IPO Share Option Scheme shall be expanded to include Service Providers, the Board considers that it is appropriate to adopt a “service provider sublimit” within the Scheme Limit in accordance with Rule 17.03B(2) of the Listing Rules.

The Company shall not make any further grant of Options to Service Providers which will result in the aggregate number of Class B Shares to be issued by the Company in respect of all grants of options and awards made after the Amendment Date pursuant to the Post-IPO Share Option Scheme and any other share schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) to exceed 1% of the total number of issued Shares as at the date of the Shareholders’ approval of the Service Provider Sublimit (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares) unless the Shareholders approve a further refreshment of the Service Provider Sublimit or Shareholders’ approval is obtained in compliance with the Listing Rules. As at the Latest Practicable Date, the Company has 6,242,104,787 issued Shares (including 604,519,783 Class A Shares and 5,637,585,004 Class B Shares), subject to Shareholders’ approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Service Provider Sublimit will be 62,421,047 Class B Shares.

The basis of determination of the Service Provider Sublimit included the potential dilution effect on the Shares arising from grants to the Service Providers, the actual or expected increase in the Group’s revenue or profits which shall be attributable to the Service Providers and the extent of use of the Service Provider in the Group’s business. The Group also values long-standing relationships with its Service Providers such as suppliers, business partners, independent contractors, consultants, agents, advisors and other business associates, who are key to the Group’s success. The Group believes that, through engaging, collaborating, and cultivating strong relationships with the Service Providers, the Group can strive to achieving corporate sustainability, delivering high quality products to its potential customers and developing mutual trust and enhancing communication and commitment between the Group and its suppliers to maintain sustainable growth.

In determining the Service Provider Sublimit, the Directors consider that it is important to ensure that each share scheme of the Company will be attractive and is able to provide sufficient incentives to Service Providers who are able to contribute to the business development of the Group, all of which being core functions on which the Group relies in its ordinary and usual course of business.

Taking into account (i) the hiring practice, organizational structures and business models of the Group; (ii) the benefit to and needs of the Group to provide long-term equity incentives to maintain the recurring and continuing contributions of the Service Providers in relation to day-to-day operations and core business functions of the Group; (iii) the minimal potential dilution to the shareholding of public Shareholders following the exercise of the options and/or

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awards to be granted to Service Providers under the Service Provider Sublimit; and (iv) the fact that the individual limit under Rule 17.03D(1) of the Listing Rules is also 1%, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable. The Service Provider Sublimit is subject to separate approval by the Shareholders at the EGM.

1% Individual Limit

Where any grant of Options to a grantee would result in the Class B Shares issued and to be issued in respect of all options and awards granted to such person, pursuant to the Post-IPO Share Option Scheme and any other share schemes adopted by the Company (excluding options or awards lapsed in accordance with relevant scheme rules), in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued Shares (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares) at the relevant time (the “**1% Individual Limit**”), such grant must be separately approved by Shareholders in general meeting with such grantee and their close associates (or associates if the grantee is a connected person of the Company) abstain from voting.

In addition, each grant of Options to any Director, chief executive (as defined in the Listing Rules), 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). Each grant of Options to a director who is a beneficiary of weighted voting rights under Rule 8A.30(4) of the Listing Rules shall subject to the prior recommendation of the corporate governance committee of the Company.

0.1% Limit

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 number of Class B Shares issued and to be issued upon exercise of all options and vesting of all awards already granted and to be granted pursuant to the Post-IPO Share Option Scheme and any other share schemes adopted by the Company (excluding options or awards lapsed in accordance with relevant scheme rules) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares) at the relevant time, such further grant of Options shall be subject to prior approval by the Shareholders (voting by way of poll) in general meeting. The Company shall send a circular to the Shareholders. The grantee, their associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

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Grant Offer Letter and Notification of Grant of Options

An offer shall be made to selected participants by a letter in duplicate which specifies the terms on which the Option is to be granted. Such terms may include any minimum period(s) for which an Option must be held and/or any minimum performance target(s) that must be achieved, before the Option can be exercised in whole or in part, and may include at the discretion of the Board or its delegate(s) such other terms either on a case basis or generally.

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 Class B Shares in respect of which the offer is accepted clearly stated therein.

Any offer may be accepted in respect of less than the number of Class B Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Class B Shares or a multiple thereof. To the extent that the offer is not accepted within the period which it must be accepted (if any), it shall be deemed to have been irrevocably declined.

No consideration is payable on acceptance of each grant of Option(s).

Option Period, Subscription Price, and Lapse of Options Granted

Any Option granted may be exercised during a period, which is to be determined and notified by the Board to each grantee at the time of making an offer, and shall not expire later than ten years from the date of grant of the Option (the “**Option Period**”).

The amount payable for each Class B Share to be subscribed for under an option (the “**Subscription Price**”) in the event of the option being exercised shall be determined by the Board but shall be not less than the greater of:

- (i) the closing price of a Class B Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant,
- (ii) the average closing price of the Class B Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of a Class B Share on the date of grant.

The basis for determining the Subscription Price under the Post-IPO Share Option Scheme is also specified precisely in the scheme rules thereunder. The Board considers that such basis will serve to preserve the value of the Company, encourage the eligible persons to acquire proprietary interests in the Company, and that such limits imposed on the Subscription Price are adequate given that they are in line with that as required by the Listing Rules, at the same time minimizing dilution to existing Shareholders, while providing the Company with sufficient flexibility to determine the Subscription Price that can provide incentive to the grantees to achieve the purpose of the Post-IPO Share Option Scheme.

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Without prejudice to the authority of the Board or its delegate(s) to provide additional situations when an Option shall lapse in term of any offer, any Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (i) the expiry of the Option Period (which shall not expire later than ten years from the date of grant);
- (ii) the expiry of any of the stipulated periods for exercising the Option under the Post-IPO Share Option Scheme; and
- (iii) the date on which the grantee commits a breach of limitation on transferability of Options under the Post-IPO Share Option Scheme.

Vesting of Option

The Board or the Scheme Administrator may from time to time while the Post-IPO Share Option Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Options to be vested hereunder, provided however that the vesting period for Options shall not be less than 12 months, except that any Options granted to an Employee Participant is subject to a shorter vesting period, including where:

- (i) grants of “make whole” Options to new Employee Participant to replace awards or options such Employee Participants forfeited when leaving their previous employers;
- (ii) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of Options which are subject to fulfillment of performance targets as determined in the conditions of their grant;
- (iv) grants of Options the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee Participant, in which case the Vesting Date may be adjusted to take account of the time from which the Option would have been granted if not for such administrative or compliance requirements;
- (v) grants of Options with a mixed vesting schedule such that the Options vest evenly over a period of 12 months; or
- (vi) grant of Options with a total vesting period of more than 12 months, such as where the Options may vest by several batches with the first batch to vest within 12 months of the grant date and the last batch to vest 12 months after the grant date.

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To ensure the practicability in fully attaining the purpose of the Post-IPO Share Option Scheme, the Board and the Remuneration Committee are of the view that: (a) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the holders of the Options, such as those set out in the aforesaid paragraph headed “*Vesting of Options*” in this Letter from the Board; (b) there is a need for the Company to retain flexibility in certain cases to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, to provide for succession planning and the effective transition of employee responsibilities and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified; (c) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition; and (d) such vesting period is in line with the requirements under the Listing Rules and customary market practice.

The Board or its delegates will carefully assess, on a periodic basis, whether the performance targets are satisfied.

Hence, the Board and the Remuneration Committee are of the view that the vesting periods prescribed in the paragraph headed “*Vesting of Options*” in this Letter from the Board is in line with the market practice and is appropriate and aligns with the purpose of the Post-IPO Share Option Scheme.

Performance Target

The Post-IPO Share Option Scheme does not stipulate that specific performance targets an eligible person is required to be achieved. However, under the Post-IPO Share Option Scheme, the Board or the Scheme Administrator may still at its discretion set performance objectives which will be stated in the grant letter. The performance objectives, if any, must be achieved before the Options vest, or before the Options can be exercised, and shall be assessed in accordance with the performance measures set forth below or other vesting criteria.

Given that each selected participant will play different roles and contribute in different ways to the Group, the Board believes that retaining discretion on whether to attach performance objectives to Options can provide the Board with more flexibility in setting the terms and conditions of the Options on a case-by-case basis, and tailor the terms and conditions of the grant to cater to specific circumstances of each grantee. In addition, it is considered that such flexibility under the Post-IPO Share Option Scheme can also facilitate the ultimate goal of the Company in offering meaningful incentives to remunerate and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

To the extent where performance targets are deemed suitable and appropriate for a particular grant of Option(s) to selected participants (including (i) Employee Participants, (ii) Related Entity Participants and (iii) Service Providers), the possible performance measures may include any one or more of the following individual, geographic, project, line of business, corporate-wide or subsidiary, division, operating unit measures: cash flow; earnings; economic or monetary value added; profits; return on assets; return on equity; return on investment; sales; revenues; total shareholder return; client satisfaction metrics; business unit development

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and, in each case, such other goals as the Board and/or the Scheme Administrator may determine whether or not listed herein, or any combination of the foregoing. Each goal may be expressed on an absolute and/or relative basis, may be based on or otherwise employ comparisons based on internal targets, the past performance of the Company and/or the past or current performance of other companies, and in the case of earnings-based measures, may use or employ comparisons relating to capital, shareholders' equity and/or shares outstanding, investments or to assets or net assets.

To the extent where grants are offered under the Post-IPO Share Option Scheme without any performance objectives attached, the Board and Remuneration Committee considered that such incentives remain to be market competitive because, each such grant, on its own, represents a means of direct encouragement and forms part of the remuneration package. In addition, the intrinsic value of the Options will be linked to the Company's share price, which in turn depends upon the performance of the Company. The time-based nature of the Options (for example, a minimum vesting period) will ensure that the long-term interests of the grantee and the Group are aligned. Based on the foregoing, in the event that no performance objectives are attached to grants made under the Post-IPO Share Option Scheme, the Company considered that the grantee will nevertheless be motivated to contribute towards the development of the Group and thus such arrangement will be conducive to providing incentive and reward for participation, involvement and promotion in the business of the Group, and therefore aligns with the purpose of the Post-IPO Share Option Scheme.

Transferability, Cancellation and Status of Options

An Option shall be personal to relevant grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest in favor of or enter into any agreement with any other person over or in relation to any Option, except for when (i) a waiver is obtained from the Stock Exchange and express written consent is obtained from the Board or its delegates, or (ii) the transmission of an Option on the death of the grantee to their personal representative(s) on the terms of the Post-IPO Share Option Scheme, in each case, subject to compliance of the Listing Rules.

Any Options granted but not exercised may be cancelled by the Board or its delegates if the grantee so agrees. For the avoidance of doubt, where the Company cancels Options granted to a Grantee and makes a new grant to the same Grantee, such new grant may only be made with available Scheme Limit. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Limit and the Service Provider Sublimit.

The Class B Shares to be allotted and issued upon exercise of an Option under the Post-IPO Share Option Scheme shall be identical to all existing issues Class B Shares and shall be allotted and issued subject to all the provisions of Articles of Association for the time being in force and will rank *pari passu* with the other fully paid Class B Share in issue on the date, save that the grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on or before the date the grantee becoming registered holder of relevant Class B Shares.

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Effects of Alterations in the Capital Structure of the Company

In the event of an alteration in the capital structure of the Company whilst any Option remains exercisable by way of capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of the share capital of the Company in accordance with legal requirements and requirements of the Stock Exchange (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party), such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Class B Shares comprised in each option so far as unexercised;
- (ii) the Subscription Price; and/or
- (iii) the method of exercise of the option,

or any combination thereof, as the auditors or a financial adviser engaged by our Company for such purpose shall, at the request of the Company, certify in writing, either generally or as regards any particular grantee, to be in their opinion fair and reasonable, provided always that any such adjustments should give each grantee the same proportion of the equity capital of our Company as that to which that grantee was previously entitled prior to such adjustments, and no adjustments shall be made which will enable a Class B Share to be issued at less than its nominal value, and in each case rounded to the nearest whole share. The capacity of the auditors or financial adviser (as the case may be) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on our Company and the grantees. The costs of the auditors or financial adviser (as the case may be) shall be borne by our Company.

Clawback Mechanism

Upon the occurrence of any of the following in relation to a grantee, being an Employee Participant or a Related Entity Participant:

- (a) termination of employment by the Group or a Related Entity by reason of the employer terminating the contract of employment without notice or payment in lieu of notice;
- (b) the Grantee having been convicted of any criminal offence involving their integrity or honesty, or
- (c) any wrongdoing involving the Group's financial statements,

then the Board or the Scheme Administrator may make a determination at its absolute discretion that: (I) any Options granted but not yet exercised shall lapse immediately, regardless of whether such Options have vested or not, and (II) with respect to Class B Shares allotted, issued and delivered to the grantee pursuant to their exercise of Options granted under the Post-IPO Share Option Scheme, the Company shall have the right to (i) claw back all proceeds (if any) generated from the sale of such Class B Shares allotted, issued and delivered

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to the grantee pursuant to their exercise of Options granted under the Post-IPO Share Option Scheme, and/or (ii) request the grantee to transfer back to the Company all such Class B Shares so allotted, issued and delivered pursuant to their exercise of relevant Options.

If a grantee, being an Employee Participant or a Related Entity Participant whose employment is terminated by the Group or a Related Entity by reason of the employer terminating the contract of employment without notice or payment in lieu of notice, or the grantee having been convicted of any criminal offence involving their integrity or honesty, or any wrongdoing involving the Group's financial statements, all of their Option(s) which have not been exercised (including those Option(s) which have been vested or unvested) shall lapse automatically, and the Company shall be entitled to claw back the gain of such grantee derived from the Option(s) unless the Board or the Scheme Administrator determines otherwise at their absolute discretion.

The Board is of the view that such clawback mechanism provides an option for the Company to claw back the equity incentives granted to participants culpable of misconduct and is in line with the purpose of the Post-IPO Share Option Scheme and the interests of Shareholders.

Duration

The Post-IPO Share Option Scheme shall be valid and effective for the period of ten years from September 20, 2018, but in all other respects the provisions of the Post-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the rules of the Post-IPO Share Option Scheme.

Alteration

Subject to the Listing Rules, the Board may amend any of the provisions of the Post-IPO Share Option Scheme (including, without limitation, amendments in order to comply with changes in legal or regulatory requirements and amendments in order to waive any restrictions, imposed by the provisions of the Post-IPO Share Option Scheme, which are not found in Chapter 17 of the Listing Rules) at any time (but not so as to affect adversely any rights which have accrued to any grantee at that date).

Any alternations to the terms and conditions of the Post-IPO Share Option Scheme which are of a material nature or any alternations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of eligible person must be approved by Shareholders in general meeting. Any change to the terms of Options granted must be approved by the Board or its delegates, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board or its delegates, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). Any change to the authority of Directors or Scheme Administrator to alter the terms of the Post-IPO Share Option Scheme must be approved by Shareholders in general meeting.

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The amended terms of the Post-IPO Share Option Scheme and the Options must comply with Chapter 17 of the Listing Rules.

Termination

The Shareholders by ordinary resolution in general meeting or the Board may at any time resolve to terminate the operation of the Post-IPO Share Option Scheme prior to the expiry of the Post-IPO Share Option Scheme and in such event no further Options will be offered or granted but the provisions of the Post-IPO Share Option Scheme shall remain in full force to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Post-IPO Share Option Scheme.

Options complying with the provisions of Chapter 17 of the Listing Rules which are granted during the life of the Post-IPO Share Option Scheme and (a) remain unexercised and unexpired; or (b) in respect of which Class B Shares are not yet issued to participants, immediately prior to the termination of the operation of the Post-IPO Share Option Scheme, shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Post-IPO Share Option Scheme.

Trustee

The Post-IPO Share Option Scheme does not have a trustee.

7B. PROPOSED AMENDMENTS TO THE POST-IPO SHARE AWARD SCHEME

In light of a series of amendments to Chapter 17 of the Listing Rules which became effective on January 1, 2023 and the reasons for the proposed amendments to the Post-IPO Share Schemes as aforesaid in this circular, the Board is of the view that the Post-IPO Share Award Scheme should be amended in compliance with the new requirements of Chapter 17 of the Listing Rules, which applies to share award schemes and share options schemes.

A summary of the principal terms of the Post-IPO Share Award Scheme (as amended) is set out below.

Purpose

The purposes of the Post-IPO Share Award Scheme are (i) to align the interests of eligible persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group.

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Participants of the Scheme and the Basis of Determining the Eligibility of Participants

The eligible persons who may be selected to become a participant of the Post-IPO Share Award Scheme are any individuals, or corporate entities (as the case may be), being any of (i) an Employee Participant; (ii) a Related Entity Participant; and (iii) a Service Provider, who the Board or its delegates considers, in its sole discretion, to have contributed or will contribute to the Group. No individual who is resident in a place where the grant, acceptance or vesting of the Awards pursuant to the Post-IPO Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such individual, shall be entitled to participate in the Post-IPO Share Award Scheme.

(i) Employee Participant and the Basis of Eligibility

In the case of Employee Participants, assessing factors include, among others, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, and the length of engagement with the Group.

(ii) Related Entity Participant and the Basis of Eligibility

In the case of Related Entity Participants, assessing factors include, among others, the contributions to the returns and benefits of the Group's investment and/or interest in the Related Entity, the business synergy and opportunities brought by them to the Group and/or the Related Entity, and whether they should be rewarded to further motivate their performances for the benefit of the Group and/or the Related Entity.

(iii) Service Provider and the Basis of Eligibility

Service Providers are any persons (natural person or corporate entity) who provide services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements (including the hours, places and mode of services), and the business segments and focuses of the Group from time to time, including:

- (i) supplier or business partner (including joint venture partners or other contractual parties) who, or are anticipated to be going forward, significant to the Group's business or otherwise will contribute significantly to the growth of the Group's financial or business performance; or
- (ii) any independent contractor, consultant, agent and/or advisors who (a) provides advisory services, consultancy services, sales and marketing services, technology services, administrative services to the Company, where the continuity and frequency of their services are akin to those of employees, (b) provides advisory services and consultancy services after stepping down from an employment or director position with the Group,

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excluding (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartially and objectively.

The assessing factors for Service Providers include, among others, the length of business relationship with the Group, the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties), track record in the quality of services provided to and/or cooperation with the Group and the scale of business dealing with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider.

The Board believes that the grant of Awards to the aforesaid eligible participants would not only align the interest of the Group with these grantees but also provide incentive and reward for (i) their participant and involvement in promotion the business of the Group, (ii) their joint and collaborate efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Awards, such eligible persons will have a common goal as the Group in the growth and development of the Group's business and therefore aligns with the purpose of the Post-IPO Share Award Scheme.

View of independent non-executive Directors on inclusion of (i) Related Entity Participant and (ii) Service Provider as eligible participants

The Board (including the independent non-executive Directors) is of the view that the proposed inclusion of (i) a Related Entity Participant and (ii) a Service Provider of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group as eligible participants under the Post-IPO Share Award Scheme would, on the one hand, enable the Company to preserve flexibility using share incentives to encourage Related Entity Participant to contribute to the Group and align the mutual interests; and on the other hand, induce and provide further incentive to both current and future Service Providers of the Group 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 Service Providers of the Group, 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.

Accordingly, the Board (including the independent non-executive Directors) consider the inclusion of (i) a Related Entity Participant and (ii) a Service Provider as participants under the Post-IPO Share Award Scheme fits the purpose of the Company's share schemes and is in the interests of the Company and its Shareholders.

LETTER FROM THE BOARD

Scheme Limit

The Company shall not make any further grant of Awards which will result in the aggregate number of Class B Shares to be issued by the Company in respect of all grants of options and awards made after the Amendment Date pursuant to the Post-IPO Share Award Scheme and any other share schemes adopted by the Company (excluding options or awards lapsed in accordance with relevant scheme rules) to exceed the Scheme Limit (being, 10% of the total number of issued Shares as at the date of the Shareholders' approval of the Scheme Limit (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares)) unless Shareholders approve a further refreshment of the Scheme Limit or Shareholders' approval is obtained in compliance with the Listing Rules. As at the Latest Practicable Date, the Company has 6,242,104,787 issued Shares (including 604,519,783 Class A Shares and 5,637,585,004 Class B Shares), subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Scheme Limit will be 624,210,478 Class B Shares.

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Class B Shares which may fall to be issued pursuant to the vesting of any awards and/or exercise of options of up to 10% of the total number of issued Shares as at the date of the AGM.

Service Provider Sublimit

The Company shall not make any further grant of Awards to Service Providers which will result in the aggregate number of Class B Shares to be issued by the Company in respect of all grants of options and awards made after the Amendment Date pursuant to the Post-IPO Share Award Scheme and any other share schemes adopted by the Company (excluding options or awards lapsed in accordance with relevant scheme rules) to exceed the Service Provider Sublimit (being, 1% of the total number of issued Shares as at the date of the Shareholders' approval of the Service Provider Sublimit (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares)) unless the Shareholders approve a further refreshment of the Service Provider Sublimit or Shareholders' approval is obtained in compliance with the Listing Rules. As at the Latest Practicable Date, the Company has 6,242,104,787 issued Shares (including 604,519,783 Class A Shares and 5,637,585,004 Class B Shares), subject to Shareholders' approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Service Provider Sublimit will be 62,421,047 Class B Shares.

The above mentioned Scheme Limit and Service Provider Sublimit only apply to Awards to be satisfied by new Shares to be issued by the Company.

For the basis of determination of the Service Provider Sublimit which apply to each of the Post-IPO Share Schemes, please refer to the section headed "Service Provider Sublimit" under "7A. PROPOSED AMENDMENTS TO THE POST-IPO SHARE OPTION SCHEME" of the Letter from the Board in this circular.

LETTER FROM THE BOARD

1% Individual Limit

Where any grant of Awards to a grantee would result in the Class B Shares issued and to be issued in respect of all options and awards granted to such person, pursuant to the Post-IPO Share Award Scheme and any other share schemes adopted by the Company (excluding options or awards lapsed in accordance with relevant scheme rules), in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued Shares (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares) at the relevant time (i.e. the 1% Individual Limit), such grant must be separately approved by Shareholders in general meeting with such grantee and their close associates (or associates if the grantee is a connected person of the Company) abstain from voting.

In addition, each grant of Awards to any Director, chief executive (as defined in the Listing Rules), 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 Awards). Each grant of Awards to a director who is a beneficiary of weighted voting rights under Rule 8A.30(4) of the Listing Rules shall subject to the prior recommendation of the corporate governance committee of the Company.

0.1% Limit

Any grant of Awards to a Director, chief executive (as defined in the Listing Rules), or substantial shareholder of the Company (or any of their respective associates), must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Awards). Where any of Awards to a Director (other than an independent non-executive Director) or chief executive (as defined in the Listing Rules), or any of their associates would result in the Class B Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares) at the relevant time, such further grant of Awards must be approved by Shareholders in general meeting in the manner set out in Listing Rule 17.04(4).

Where any grant of Awards to an independent non-executive Directors or a substantial shareholder of the Company, or any of their respective associates, would result in the Class B Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of issued Shares (for the avoidance of doubt, includes Class A Shares which carry weighted voting rights and Class B Shares) at the relevant time, such further grant of Awards must be approved by Shareholders in general meeting.

LETTER FROM THE BOARD

Grant of Award

The Board or the committee of the Board or person(s) to which the Board has delegated its authority may, from time to time, at their absolute discretion, grant an Award to a selected participant (in the case of the Board's delegate(s), to any selected participant other than a Director or an officer of the Company) by way of an award letter (the "Award Letter"). The Award Letter will specify the date of grant, the number of Award Shares underlying the Award, the vesting criteria and conditions, the vesting date and such other details as the Board or its delegate(s) may consider necessary.

No consideration is payable on acceptance of each grant of Award(s).

Purchase Price

The purchase price payable (if any) for the Award Shares will be stated in the Award Letter, to be determined by the Board or the Scheme Administrator in accordance with the purpose of the Post-IPO Share Award Scheme, taking into account (including but not limited to) the prevailing closing price of the Class B Shares and profile of the selected participant.

The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward for the selected participants' contribution or potential contribution. Further, by allowing the Company to grant Awards under the Post-IPO Share Award Scheme at a purchase price (if any) as may be stipulated in the Award Letter on a case by case basis, the Company shall be in a better position to retain such selected participants to continue serving the Group whilst at the same time providing these selected participants further incentive in achieving the goals of the Group. Such room for discretion provides the Board with flexibility to stipulate, if necessary, a purchase price for Award Shares, while balancing the purpose of the Award and the interests of Shareholders. Therefore, the aforesaid term regarding the purchase price aligns with the purpose of the Post-IPO Share Award Scheme.

Lapse of Awards and Clawback Mechanism

If (x) a selected participant ceases to be an Eligible Person by reason of their (i) retirement, (ii) death, (iii) termination of employment or contractual engagement with the Group or a Related Entity by reason of their permanent physical or mental disablement, (iv) termination of the selected participant's employment or contractual engagement with the Group by reason of redundancy, and (v) any other reasons; or (y) at any time based on the agreement between a Selected Participant and the Group or a Related Entity, any unvested Awards (together with any outstanding Award Shares and related income subject thereunder) shall automatically lapse, unless the Board or the Scheme Administrator determines otherwise at their absolute discretion.

If a selected participant is declared bankrupt or becomes insolvent or makes any arrangements or a composition with their creditors generally, any unvested Awards (together with any outstanding Award Shares and related income subject thereunder) shall automatically lapse, unless the Board or the Scheme Administrator determines otherwise at their absolute discretion.

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In the event a selected participant commits a breach of the provision for transferability as set out in the section headed “Transferability, Cancellation and Status of Awards” in this Letter from the Board, any unvested Awards (together with any outstanding Award Shares and related income subject thereunder) held by them shall automatically lapse, unless the Board or the Scheme Administrator determines otherwise at their absolute discretion.

If a selected participant, (i) being an Employee Participant or a Related Entity Participant whose employment is terminated by the Group or a Related Entity by reason of the employer terminating the contract of employment without notice or payment in lieu of notice; (ii) is convicted of any criminal offence involving their integrity or honesty or any wrongdoing involving the Group’s financial statements; or (iii) breaches any covenant in respective Award Letter, any unvested Awards (together with any outstanding Award Shares and related income subject thereunder) shall automatically lapse, unless the Board or its Scheme Administrator determines otherwise at their absolute discretion, and the Company shall have the rights to recourse to the selected participant (i) all proceeds generated from the sale of relevant vested Award Shares, (ii) by seizing or forfeiting all vested Award Shares.

The Board is of the view that such clawback mechanism provides an option for the Company to claw back the equity incentives granted to participants culpable of misconduct and is in line with the purpose of the Post-IPO Share Award Scheme and the interests of Shareholders.

Vesting of Awards

The Board or Scheme Administrator may from time to time while the Post-IPO Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested hereunder, provided however that the vesting period for Awards shall not be less than 12 months, except that any Awards granted to an Employee Participant may be subject to a shorter vesting period, including where:

- (i) grants of “make whole” Awards to new Employee Participant to replace awards or options such Employee Participants forfeited when leaving their previous employers;
- (ii) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of Awards which are subject to fulfillment of performance targets as determined in the conditions of his/her grant;
- (iv) grants of Awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee Participant, in which case the vesting date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;
- (v) grants of Awards with a mixed vesting schedule such that the Awards vest evenly over a period of 12 months; or

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- (vi) grant of Awards with a total vesting period of more than 12 months, such as where the Awards may vest by several batches with the first batch to vest within 12 months of the grant date and the last batch to vest 12 months after the grant date.

To ensure the practicability in fully attaining the purpose of the Post-IPO Share Award Scheme, the Board and the Remuneration Committee are of the view that: (a) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the holders of the Awards, such as those set out in the aforesaid paragraph headed “*Vesting of Awards*” in this Letter from the Board; (b) there is a need for the Company to retain flexibility in certain cases to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, to provide for succession planning and the effective transition of employee responsibilities and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified; (c) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances; and (d) such vesting period is in line with the requirements under the Listing Rules and customary market practice.

Hence, the Board and the Remuneration Committee are of the view that the vesting periods prescribed in the paragraph headed “*Vesting of Awards*” in this Letter from the Board is in line with the market practice and is appropriate and aligns with the purpose of the Post-IPO Share Award Scheme.

Performance Target

The Post-IPO Share Award Scheme does not stipulate that specific performance targets a selected participant is required to be achieved.

However, under the Post-IPO Share Award Scheme, the Board or the Scheme Administrator may still at its discretion set performance objectives which will be stated in the Award Letter. The performance objectives, if any, must be achieved before the Awards vest, and shall be assessed in accordance with the performance measures set forth below or other vesting criteria. The Board or its delegates will carefully assess, on a periodic basis, whether the performance targets are satisfied before serving the vesting notice.

Given that each selected participant will play different roles and contribute in different ways to the Group, the Board believes that retaining discretion on whether to attach performance objectives to Awards can provide the Board with more flexibility in setting the terms and conditions of the Awards on a case-by-case basis, and tailor the terms and conditions of the grant to cater to specific circumstances of each grantee. In addition, it is considered that such flexibility under the Post-IPO Share Award Scheme can also facilitate the ultimate goal of the Company in offering meaningful incentives to remunerate and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

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To the extent where performance targets are deemed suitable and appropriate for a particular grant of Award(s) to selected participants (including (i) Employee Participants, (ii) Related Entity Participants and (iii) Service Providers), the possible performance measures may include any one or more of the following individual, geographic, project, line of business, corporate-wide or subsidiary, division, operating unit measures: cash flow; earnings; economic or monetary value added; profits; return on assets; return on equity; return on investment; sales; revenues; total shareholder return; client satisfaction metrics; business unit development and, in each case, such other goals as the Board or the Scheme Administrator may determine whether or not listed herein, or any combination of the foregoing. Each goal may be expressed on an absolute and/or relative basis, may be based on or otherwise employ comparisons based on internal targets, the past performance of the Company and/or the past or current performance of other companies, and in the case of earnings-based measures, may use or employ comparisons relating to capital, shareholders' equity and/or shares outstanding, investments or to assets or net assets.

To the extent where grants are offered under the Post-IPO Share Award Scheme without any performance objectives attached, the Board and Remuneration Committee considered that such incentives remain to be market competitive because, each such grant, on its own, represents a means of direct encouragement and forms part of the remuneration package. In addition, the intrinsic value of the Awards will be linked to the Company's share price, which in turn depends upon the future performance of the Company. The time-based nature of the Awards (for example, a minimum vesting period) will ensure that the long-term interests of the grantee and the Group are aligned. Based on the foregoing, in the event that no performance objectives are attached to grants made under the Post-IPO Share Award Scheme, the Company considered that the grantee will nevertheless be motivated to contribute towards the development of the Group and thus such arrangement will be conducive to providing incentive and reward for participation, involvement and promotion the business of the Group, and therefore aligns with the purpose of the Post-IPO Share Award Scheme.

Transferability, Cancellation and Status of Awards

Any Award granted under the Post-IPO Share Award Scheme, but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be assignable or transferable and no selected participant shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any other person over or in relation to any Award, or enter into any agreement to do so, except for when a waiver is obtained from the Stock Exchange and express written consent is obtained from the Board or its delegates.

Any Awards granted may be cancelled by the Board or its delegates, at any time with the prior consent of respective selected participant. For the avoidance of doubt, where the Company cancels Awards granted to a selected participant and makes a new grant to the same selected participant, such new grant may only be made with available Scheme Limit. The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Limit and the Service Provider Sublimit.

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The Class B Shares to be allotted and issued for the purposes of satisfying the grant of Awards shall be identical to all existing issued Class B Shares and shall be allotted and issued subject to all the provisions of the Articles of Association for the time being in force and will rank *pari passu* with the other fully paid Class B Shares in issue on the date the name of the grantee is registered on the register of members of the Company or if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, save that the grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on or before the date the grantee becoming registered holder of relevant Class B Shares.

Effects of Alterations in the Capital Structure of the Company

In the event the Company undertakes a capitalisation issue, rights issue, sub-division or consolidation of shares of the Company or reduction of capital of the Company, corresponding changes will be made to the number and purchase price (if applicable) of any unvested Awards (together with any outstanding Award Shares and related income subject thereunder) that have been granted provided that:

- (i) no such adjustments shall be made in respect of an issue of securities by the Company as consideration in a transaction;
- (ii) any such adjustments must be made so that each selected participant is given the same portion of the share capital of the Company, rounded to the nearest whole share, as that to which he was previously entitled;
- (iii) all fractional shares (if any) arising out of such consolidation or sub-division in respect of the Award Shares of a selected participant shall be deemed as returned shares and shall not be transferred to the relevant selected participant on the relevant vesting date;
- (iv) no such adjustments shall be made which would result in the purchase price (if applicable) for a Class B Share being less than its nominal value, provided that in such circumstances the purchase price shall be reduced to the nominal value;
- (v) any such adjustments shall be made on the basis that the aggregate purchase price payable by a selected participant for the vesting of the Award Shares granted to him shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; and
- (vi) any adjustments to be made will comply with the Listing Rules and any guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time.

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Alteration

Subject to the Scheme Limit and the Listing Rules, the Post-IPO Share Award Scheme may be altered in any respect by a resolution of the Board or its delegates, provided that no such alteration shall operate to affect adversely any subsisting rights of any selected participant unless otherwise provided for in the rules of the Post-IPO Share Award Scheme, except:

- (i) with the consent in writing of selected participants amounting to three-fourths in nominal value of all Award Shares held by the trustee on that date; or
- (ii) with the sanction of a special resolution that is passed at a meeting of the selected participants amounting to three-fourths in nominal value of all Award Shares held by the trustee on that date.

Any alternations to the terms and conditions of the Post-IPO Share Award Scheme which are of a material nature or any alternations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of eligible person must be approved by Shareholders in general meeting. Any change to the terms of Awards granted must be approved by the Board or its delegates, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board or its delegates, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). Any change to the authority of Directors or Scheme Administrator to alter the terms of the Post-IPO Share Award Scheme must be approved by Shareholders in general meeting.

The amended terms of the Post-IPO Share Award Scheme or the Awards must comply with the Listing Rules.

Termination

The Post-IPO Share Award Scheme shall terminate on the earlier of:

- (i) the end of the period of ten years from September 20, 2018, except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the Post-IPO Share Award Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the Post-IPO Share Award Scheme; and
- (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any selected participant under the rules of the Post-IPO Share Award Scheme, provided further that for the avoidance of doubt, the change in the subsisting rights of a selected participant in this paragraph refers solely to any change in the rights in respect of the Award Shares already granted to a selected participant.

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All Award Shares granted but not vested or not issued prior to such termination shall continue to be valid and can be further vested and issued in accordance with their terms after the termination of the Post-IPO Share Award Scheme.

As regards the treatment of any unvested Awards granted under the Post-IPO Share Award Scheme of which Class B Shares are not yet issued, on the business day following the settlement, lapse or cancellation (as the case may be) of the last unvested Award made under the Post-IPO Award Scheme, the trustee shall sell all the Class B Shares remaining in the trust within a reasonable time period as agreed between the trustee and the Company upon receiving notice of the settlement, lapse or cancellation (as the case may be) of such last unvested Award (or such longer period as the Company may otherwise determine), and remit all cash and net proceeds of such sale referred to herein and all cash income derived from the returned shares to the Company (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities). For the avoidance of doubt, the trustee shall not transfer any Class B Shares to the Company nor may the Company otherwise hold any Class B Shares whatsoever (other than the proceeds in the sale of such Class B Shares pursuant hereto).

Trustee

No Director is a trustee of the Post-IPO Share Award Scheme or has any direct or indirect interest in the trustee of the Post-IPO Share Award Scheme.

The trustee of the Post-IPO Share Award Scheme shall abstain from voting or exercising any voting rights in respect of any unvested Class B Shares which are held, whether directly or indirectly, under the trust or as nominee on matters that require approval of the Shareholders under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner's direction and such a direction is given.

8. PROPOSED ARTICLES AMENDMENTS AND THE ADOPTION OF THE SEVENTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board proposes to make certain amendments to the existing Articles of Association, for the purpose of, among others, bringing the existing Articles of Association in line with the Core Shareholder Protection Standards set out in Appendix 3 to the Listing Rules and the applicable laws of the Cayman Islands, and providing flexibility to the Company in relation to the conduct of general meetings (to hold virtual meetings) and other house-keeping amendments that are consistent with such amendments and the applicable laws and the Listing Rules; and to adopt the Seventh Amended and Restated Memorandum and Articles of Association incorporating and consolidating all the Proposed Articles Amendments and other amendments to the Memorandum of Association passed at previous annual general meeting(s) of the Company.

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A summary of the major changes to be brought about by the Proposed Articles Amendments are set out below:

- (1) to provide that an annual general meeting of the Company shall be held in each financial year and to be held within six (6) months after the end of its financial year, and removing any exception no longer applicable to the Company;
- (2) to provide that the minimum stake required for members to requisition an extraordinary general meeting and to add resolutions to a meeting agenda, being not less than one-tenth of the voting rights of the Company, is on a “*one vote per share*” basis;
- (3) to codify the rights of a Shareholder holding any Class A Share(s) to convert into any Class B Share(s) on a voluntary basis;
- (4) to allow the participants of general meetings to virtually attend, participate and vote by means of specified conferencing application and/or communication facilities and to make corresponding amendments on the related proceedings and procedures as regards the general meetings of the Company;
- (5) to remove the requirement that the board of Directors consist of less than one-half of independent non-executive Directors;
- (6) to provide that the Company may by special resolution resolve that the Company be wound up voluntarily;
- (7) to codify the requirement that, unless the Directors otherwise prescribe, the financial year of the Company shall end on 31 December in each year;
- (8) to clarify that all Shareholders have the right to speak at general meetings of the Company except where the Shareholder is required by the Listing Rules to abstain from voting; and
- (9) to make other house-keeping amendments to update or clarify provisions considered by the Board to be necessary or desirable to comply with or better align with the wording and requirements of the applicable laws of the Cayman Islands and the Listing Rules.

Further details of the Proposed Articles Amendments (marked-up against the relevant provisions of the existing Articles of Association) are set out in Appendix III to this circular.

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The legal advisers to the Company as to Hong Kong laws and the Cayman Islands laws have respectively confirmed that the Proposed Articles Amendments comply with the applicable requirements of the Listing Rules and do not violate the laws of Cayman Islands. The Company also confirms that there is nothing unusual in the Proposed Articles Amendments from the perspective of a Cayman Islands company listed on the Stock Exchange.

The Proposed Articles Amendments and the adoption of the Seventh Amended and Restated Memorandum and Articles of Association are subject to the Shareholders' approval by way of special resolution at the AGM.

Shareholders are advised that the Memorandum and Articles of Association are written in English only and there is no official Chinese translation. The Chinese translation of the Memorandum and Articles of Association is provided for reference only. In case of any discrepancy or inconsistency, the English version shall prevail.

9. PROPOSED ISSUE OF CLASS B SHARES TO CONNECTED GRANTEEES OF RSUs

Reference is made to the announcement of the Company dated September 23, 2022, in which it was disclosed that, on September 23, 2022, an aggregate of 38,742 Award Shares in the form of RSUs were granted to the three Connected Grantees under the Post-IPO Share Award Scheme subject to the terms and conditions of the Post-IPO Share Award Scheme.

The aforesaid grant of Award Shares in the form of RSUs to the independent non-executive Directors form part of the remuneration package of the service contracts of such Directors. Pursuant to the terms of the Post-IPO Share Award Scheme, the RSUs may be satisfied through issue of new Class B Shares or on-market purchase of the Class B Shares. Pursuant to the conditions of the grant, the Company shall not be required to issue or transfer Class B Shares with respect to any vested RSUs to the independent non-executive Directors prior to fulfillment of all the following conditions: (a) the obtaining of any approval or other clearance from any competent authority which the committee designated by the Board shall, in its absolute discretion, determine to be necessary or advisable; and (b) the lapse of such reasonable period of time following the vesting of the RSUs as the committee may establish from time to time for reasons of administrative convenience. As disclosed in the section headed "*7B. PROPOSED AMENDMENTS TO THE POST-IPO SHARE AWARD SCHEME – Trustee*" in this Letter from the Board, no Director (including the Connected Grantees who are independent non-executive Directors) is a trustee of the Post-IPO Share Award Scheme or has any direct or indirect interest in the trustee of the Post-IPO Share Award Scheme.

For the avoidance of doubt, the Proposed Issue of Class B Shares to the Connected Grantees for the purpose of satisfying an aggregate of 29,058 Award Shares in the form of RSUs will not result in the interest of any Connected Grantee (or any of their associates) in the Class B Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed) to such Connected Grantee in the 12-month period up to and including the Latest Practicable Date to exceed in aggregate over 0.1% of the total number of issued Shares (including Class A Shares which carry weighted voting rights and Class B Shares).

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Amongst the 38,742 Award Shares in the form of RSUs granted to the three Connected Grantees under the Post-IPO Share Award Scheme in September 2022, 9,684 existing Class B Shares had been repurchased from the open-market to satisfy 9,684 RSUs vested in favour of the Connected Grantees as at the Latest Practicable Date, and subject to approval of the Independent Shareholders, the Board proposed to issue an aggregate of 29,058 Class B Shares to the Connected Grantees upon vesting of the remaining RSUs:

Name of the Grantee	Position Held with the Company	Number of unvested RSUs as at the Latest Practicable Date	Number of Class B Shares Proposed to be Issued
Mr. Orr Gordon Robert Halyburton	Independent Non-executive Director	9,686	9,686
Mr. Leng Xuesong	Independent Non-executive Director	9,686	9,686
Dr. Shum Heung Yeung Harry	Independent Non-executive Director	9,686	9,686
Total		29,058	29,058

The new Class B Shares, when issued and fully paid, shall rank pari passu among themselves and with those Class B Shares in issue. The Connected Grantees are not required to pay any consideration for them to be allotted and issued with the Class B Shares underlying the respective RSUs upon vesting. Class B Shares underlying the unvested RSUs granted to the Connected Grantees are expected to be issued and allotted after the date of the AGM according to the vesting schedule and subject to the terms and conditions of the Post-IPO Share Award Scheme (as applicable). No funds will be raised by the Company as a result of the Proposed Issue of Class B Shares.

Principal Terms of the RSUs Granted to the Connected Grantees pursuant to the Post-IPO Share Award Scheme

In accordance with the terms of the Post-IPO Share Award Scheme and as approved by the Board, the RSUs were granted to the three independent non-executive Directors under the following terms:

- the three Independent Non-executive Directors are not required to pay for the grant of any RSUs under the Post-IPO Share Award Scheme and no consideration is required from them to be allotted and issued with the Class B Shares underlying the respective RSUs upon vesting;
- the Company, in its sole discretion, may pay RSUs in the form of cash, Shares or a combination thereof;

LETTER FROM THE BOARD

- the three Connected Grantees may not exercise any voting rights in respect of any Class B Shares underlying the RSUs that have not yet vested; and
- 100% of the above unvested RSUs granted to each Connected Grantee as at the Latest Practicable Date shall vest in each quarter commencing from June 20, 2023 until September 20, 2024.

Basis of Determination for the RSUs Granted to the Connected Grantees

In determining the number of RSUs granted to each of the Connected Grantees, the Board has taken into account, inter alia, (i) the background, expertise and working experience of each of the Connected Grantees, (ii) their positions held with the Company and their responsibilities and contributions to the Group as set out in the table below, and (iii) the overall purpose of the Post-IPO Share Award Scheme, which is to align the interests of eligible persons with those of the Group, and to encourage and retain eligible persons to make contributions to support the sustainable development of the Group:

Name of the Connected Grantee	Position held at the Company/Group	Responsibilities and contributions
Mr. Orr Gordon Robert Halyburton	Independent non-executive Director	Providing independent advice on financial and accounting affairs and corporate governance matters, and other matters subject to the Board guidance and approval.
Mr. Leng Xuesong	Independent non-executive Director	Providing independent advice on finance, executive compensation and corporate governance matters, and other matters subject to the Board guidance and approval.
Dr. Shum Heung Yeung Harry	Independent non-executive Director	Providing independent advice on technology innovation, the global technology and internet industry trends, and other matters subject to the Board guidance and approval.

With the broad range of expertise of the Connected Grantees in the areas of corporate governance, finance, technology and innovation, in determining the number of RSUs granted to the Connected Grantees, the Board was of the view that the Connected Grantees can continue to promote better corporate governance within the Group, and continue to contribute their independent advice in the areas where they possess high level of skills and knowledge including accounting and finance, technology, innovation and related industry trends. Based on the above, the Board considered that the grant of RSUs to the Connected Grantees in September 2022 is fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

Interests of the Connected Grantees in the relevant Securities of the Company

As at the Latest Practicable Date, the interests of the Connected Grantees in the Shares underlying the unvested RSUs are set out below:

Name of the Connected Grantee	Position	Number of unvested RSUs granted under the Post-IPO Share Award Scheme		
		Number of underlying Class B Shares involved	Percentage of the Company's total share capital as at the Latest Practicable Date (on a one share one vote basis) <i>Approximate</i>	Percentage of the Company's enlarged issued share capital (on a one share one vote basis and enlarged by the issue of the maximum number of Class B Shares underlying unvested RSUs granted to the Connected Grantees) ⁽¹⁾ <i>Approximate</i>
Mr. Orr Gordon	Independent	9,686	0.000155%	0.000155%
Robert Halyburton	Non-executive Director			
Mr. Leng Xuesong	Independent	9,686	0.000155%	0.000155%
	Non-executive Director			
Dr. Shum Heung	Independent	9,686	0.000155%	0.000155%
Yeung Harry	Non-executive Director			
Total		29,058	0.000466%	0.000466%

Note:

- (1) Without taking into account the number of Shares which may be repurchased or issued by the Company (except for the Proposed Issue of Class B Shares), including the Class B Shares to be issued pursuant to the Pre-IPO ESOP, the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme.

LETTER FROM THE BOARD

As at the Latest Practicable Date, none of the Connected Grantees held any Class A Shares, and (i) the total number of Class B Shares held by the Connected Grantees as recorded in the register required to be kept pursuant to section 352 of the SFO before the Proposed Issue of Class B Shares, and (ii) the total number of Class B Shares held by the Connected Grantees upon the Proposed Issue of Class B Shares, are set forth as follows:

Name of the Connected Grantee	As at the Latest Practicable Date		Upon the issue of the maximum number of Class B Shares underlying unvested RSUs granted to the Connected Grantees ⁽¹⁾	
	Number of Class B Shares	Percentage of the Company's total issued share capital (on a one share one vote basis) Approximate	Number of Class B Shares	Percentage of the Company's enlarged issued share capital (on a one share one vote basis) Approximate
Mr. Orr Gordon Robert Halyburton	63,228	0.001013%	72,914	0.001168%
Mr. Leng Xuesong	63,228	0.001013%	72,914	0.001168%
Dr. Shum Heung Yeung Harry	63,228	0.001013%	72,914	0.001168%
Sub-total	189,684	0.003039%	218,742	0.003504%
Other Shareholders	5,637,395,320	90.312411%	5,637,395,320	90.311990%
Total	5,637,585,004	90.315450%	5,637,614,062	90.315495%

Note:

- (1) Without taking into account the number of Shares which may be repurchased or issued by the Company (except for the Proposed Issue of Class B Shares), including the Class B Shares to be issued pursuant to the Pre-IPO ESOP, the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme.

Market Value

Based on the closing price of HK\$110.20 per Class B Share as quoted on the Stock Exchange on the Latest Practicable Date, the market value of the Class B Shares proposed to be issued and underlying the unvested RSUs granted to the Connected Grantees amounted to HK\$3,202,191.60. The fair value of the Class B Shares proposed to be issued and underlying the unvested RSUs granted to the Connected Grantees, as at the date of grant, amounted to HK\$4,657,997.40 (HK\$160.30 per Class B Share underlying each unvested RSU).

Reasons and Benefits of the Proposed Issue of Class B Shares

The Post-IPO Share Award Scheme is one of the share incentive schemes of the Company, the purpose of which is to closely align the interests and benefits of the Shareholders, the Company, the Directors, the senior management and the employees in order to maximize the motivation of the Directors, the senior management and the employees of the Company. The award of RSUs and the Proposed Issue of Class B Shares to the Connected Grantees upon

LETTER FROM THE BOARD

vesting of the RSUs recognize their continual support to the Group and their effort will promote the Group's future development. For the biographical details of the Connected Grantees, please refer to the section headed "*Directors and Senior Management*" of the annual report of the Company for the financial year ended December 31, 2022.

There will not be any actual cash outflow by the Group upon the Proposed Issue of Class B Shares to the Connected Grantees. Assuming the Connected Grantees become fully entitled to all RSUs after the vesting period, the number of Class B Shares to be issued would be limited to 29,058, or approximately 0.000466% of the total issued share capital of the Company (on a one share one vote basis) as at the Latest Practicable Date.

Directors' View

Given that the Proposed Issue of Class B Shares will incentivize the Connected Grantees and help retain talent for the long term to contribute to the sustainable development of the Group without having any negative impact on the cashflow of the Group, the Directors consider that the Proposed Issue of Class B Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Listing Rules Implications

Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong and Dr. Shum Heung Yeung Harry are Directors. Therefore, they are connected persons of the Company at the issuer level. The Proposed Issue of Class B Shares to each of the Connected Grantees constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to reporting, announcement and the Independent Shareholders' approval requirements.

Save for Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong and Dr. Shum Heung Yeung Harry, who are considered to be interested in the Proposed Issue of Class B Shares to themselves, respectively, no other Director is considered to be materially interested in the Proposed Issue of Class B Shares and therefore none of the other Directors has abstained from voting on the relevant Board resolutions.

The Listing Committee of the Stock Exchange has previously granted its approval on September 19, 2018 for the listing of, and permission to deal in, amongst others, any new Class B Shares which may be issued on vesting of awards to be granted under the Post-IPO Share Award Scheme.

Independent Board Committee and Independent Financial Adviser

The Independent Board Committee, comprising all the independent non-executive Directors, has been formed to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Proposed Issue of Class B Shares. Somerley has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

LETTER FROM THE BOARD

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Proposed Issue of Class B Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee (save for Mr. Orr Gordon Robert Halyburton, in relation to resolution 14 only, Mr. Leng Xuesong in relation to resolution 15 only and Dr. Shum Heung Yeung Harry in relation to resolution 16 only) recommends the Independent Shareholders to vote in favor of the ordinary resolutions to be proposed at the AGM.

The letter from the Independent Board Committee to the Independent Shareholders is set out on pages 48 to 49 of this circular. The letter from Somerley to the Independent Board Committee and the Independent Shareholders is set out on pages 50 to 69 of this circular.

Information about the Company

The Company is a tech-driven retail company. The Company offers diversified daily goods and services in the broader retail by leveraging technology, including food delivery, in-store, hotel and travel booking and other services and sales.

10. THE ANNUAL GENERAL MEETING

The AGM will be held at Command Center of Meituan Beijing Office, Block A, Hengjiweiye Building, No. 4 Wang Jing East Road, Chaoyang District, Beijing on Friday, June 30, 2023 at 2:00 p.m.. The notice of the AGM is set out on pages 102 to 109 of this circular.

In addition to the traditional physical attendance, Shareholders may choose to join the AGM through online webcast (the “**Online Platform**”). Shareholders joining the AGM through the Online Platform will be able to submit questions through the Online Platform. The Online Platform will be available for logging in by registered Shareholders and non-registered Shareholders approximately 30 minutes before the commencement of the AGM (please refer to the login details and arrangements below), and can be accessed via smartphone, tablet or computer with internet access from anywhere. Registered Shareholders and non-registered Shareholders should note that joining the online webcast will not be counted towards a quorum nor will they be able to cast their votes online. Shareholders are advised to appoint the chairman of the AGM as their proxy to vote according to their indicated voting instructions.

Login details for registered Shareholders

Details regarding the arrangements for the AGM, including login details to access the Online Platform, are included in the Company’s Letter for AGM Login Details to registered Shareholders to be despatched on June 8, 2023.

LETTER FROM THE BOARD

Login details for non-registered Shareholders

Non-registered Shareholders who wish to join the AGM using the Online Platform should liaise with their banks, brokers, custodians, nominees or HKSCC Nominees Limited through which their Shares are held (together, the “**Intermediary**”) and provide their e-mail address to their Intermediary. Details regarding the arrangements of the AGM (including login details to access the Online Platform) will be sent in electronic form by the Company’s share registrar in Hong Kong to the e-mail addresses provided by the non-registered Shareholders.

Raising questions at the AGM

Shareholders joining the AGM through the Online Platform will be able to submit questions relevant to the proposed resolutions through the Online Platform during the AGM.

If Shareholders have any questions in relation to the AGM, please contact the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, through the following contact information:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen’s Road East
Wanchai, Hong Kong
Telephone: +852 2862 8555
Website: www.computershare.com/hk/contact

A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM in person, please complete and return the form of proxy in accordance with the instructions printed thereon to the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (for both holders of Class A Shares and holders of Class B Shares) as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting (as the case may be) should you so wish.

11. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, June 27, 2023 to Friday, June 30, 2023, both dates inclusive, during which period no transfer of shares will be registered.

In order to qualify for attending and voting at the meeting, all instrument of transfer, accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on their behalf, the authority of that

LETTER FROM THE BOARD

person so to do), must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited (for both holders of Class A Shares and holders of Class B Shares), 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 Monday, June 26, 2023.

12. VOTING BY WAY OF POLL

As at the Latest Practicable Date, the Connected Grantees and their respective associates held a total shareholding of 189,684 Class B Shares, representing approximately 0.003039% of the total issued share capital of the Company. The Connected Grantees and their respective associates will abstain from voting on the relevant resolution(s) at the AGM regarding the Proposed Issue of Class B Shares to the Connected Grantees. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, except for the Connected Grantees and their respective associates in connection with the Proposed Issue of Class B Shares, no other Shareholder is required to abstain from voting on any the resolutions to be proposed at the AGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote by shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted only by a show of hands. Therefore, the resolutions to be proposed at the AGM will be voted by way of poll.

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

According to the Articles of Association, each Class A Share and each Class B Share shall entitle its holder to one vote on a poll at the AGM in respect of the resolutions on the proposed election of independent non-executive Director, the proposed re-election of independent non-executive Directors, the proposed re-appointment of auditor, and the Proposed Articles Amendments and the adoption of the Seventh Amended and Restated Memorandum and Articles of Association. Each Class A Share shall entitle its holder to ten votes and each Class B Share shall entitle its holder to one vote in respect of the resolutions on the proposed receipt and adoption of the audited consolidated financial statements, reports of Directors and independent auditor, the proposed re-election of non-executive Directors, the proposed authority for the Board to fix the remuneration of the Directors, the proposed Issuance Mandate, the proposed Repurchase Mandate, the proposed amendments to the Post-IPO Share Option Scheme and Post-IPO Share Award Scheme and the Proposed Issue of Class B Shares.

LETTER FROM THE BOARD

13. RECOMMENDATION

The Board considers that (i) the above-mentioned resolutions regarding the proposed election of an independent non-executive Director, the proposed re-election of Directors, the proposed Issuance Mandate, the proposed Repurchase Mandate, the proposed re-appointment of auditor, the Proposed Articles Amendments and the adoption of the Seventh Amended and Restated Memorandum and Articles of Association and the proposed amendments to the Post-IPO Share Option Scheme and Post-IPO Share Award Scheme are in the best interests of the Company and the Shareholders as a whole, and (ii) despite the Proposed Issue of Class B Shares is not in the ordinary and usual course of businesses of the Group, the terms of the Proposed Issue of Class B Shares and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms, and in the interests of the Company and Shareholders as a whole. Accordingly, the Directors (save in respect of any particular resolution(s) in relation to a Director himself) recommend you to vote in favor of all resolutions to be proposed at the AGM.

Yours faithfully,
By Order of the Board
Meituan
Wang Xing
Chairman



(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
(Stock code: 3690)

June 8, 2023

To the Independent Shareholders

Dear Sir or Madam,

**NON-EXEMPT CONNECTED TRANSACTIONS
PROPOSED ISSUE OF CLASS B SHARES TO CONNECTED GRANTEEES
OF RESTRICTED SHARE UNITS**

We refer to the circular of the Company dated June 8, 2023 (the “**Circular**”) to its Shareholders of which this letter forms part. Terms defined in the circular shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to advise you in relation to (i) whether the Proposed Issue of Class B Shares is fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) how to vote on the resolution regarding the Proposed Issue of Class B Shares, taking into account the recommendations from the Independent Financial Adviser.

Somerley Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Proposed Issue of Class B Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole and to advise the Independent Shareholders on how to vote on the resolution.

Your attention is drawn to:

- (a) the letter from the Board set out on pages 8 to 47 of this Circular which contains its recommendation to the Independent Shareholders and the additional information set out in the Appendix IV to this Circular; and
- (b) the letter from the Independent Financial Adviser set out on pages 50 to 69 of this Circular which contains its advice to the Independent Board Committee and the Independent Shareholders, together with the principal factors and reasons taken into consideration in arriving at such advice.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the advice from the Independent Financial Adviser, we are of the view that the Proposed Issue of Class B Shares is fair and reasonable and they are in the interests of the Company and the Shareholders as a whole.

Accordingly, we (save for Mr. Orr Gordon Robert Halyburton, in relation to resolution 14 only, Mr. Leng Xuesong in relation to resolution 15 only and Dr. Shum Heung Yeung Harry in relation to resolution 16 only) recommend the Independent Shareholders to vote in favor of the ordinary resolution in relation to the Proposed Issue of Class B Shares to be presented at the AGM.

Yours faithfully,

For and on behalf of the Independent Board Committee

Orr Gordon Robert Halyburton

Leng Xuesong

Shum Heung Yeung Harry

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of the letter of advice from Somerley to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



SOMERLEY CAPITAL LIMITED
20th Floor
China Building
29 Queen's Road Central
Hong Kong

June 8, 2023

*To: the Independent Board Committee and
the Independent Shareholders of Meituan*

Dear Sirs,

NON-EXEMPT CONNECTED TRANSACTIONS PROPOSED ISSUE OF CLASS B SHARES TO CONNECTED GRANTEES OF RESTRICTED SHARE UNITS

INTRODUCTION

We refer to our appointment by the Company to advise the Independent Board Committee and the Independent Shareholders in connection with the Proposed Issue of Class B Shares. Details of the Proposed Issue of Class B Shares are set out in the letter from the Board contained in the circular of the Company to the Shareholders dated June 8, 2023 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Mr. Orr Gordon Robert Halyburton (“**Mr. Orr**”), Mr. Leng Xuesong (“**Mr. Leng**”) and Dr. Shum Heung Yeung Harry (“**Dr. Shum**”) are Directors. Therefore, they are connected persons of the Company at the issuer level. The Proposed Issue of Class B Shares to each of the Connected Grantees constitutes a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to reporting, announcement and the Independent Shareholders’ approval requirements.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Orr, Mr. Leng and Dr. Shum, has been formed to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Proposed Issue of Class B Shares. We, Somerley Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We are not associated with the Company, the Connected Grantees or their respective close associates, associates or core connected persons (all as defined under the Listing Rules) and accordingly we are considered eligible to give independent advice on the Proposed Issue of Class B Shares. Apart from normal professional fees payable to us in connection with this or similar appointments, no arrangement exists whereby we will receive any fees or benefits from the Company, the Connected Grantees or their respective close associates, associates or core connected persons.

During the past two years, Somerley acted as the independent financial adviser and issued an opinion letter contained in the circular dated May 24, 2021 published by the Company in relation to a connected transaction. The past engagement was limited to providing independent advisory services to the independent board committee and independent shareholders of the Company pursuant to the Listing Rules. Under the past engagement, Somerley received normal professional fees from the Company. Notwithstanding the past engagement, as at the Latest Practicable Date, there were no relationships or interests between Somerley on one hand and the Group, the Connected Grantees or their respective substantial shareholders or associates on the other hand that could reasonably be regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the independent financial adviser to the Independent Board Committee and Independent Shareholders in connection with the Proposed Issue of Class B Shares.

In formulating our opinion, we have reviewed, amongst other documents, the annual report of the Company for the year ended December 31, 2022 (the “**2022 Annual Report**”), the summary of the Post-IPO Share Award Scheme as set out in the 2022 Annual Report and the information contained in the Circular.

We have relied on the information and facts supplied, and the opinions expressed to us, by the management and the Directors of the Group which we have assumed to be true, accurate, complete and not misleading in all material aspects at the relevant time they were supplied or expressed and will remain so up to the date of the AGM. We have also sought and received confirmation from the Company that no material facts have been omitted from the information supplied and opinions expressed to us. We have no reason to believe that any material information has been withheld from us, or to doubt the truth, accuracy or completeness of the information provided. We have relied on such information and consider that the information we have received is sufficient for us to reach an informed view. We have not, however, conducted any independent investigation into the business and affairs of the Group, nor have we carried out any independent verification of the information supplied.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and our recommendation with regard to the Proposed Issue of Class B Shares, we have taken into account the principal factors and reasons set out below:

1. Information on the Company

The Company is a tech-driven retail company. The Company offers diversified daily goods and services in the broader retail by leveraging technology, including food delivery, in-store, hotel and travel booking and other services and sales.

Set out below is a summary of the consolidated financial information of the Group for the two years ended 31 December 2022 as extracted from the 2022 Annual Report:

	For the year ended December 31	
	2022	2021
	RMB'000	RMB'000
Revenue	219,954,948	179,127,997
– the core local commerce segment ⁽¹⁾	160,759,022	136,645,437
– the new initiatives segment ⁽²⁾	59,195,926	42,482,560
Loss for the year	(6,685,323)	(23,536,198)

Notes:

- (1) It refers to delivery services, commission generated from in-store, hotel and travel businesses and online marketing services.
- (2) It refers to provision of new services for both consumers and merchants to satisfy consumers' growing demand for more diversified lifestyle services and improve merchants' operational efficiency.

The Group's revenue increased by 22.8% to RMB220.0 billion in 2022 from RMB179.1 billion in 2021. Both of reporting segments, namely the core local commerce segment and the new initiatives segment, registered positive growth. The core local commerce segment increased by 17.6% to RMB160.8 billion in 2022 from RMB136.6 billion in 2021, principally attributable to the increases in (i) delivery services revenue which was mainly driven by the increase in the number of transactions and the optimised transacting users incentives strategy resulting in the decreased amount of revenue deduction in the food delivery and Meituan Instashopping businesses; and (ii) commission revenue primarily due to the increase in the number of transactions and the average order value of food delivery and Meituan Instashopping businesses, partially offset by the decreased gross transaction value and online marketing services fee from its in-store, hotel and travel businesses due to pandemic. The new initiatives segment increased by 39.3% to RMB59.2 billion in 2022 from RMB42.5 billion in 2021, principally attributable to the expansion of goods retail businesses.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Group recorded net losses for the past two years as the Group's costs and expenses exceeded its revenues. As stated in the 2022 Annual Report, the cost of revenues, selling and marketing expenses, research and development expenses, and general and administrative expenses in aggregate accounted for 113.1% and 103.8% of the Group's revenue for 2021 and 2022, respectively. Nonetheless, the net loss of the Group substantially decreased by 71.6% to RMB6.7 billion in 2022 from RMB23.5 billion in 2021, mainly due to increase in revenue.

2. Background of and reasons for the Proposed Issue of Class B Shares

The Company announced on September 23, 2022 that an aggregate of 38,742 Award Shares in the form of RSUs were granted to the three Connected Grantees under the Post-IPO Share Award Scheme subject to the terms and conditions of the Post-IPO Share Award Scheme. The aforesaid grant of Award Shares in the form of RSUs to the independent non-executive Directors form part of the remuneration package of the service contracts of such Directors. Pursuant to the terms of the Post-IPO Share Award Scheme, the RSUs may be satisfied through issue of new Class B Shares or on-market purchase of the Class B Shares. Amongst the aforesaid 38,742 Award Shares, 9,684 existing Class B Shares had been repurchased from the open-market to satisfy the same number of RSUs vested in favour of the Connected Grantees. Subject to approval of the Independent Shareholders, the Board proposed to issue an aggregate of 29,058 Class B Shares to the Connected Grantees upon vesting of the remaining RSUs.

As set out in the letter of the Board, the Post-IPO Share Award Scheme is one of the Company's incentive schemes, the purpose of which is to closely align the interests and benefits of the Shareholders, the Company, the Directors, the senior management and the employees in order to maximize the motivation of the Directors, the senior management and the employees of the Company. The award of RSUs and the Proposed Issue of Class B Shares to the Connected Grantees upon vesting of the RSUs recognize their continual support to the Group and their effort will promote the Group's future development. There will not be any actual cash outflow by the Group upon the Proposed Issue of Class B Shares to the Connected Grantees. Assuming the Connected Grantees become fully entitled to all RSUs after the vesting period, the number of Class B Shares to be issued would be limited to 29,058, or approximately 0.000466% of the total issued share capital of the Company (on a one share one vote basis) as at the Latest Practicable Date.

Given that the Proposed Issue of Class B Shares, which forms part of the remuneration package, will incentivize the Connected Grantees and help retain talent for the long term to contribute to the sustainable development of the Group without having any negative impact on the cashflow of the Group, we are of the view that the Proposed Issue of Class B Shares is a cost-effective way to motivate and retain the Connected Grantees and thus to be in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

3. Information on the Connected Grantees

The Connected Grantees are Mr. Orr, Mr. Leng and Dr. Shum. Their biographical details as extracted from the 2022 Annual Report are as follows:

Name	Responsibilities	Biographical details
Mr. Orr	Providing independent advice on financial and accounting affairs and corporate governance matters, and other matters subject to the Board guidance and approval.	<p>Mr. Orr is an independent non-executive Director. Mr. Orr joined McKinsey & Company in 1986 and served as senior partner of McKinsey & Company from July 1998 until August 2015 when he retired. He was a member of McKinsey's global shareholder board from July 2003 until June 2015. Mr. Orr acquired extensive corporate governance experience during his position as a senior partner of McKinsey & Company, as well as a director and member of board committees in Lenovo Group Limited (HKEx Stock Code: 992) and Swire Pacific Limited (HKEx Stock Code: 00019 and 00087). His corporate governance experience includes, among others, (i) reviewing, monitoring and making recommendations as to the companies' policies, practices and compliance; (ii) proposing measures to ensure effective communication between the board and shareholders; (iii) opining on proposed connected transactions; and (iv) understanding requirements of the Listing Rules and directors' duty to act in the best interest of the company and the shareholders as a whole.</p> <p>Mr. Orr received his bachelor's degree in engineering science from Oxford University in June 1984 and his master's degree in business administration from Harvard University in June 1986.</p> <p>Mr. Orr has been an independent non-executive director of EQT AB (Stockholm Stock Code: EQT) since September 2019. He was appointed as a non-executive director of Lenovo Group Limited (HKEx Stock Code: 992) in September 2015. He has also been an independent non-executive director of Swire Pacific Limited (HKEx Stock Code: 00019 and 00087) since August 2015, an independent non-executive director of Sondrel (Holdings) PLC (LSE Stock Code: SND) since October 2022 and a non-executive director of Fidelity China Special Situations PLC (LSE Stock Code: FCSS) since January 2023. He is also the vice chairman of China-Britain Business Council.</p>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Name	Responsibilities	Biographical details
Mr. Leng	Providing independent advice on finance, executive compensation and corporate governance matters, and other matters subject to the Board guidance and approval.	<p>Mr. Leng is an independent non-executive Director. Mr. Leng joined Warburg Pincus, an international private equity firm, in September 1999 as an associate and served as managing director when he left in August 2007. From September 2007 to December 2014, he served as managing director at General Atlantic LLC, where he focused on investment opportunities in North Asia. In January 2015, Mr. Leng founded Lupin Capital, a China-focused private equity fund. Mr. Leng acquired extensive corporate governance experience through his position as managing director of private equity funds and as non-executive director of various listed companies in Hong Kong and the US. He has accumulated corporate governance experience in (i) reviewing, monitoring and providing recommendations as to the companies' policies and compliance; (ii) facilitating effective communication between the board and shareholders; and (iii) understanding requirements of the Listing Rules and directors' duty to act in the best interest of the company and the shareholders as a whole.</p> <p>Mr. Leng received his bachelor's degree in international industrial trade from Shanghai Jiao Tong University in July 1992 and his master's degree in business administration from the Wharton School of the University of Pennsylvania in May 1999.</p> <p>Mr. Leng served as non-executive director of China Huiyuan Juice Group Limited (HKEx Stock Code: 1886) from September 2006 to August 2007 and Zhongsheng Group Holdings Limited (HKEx Stock Code: 881) from August 2008 to June 2015. He served as non-executive director of Wuxi Pharmatech (Cayman) Inc. (NYSE Ticker: WX) from March 2008 to December 2015 and Soufun Holdings Ltd. (NYSE Ticker: SFUN) from September 2010 to December 2014. He also served as independent director of China Index Holdings Limited (NASDAQ Ticker: CIH) from July 2019 to May 2022.</p>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Name	Responsibilities	Biographical details
Dr. Shum	Providing independent advice on technology innovation, the global technology and internet industry trends, and other matters subject to the Board guidance and approval.	<p>Dr. Shum is an independent non-executive Director. Dr. Shum joined Microsoft Research in November 1996 as a researcher based in Redmond, Washington. In November 1998, he moved to Beijing as one of the founding members of Microsoft Research China (later renamed Microsoft Research Asia) and spent nine years there first as a researcher, subsequently moving on to become managing director of Microsoft Research Asia and a distinguished engineer of Microsoft Corporation. From October 2007 to November 2013, Dr. Shum served as the corporate vice president responsible for Bing search product development. From November 2013 to February 2020, he served as the executive vice president of Microsoft Corporation. He has been an independent non-executive director of Youdao, Inc. (NYSE Ticker: DAO) since October 2019. Dr. Shum has acquired corporate governance experience in his capacity as the executive vice president of Microsoft Corporation. His key corporate governance experience includes (i) making recommendations as to internal control systems and policies; (ii) regular communication with the board of directors; and (iii) implementing corporate governance measures.</p> <p>Dr. Shum received his Ph.D. in Robotics from Carnegie Mellon University in August 1996. He was elected into the National Academy of Engineering of United States in February 2017.</p>

Based on the biographical details of the Connected Grantees, it is noted that they as the Company's independent non-executive Directors come from different fields and backgrounds and have a broad range of expertise in corporate governance, finance and technology innovation. Independent and objective advice from those Directors who do not have material or pecuniary relationship with the Company helps promote better corporate governance, especially for companies with weighted voting rights such as the Company.

Upon our further enquiry, we also understand from the management of the Group that the Company considers that the Connected Grantees not only could promote the Company's corporate governance based on their experience acting as directors in other listed companies but also contribute their independent advice in the areas where they possess high level of skills and knowledge such as accounting and finance, technology, innovation and related industry trends.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having taken into account (i) the background and working experience of the Connected Grantees, their positions held with the Company and their responsibilities; and (ii) it is common for companies listed on the Stock Exchange to grant restricted shares or award shares to their directors, we are of the view that the Proposed Issue of Class B Shares would be in line with the Board's purpose of retaining necessary talent to support the Company's sustainable development.

4. Proposed Issue of Class B Shares and terms of the RSUs

Subject to approval of the Independent Shareholders, the Board proposed to issue an aggregate of 29,058 Class B Shares to the Connected Grantees upon vesting of the remaining RSUs, details of which are set out below:

Name of the Connected Grantee	Position held with the Company	Number of unvested RSUs as at the Latest Practicable Date
Mr. Orr	Independent Non-executive Director	9,686
Mr. Leng	Independent Non-executive Director	9,686
Dr. Shum	Independent Non-executive Director	9,686
Total		29,058

As set out in the letter from the Board, the grant of Award Shares in the form of RSUs to the independent non-executive Directors form part of the remuneration package of the service contracts of such Directors. Pursuant to the terms of the Post-IPO Share Award Scheme, the RSUs may be satisfied through issue of new Class B Shares or on-market purchase of the Class B Shares. Pursuant to the conditions of the grant, the Company shall not be required to issue or transfer Class B Shares with respect to any vested RSUs to the independent non-executive Directors prior to fulfillment of all the following conditions:

- (i) the obtaining of any approval or other clearance from any competent authority which the committee designated by the Board shall, in its absolute discretion, determine to be necessary or advisable; and
- (ii) the lapse of such reasonable period of time following the vesting of the RSUs as the committee may establish from time to time for reasons of administrative convenience.

As set out in the letter from the Board, in accordance with the terms of the Post-IPO Share Award Scheme and as approved by the Board, the outstanding RSUs, which were granted to the three independent non-executive Directors, are subject to the following terms:

- (i) the three independent non-executive Directors are not required to pay for the grant of any RSUs under the Post-IPO Share Award Scheme and no consideration is required from them to be allotted and issued with the Class B Shares underlying the respective RSUs upon vesting;

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- (ii) the Company, in its sole discretion, may pay RSUs in the form of cash, Shares or a combination thereof;
- (iii) the three Connected Grantees may not exercise any voting rights in respect of any Class B Shares underlying the RSUs that have not yet vested; and
- (iv) 100% of the above unvested RSUs granted to each Connected Grantee as at the Latest Practicable Date shall vest in each quarter commencing from June 20, 2023 until September 20, 2024.

For the avoidance of doubt, the Proposed Issue of Class B Shares to the Connected Grantees for the purpose of satisfying an aggregate of 29,058 Award Shares in the form of RSUs, upon vesting, will not result in the interest of any Connected Grantee (or any of their associates) in the Class B Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed) to such Connected Grantee in the 12-month period up to and including the Latest Practicable Date to exceed in aggregate over 0.1% of the total number of issued Shares (including Class A Shares which carry weighted voting rights and Class B Shares).

The new Class B Shares, when issued and fully paid, shall rank *pari passu* among themselves and with those Class B Shares in issue. The Connected Grantees are not required to pay any consideration for them to be allotted and issued with the Class B Shares underlying the respective RSUs upon vesting. Class B Shares underlying the unvested RSUs granted to the Connected Grantees are expected to be issued and allotted after the date of the AGM according to the vesting schedule and subject to the terms and conditions of the Post-IPO Share Award Scheme (as applicable). No fund will be raised by the Company as a result of the Proposed Issue of Class B Shares.

Given that the Company's market capitalization was over HK\$650 billion as at the Latest Practicable Date, in order to assess the fairness and reasonableness of the independent non-executive Directors' remuneration package (including the Proposed Issue of Class B Shares), we have made reference to the top 50 listed companies in Hong Kong in terms of market capitalization as at April 30, 2023 (with the lowest market capitalization being HK\$154 billion) based on the monthly bulletin of HKEx Market Data, which have granted award shares as part of the incentive scheme to independent non-executive directors ("**INED(s)**") as per their announcements during the period from January 1, 2022 to the Latest Practicable Date (the "**Review Period**") and/or as disclosed in their respective latest annual report. On this basis, a total of 7 comparable companies (the "**Comparables**") have been identified. We consider that the length of the Review Period is a reasonable time span for our analysis which covers sufficient number of comparable companies to reflect the current practice in the market in respect of the grant of award shares. We are of the view that the Comparables are fair and representative as they satisfy our aforesaid selection criteria.

It should be noted that these Comparables have different principal activities, revenue, market capitalisation, profitability and financial position as compared with those of the Company. Circumstances leading to the grants of Comparables may not be identical to those of the Company. The analysis is therefore meant to be used as a general reference to similar types of transactions in Hong Kong to reflect recent market practice. A summary of our findings is set out below:

Company (stock code)	Date of grant	Awardee(s)	Position held with the company	Value of the restricted share units/award shares for the grant (Note 1) (HK\$'000)	Percentage of award shares to total issued share capital of the company as at the date of relevant grant	Vesting date/period
BeiGene, Ltd. ("BeiGene") (6160) (Note 2)	April 17, 2023	(1) Thomas Malley	INED	1,570	Not more than 0.001%	100% of the ordinary shares shall vest upon the earlier to occur of the first anniversary of the grant date or the date of the next annual general meeting of shareholders
		(2) Donald W. Glazer	INED	1,570	Not more than 0.001%	
		(3) Michael Goller	INED	1,570	Not more than 0.001%	
		(4) Ranjeev Krishana	INED	1,570	Not more than 0.001%	
		(5) Qingqing Yi	INED	1,570	Not more than 0.001%	
		(6) Corazon (Corsee)	INED	1,570	Not more than 0.001%	
		(7) D. Sanders Alessandro Riva	INED	1,570	Not more than 0.001%	
		(8) Margaret Han Dugan	INED	1,570	Not more than 0.001%	

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Company (stock code)	Date of grant	Awardee(s)	Position held with the company	Value of the restricted share units/award shares for the grant (<i>Note 1</i>) (HK\$'000)	Percentage of award shares to total issued share capital of the company as at the date of relevant grant	Vesting date/period
Semiconductor Manufacturing International Corporation ("SMIC") (981)	April 1, 2023	(1) Fan Ren Da Anthony (2) Lau Lawrence Juen-Yee	INED INED	1,721 1,721	Not more than 0.002% Not more than 0.002%	9th month of the date of grant
KE Holdings Inc. ("Ke Holdings") (2423)	March 29, 2023	(1) Jun Wu	INED	669	Not more than 0.001%	Vested immediately
Budweiser Brewing Company APAC Limited ("Budweiser") (1876)	December 14, 2022	(1) Martin Cubbon (2) Marjorie Mun Tak Yang (3) Katherine King-suen Tsang	INED INED INED	1,273 1,020 1,020	Not more than 0.001% Not more than 0.001% Not more than 0.001%	5th anniversary of the date of grant
SMIC (981)	September 5, 2022	(1) Academician Wu Hanming	INED	4,201	Not more than 0.004%	3 years

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Company (stock code)	Date of grant	Awardee(s)	Position held with the company	Value of the restricted share units/award shares for the grant (<i>Note 1</i>) (HK\$'000)	Percentage of award shares to total issued share capital of the company as at the date of relevant grant	Vesting date/period
Tencent Holdings Ltd. ("Tencent") (700)	August, 18, 2022	(1) Zhang Xiulan	INED	2,000	Not more than 0.001%	3 years
JD Health International Inc. ("JD Health") (6618)	July 1, 2022	(1) Ying Wu	INED	1,260	Not more than 0.001%	0.8 to 2.8 years
BeiGene (6160)	June 22, 2022	(1) Thomas Malley	INED	1,560	Not more than 0.001%	100% of the ordinary shares shall vest upon the earlier to occur of the first anniversary of the grant date or the date of the next annual general meeting of shareholders
		(2) Donald W. Glazer	INED	1,560	Not more than 0.001%	
		(3) Michael Goller	INED	1,560	Not more than 0.001%	
		(4) Ranjeev Krishana	INED	1,560	Not more than 0.001%	
		(5) Qingqing Yi	INED	1,560	Not more than 0.001%	
		(6) Corazon (Corsee) D. Sanders	INED	1,560	Not more than 0.001%	
		(7) Alessandro Riva	INED	1,560	Not more than 0.001%	
		(8) Margaret Han Dugan	INED	1,560	Not more than 0.001%	

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Company (stock code)	Date of grant	Awardee(s)	Position held with the company	Value of the restricted share units/award shares for the grant (<i>Note 1</i>) (HK\$'000)	Percentage of award shares to total issued share capital of the company as at the date of relevant grant	Vesting date/period
WuXi Biologics (Cayman) Inc. ("WuXi Biologics") (2269)	June 10, 2022	(1) William Robert Keller	INED	286	Not more than 0.001%	1 year
		(2) Teh-Ming Walter Kwauk	INED	286	Not more than 0.001%	
		(3) Kenneth Walton Hitchner III	INED	572	Not more than 0.001%	
Tencent (700)	March 24, 2022	(1) Ian Charles Stone	INED	6,588	Not more than 0.001%	3 years
		(2) Li Dong Sheng	INED	3,294	Not more than 0.001%	
		(3) Yang Siu Shun	INED	5,856	Not more than 0.001%	
		(4) Ke Yang	INED	3,294	Not more than 0.001%	
			Maximum	6,588		5 years
			Minimum	286		0 years

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Company (stock code)	Date of grant	Awardee(s)	Position held with the company	Value of the restricted share units/award shares for the grant (<i>Note 1</i>) (HK\$'000)	Percentage of award shares to total issued share capital of the company as at the date of relevant grant	Vesting date/period
The Company (3690)	September 23, 2022	(1) Mr. Orr	INED	2,070	Not more than 0.001%	2 years
		(2) Mr. Leng	INED	2,070	Not more than 0.001%	
		(3) Dr. Shum	INED	2,070	Not more than 0.001%	

Notes:

1. The value of the grant was calculated based on the number of the restricted share units/award shares having multiplied by the closing price per share as quoted on the Stock Exchange on the relevant date of grant, or disclosed in the announcement in relation to the grant.
2. This analysis excluded Anthony C. Hooper who was a non-executive director of the company and was redesignated as an independent non-executive director on the day of the relevant grant.

As illustrated in the above table, the percentage of award shares granted to each of the Connected Grantees to the total issued shares of the Company was less than 0.001% which is within the range of the Comparables from less than 0.001% to less than 0.004%. Also, it is noted that the value of shares granted to each individual INED of the Comparables ranged from HK\$286,000 to HK\$6,588,000 as compared to each of the Connected Grantees of HK\$2,070,000 and the vesting period of the Comparables ranged from 0 to 5 years as compared to each of the Connected Grantees of 2 years. Both the value of Shares underlying the RSUs to be granted to the Connected Grantees and the vesting period are within the ranges of the Comparables. Thus, we are of the view that the grants of the RSU to the Connected Grantees, in terms of the size and vesting period, are in line with the market practice.

In order to assess the fairness and reasonableness of the Connected Grantees' remuneration package, we have also conducted an analysis on the remuneration packages of the INEDs of the Comparables who have served for a term of not less than 12 months in the financial year ended December 31, 2022, a summary of which is set out below:

Name of the Company	Stock code	Name of INED	Remuneration package for the most recent financial year (Note 1) (Note 2)			Percentage of share-based compensation to total remuneration
			Non-share-based compensation (RMB'000)	Share-based compensation (RMB'000)	Total remuneration (RMB'000)	
BeiGene	6160	(1) Thomas Malley	642	2,698	3,340	81%
		(2) Donald W. Glazer	511	2,698	3,209	84%
		(3) Michael Goller	531	2,698	3,229	84%
		(4) Ranjeev Krishana	545	2,698	3,243	83%
		(5) Qingqing Yi	587	2,698	3,284	82%
		(6) Corazon (Corsee) D. Sanders	662	2,698	3,360	80%

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Name of the Company	Stock code	Name of INED	Remuneration package for the most recent financial year (Note 1) (Note 2)			Percentage of share-based compensation to total remuneration
			Non-share-based compensation (RMB'000)	Share-based compensation (RMB'000)	Total remuneration (RMB'000)	
SMIC	981	(1) Lau Lawrence Juen-Yee	573	1,932	2,505	77%
		(2) Fan Ren Da Anthony	607	1,932	2,539	76%
		(3) Liu Ming	497	1,980	2,477	80%
Ke Holdings	2423	(1) Xiaohong Chen	1,219	1,442	2,661	54%
		(2) Hansong Zhu	522	618	1,140	54%
Budweiser (Note 3)	1876	(1) Martin Cubbon	752	–	752	–
		(2) Marjorie Mun Tak Yang	587	–	587	–
		(3) Katherine King-suen Tsang	587	–	587	–
Tencent	700	(1) Ian Charles Stone	1,072	5,963	7,035	85%
		(2) Li Dong Sheng	804	2,981	3,785	79%
		(3) Yang Siu Shun	1,072	5,278	6,350	83%
		(4) Ke Yang	804	2,708	3,512	77%
WuXi Biologics	2269	(1) William Robert Keller	325	245	570	43%
		(2) Kenneth Walton Hitchner III	130	491	621	79%

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Name of the Company	Stock code	Name of INED	Remuneration package for the most recent financial year (Note 1) (Note 2)			Percentage of share-based compensation to total remuneration
			Non-share-based compensation (RMB'000)	Share-based compensation (RMB'000)	Total remuneration (RMB'000)	
JD Health	6618	(1) Ling Li	250	252	502	50%
		(2) Jiyu Zhang	250	298	548	54%
		(3) Xingyao Chen	250	252	502	50%
The Company	3690	Average	599	2,128 (Note 4)	2,721 (Note 4)	72% (Note 4)
		Maximum	1,219	5,963	7,035	85%
		Minimum	130	245 (Note 4)	502	43% (Note 4)
The Company	3690	Mr. Orr	500	776 (Note 5)	1,276	61%
		Mr. Leng	500	776 (Note 5)	1,276	61%
		Dr. Shum	500	776 (Note 5)	1,276	61%

Notes:

- The disclosed remuneration packages for the most recent financial year are based on the respective annual reports of the Comparables and the Company for the year ended December 31, 2022.
- As BeiGene, SMIC and Budweiser's remuneration packages were priced in US dollars, we translated the respective remuneration packages to RMB based on the relevant exchange rate on December 31, 2022.
- The share-based compensation for the INEDs of Budweiser is nil because the RSUs granted on December 14, 2022 are yet to be vested.
- The average/minimum figure excluded the share-based compensation for the INEDs of Budweiser because no share-based compensation attributable to them have been expensed during the year ended December 31, 2022.
- The share-based compensation to each Mr. Orr, Mr. Leng and Dr. Shum of RMB776,000 was based on the previous award shares having been vested in Q1-Q3 of 2022 and the Award Shares having been vested in Q4 of 2022 which were granted as per the announcement of the Company dated September 23, 2022.

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As shown in the table above, for the year ended December 31, 2022, the share-based compensation to the INEDs of the Comparables ranged from RMB245,000 to RMB5,963,000 with an average of RMB2,128,000. This analysis excluded the INEDs of Budweiser because no share-based compensation attributable to them have been expensed during the year ended December 31, 2022. In addition, the percentages of share-based compensation to the total remuneration packages of the INEDs of the Comparables ranged from 43% to 85% with an average of 72%.

As the grant of RSUs forms part of the remuneration package of the Connected Grantees, we tend to focus on the comparison of the total remuneration packages of the Connected Grantees with the INEDs of the Comparables. For the year ended December 31, 2022, the total remuneration packages of the INEDs of the Comparables ranged from RMB502,000 to RMB7,035,000 with an average of RMB2,721,000. In the same financial year, the total remuneration package of each of the Connected Grantees with the same splits of cash and Award Shares, inclusive of the Award Shares having been vested in Q4 of 2022 which were granted as per the announcement of the Company dated September 23, 2022, amounted to RMB1,276,000, which is below the average and falls within the range of the annual total remuneration packages of the INEDs of the Comparables. In addition, the percentages of share-based payments to the Connected Grantees' total remuneration packages were 61%, which is below the average and falls within the range of those of the Comparables.

5. Financial effects of the Proposed Issue of Class B Shares

As stated in the Circular, the Company intends to satisfy the Proposed Issue of Class B Shares to the Connected Grantees upon vesting by the Proposed Issue of Class B Shares. Based on the closing price of HK\$110.2 per Class B Share as quoted on the Stock Exchange as at the Latest Practicable Date, should the remaining RSUs as at the Latest Practicable Date be satisfied through on-market purchase of the Class B Shares by utilising the Group's internal resources, it will reduce the Group's cash by approximately HK\$3.20 million. Given that the Group was loss-making as discussed in section 1 above, we consider the Proposed Issue of Class B Shares not only aligns the interests of those Connected Grantees and the Company but also helps preserve the Group's cash for its future business development.

In terms of financial impact on net asset value excluding non-controlling interests ("NAV") of the Group, based on the Group's NAV as at December 31, 2022 of RMB128.8 billion and the total number of Shares in issue as at the Latest Practicable Date of 6,242,104,787 Shares, it is expected that the Proposed Issue of Class B Shares will result in the dilution in the NAV per Share of not more than 0.001%.

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6. Shareholding effects of the Proposed Issue of Class B Shares

As at the Latest Practicable Date, none of the Connected Grantees held any Class A Shares. The table below sets out the Connected Grantees' interests in the Company before the Proposed Issue of Class B Shares as of the Latest Practicable Date and upon the issue of the maximum number of Class B Shares underlying RSUs granted to the Connected Grantees:

Name	As of the Latest Practicable Date		Upon the issue of the maximum number of Class B Shares underlying RSUs granted to the Connected Grantees ^(Note)	
	Number of Class B Shares	Percentage of the Company's total issued share capital (on a one share one vote basis)	Number of Class B Shares	Percentage of the Company's enlarged issued share capital (on a one share one vote basis)
Mr. Orr	63,228	0.001013%	72,914	0.001168%
Mr. Leng	63,228	0.001013%	72,914	0.001168%
Dr. Shum	63,228	0.001013%	72,914	0.001168%
Sub-total	189,684	0.003039%	218,742	0.003504%
Other Shareholders	5,637,395,320	90.312411%	5,637,395,320	90.311990%
Total	5,637,585,004	90.315450%	5,637,614,062	90.315495%

Note: Without taking into account Shares which may be repurchased or issued by the Company (except for the Proposed Issue of Class B Shares), including Class B Shares to be issued pursuant to the Pre-IPO ESOP, the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme.

Under the Proposed Issue of Class B Shares, 29,058 new Class B Shares will be issued and allotted by the Company upon vesting, representing 0.000466% of the total number of Shares in issue (on a one share one vote basis) as at the Latest Practicable Date.

As shown from the table above, other Shareholders' shareholding of the Company will decrease from 90.312411% as at the Latest Practicable Date to 90.311990% upon the issue of the Class B Shares underlying RSUs granted to the Connected Grantees. Thus, it is expected that the dilution effect brought by the Proposed Issue of Class B Shares to the shareholding structure of the Company is minimal.

Having considered (i) the Proposed Issue of Class B Shares is to align the interests of the Connected Grantees and the Company and to preserve cash for the Group's business; and (ii) the dilution effects on both the NAV per Share and the Shareholders' shareholding interests in the Company are minimal, we are of the view that the Proposed Issue of the Class B Shares is in the interest of the Company as compared to utilizing the Group's resources to purchase the existing Shares on the market, which is not uncommon in the market.

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OPINION AND RECOMMENDATION

Having taken into account the above principal factors and reasons, we consider that although it is not conducted in the ordinary and usual course of business of the Group, the terms of the Proposed Issue of Class B Shares are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and thus in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favor of the ordinary resolutions to be proposed at the AGM in relation to the Proposed Issue of Class B Shares.

Yours faithfully,
for and on behalf of
SOMERLEY CAPITAL LIMITED
Jenny Leung
Director

Ms. Jenny Leung is a licensed person and a responsible officer of Somerley registered with the Securities and Futures Commission to carry out Type 6 (advising on corporate finance) regulated activities under the SFO and has participated in the provision of independent financial advisory services for various transactions involving companies listed in Hong Kong.

The following are the particulars (as required by the Listing Rules) of Ms. Marjorie Mun Tak Yang, the proposed independent non-executive Director to be elected at the AGM.

Ms. Marjorie Mun Tak Yang, aged 70, has been the chairwoman of Esquel Group since April 1995, the appointed representative of Hong Kong to the APEC Business Advisory Council since December 2017 and the co-chairwoman of the advisory board of Computer Science and Artificial Intelligence Lab at the Massachusetts Institute of Technology since March 2015. She has also been the chairperson of the Steering Committee of Coolthink@JC created and funded by The Hong Kong Jockey Club Charities Trust since April 2016. Ms. Marjorie Mun Tak Yang also sits on the advisory boards at the Harvard University and the Tsinghua University School of Economics and Management since August 2012 and October 2003, respectively. Ms. Marjorie Mun Tak Yang has been an Executive Board member of the International Chamber of Commerce since July 2022.

Ms. Marjorie Mun Tak Yang has been an independent non-executive director of Budweiser Brewing Company APAC Limited (HKEx Stock Code: 1876) since May 2019, and was an independent non-executive director of The Hongkong and Shanghai Banking Corporation Limited, a subsidiary of HSBC Holdings plc (HKEx Stock Code: 0005), from July 2003 to April 2019 and Swire Pacific Limited (HKEx Stock Codes: 0019 and 0087) from October 2002 to May 2017.

Ms. Marjorie Mun Tak Yang obtained a Bachelor's Degree of Science from the Massachusetts Institute of Technology in February 1974 and a Master of Business Administration Degree from the Harvard Business School in June 1976. Ms. Marjorie Mun Tak Yang was awarded Justice of the Peace and the Gold Bauhinia Star by the Hong Kong Special Administrative Region Government in July 2009 and July 2013, respectively.

Subject to election by the Shareholders at the Annual General Meeting, Ms. Marjorie Mun Tak Yang is expected to enter into an appointment letter with the Company for an initial term of three years commencing from the effective date of her appointment, subject to retirement by rotation and re-election in accordance with the Articles of Association, and her appointment as an independent non-executive Director may be automatically renewed for successive period of three years until terminated in accordance with such appointment letter. The remuneration for Ms. Marjorie Mun Tak Yang is yet to be determined and will be announced in the poll results announcement of the Annual General Meeting.

As disclosed in the announcement of the Company dated June 7, 2023, Ms. Marjorie Mun Tak Yang has confirmed that she does not have any interests in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Marjorie Mun Tak Yang has confirmed that she (i) has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas, (ii) does not have any other relationships with any Directors, senior management, substantial or controlling Shareholders and (iii) does not hold any position with the Company or other members of the Group.

Save as disclosed above, Ms. Marjorie Mun Tak Yang has confirmed that there is no information which is discloseable nor is/was she involved in any of the matters required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to her election as an independent non-executive Director and there are no other matters or any other information concerning Ms. Marjorie Mun Tak Yang required to be brought to the attention of the Shareholders and the Company.

The following are the particulars (as required by the Listing Rules) of the retiring Directors proposed to be re-elected at the AGM.

1. MR. WANG HUIWEN

Mr. Wang Huiwen (王慧文), aged 44, is a Co-founder and a non-executive Director (as re-designated from an executive Director to a non-executive Director on March 24, 2023, with effect from March 25, 2023) of the Company. He was responsible for the on-demand delivery and certain new initiatives of the Company. In December 2020, Mr. Wang Huiwen withdrew from his day-to-day duties in the Company, and continued to perform his director's duties by devoting himself to the strategic planning, organisational growth and talent development of the Company before the re-designation.

Mr. Wang Huiwen has over 12 years of managerial and operational experience in the internet industry. Prior to cofounding the Company, he co-founded xiaonei.com (校內網), China's first college social network website, in December 2005 and worked there as co-founder from December 2005 to October 2006. xiaonei.com (校內網) was sold to China InterActive Corp in October 2006 which was later renamed as Renren Inc. (NYSE Ticker: RENN). In January 2009, Mr. Wang Huiwen co-founded taofang.com (淘房網) and worked there from June 2008 to October 2010. Mr. Wang Huiwen was an independent non-executive director of Kuaishou Technology (HKEx Stock Code: 1024) from February 2021 up until May 15, 2023 whereupon he has been re-designated as a non-executive director of Kuaishou Technology.

Mr. Wang Huiwen received his bachelor's degree in electronic engineering from Tsinghua University in July 2001.

Mr. Wang Huiwen has entered into an appointment letter with the Company, pursuant to which he was appointed as a non-executive Director for an initial term of three years commencing from March 25, 2023, subject to retirement by rotation and re-election at general meetings. Under the appointment letter, he is not entitled to receive annual salaries in his capacity as a non-executive Director.

As at the Latest Practicable Date, Mr. Wang Huiwen (i) in his capacity as the founder and settlor of a trust, had deemed interests in 38,534,660 Class B Shares held by a controlled corporation, Kevin Sunny Holding Limited; (ii) had 5,321,335 Class B Shares held by a controlled corporation, Galileo Space Limited; and (iii) directly beneficially owned 2,188,005 Class B Shares, which, in aggregate, represent approximately 0.74% of the total issued share capital of the Company (on a one share one vote basis) within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wang Huiwen has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any other relationships with any Directors, senior management, substantial or controlling Shareholders and does not hold any other position with the Company or other members of the Group.

Save as disclosed above, Mr. Wang Huiwen has confirmed that there is no other information required to be brought to the attention of the Shareholders and the Company or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his re-election as Director.

2. MR. ORR GORDON ROBERT HALYBURTON

Mr. Orr Gordon Robert Halyburton, aged 60, is an independent non-executive Director. He was appointed as Director in September 2018 and is responsible for providing independent advice on financial and accounting affairs and corporate governance matters, and other matters subject to the Board guidance and approval.

Mr. Orr Gordon Robert Halyburton joined McKinsey & Company in 1986 and served as senior partner of McKinsey & Company from July 1998 until August 2015 when he retired. He was a member of McKinsey's global shareholder board from July 2003 until June 2015.

Mr. Orr Gordon Robert Halyburton acquired extensive corporate governance experience during his position as a senior partner of McKinsey & Company, as well as a director and member of board committees in Lenovo Group Limited (HKEx Stock Code: 992) and Swire Pacific Limited (HKEx Stock Code: 00019 and 00087). His corporate governance experience includes, among others, (i) reviewing, monitoring and making recommendations as to the companies' policies, practices and compliance; (ii) proposing measures to ensure effective communication between the board and shareholders; (iii) opining on proposed connected transactions; and (iv) understanding requirements of the Listing Rules and directors' duty to act in the best interest of the company and the shareholders as a whole.

Mr. Orr Gordon Robert Halyburton has been an independent non-executive director of EQT AB (Stockholm Stock Code: EQT) since September 2019. He was appointed as a non-executive director of Lenovo Group Limited (HKEx Stock Code: 992) in September 2015. He has also been an independent non-executive director of Swire Pacific Limited (HKEx Stock

Code: 00019 and 00087) since August 2015, an independent non-executive director of Sondrel (Holdings) PLC (LSE Stock Code: SND) since October 2022 and a non-executive director of Fidelity China Special Situations PLC (LSE Stock Code: FCSS) since January 2023. He is also the vice chairman of China-Britain Business Council.

Mr. Orr Gordon Robert Halyburton received his bachelor's degree in engineering science from Oxford University in June 1984 and his master's degree in business administration from Harvard University in June 1986.

Mr. Orr Gordon Robert Halyburton has renewed his appointment letter with the Company on April 12, 2021 for an initial term of three years from the date of the appointment letter, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association, and his appointment may be automatically renewed for successive period of three years until terminated in accordance with such appointment letter. Pursuant to the appointment letter, he receives an annual director's fee of RMB500,000.

As at the Latest Practicable Date, Mr. Orr Gordon Robert Halyburton (i) directly beneficially owned 63,228 Class B Shares, and (ii) had RSUs equivalent to 9,686 Class B Shares granted pursuant to the Post-IPO Share Award Scheme, which, in aggregate, represents approximately 0.001% of the total issued share capital of the Company (on a one share one vote basis) within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Orr Gordon Robert Halyburton does not have any other interests in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Orr Gordon Robert Halyburton has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any other relationships with any Directors, senior management, substantial or controlling Shareholders and does not hold any other position with the Company or other members of the Group.

Save as disclosed above, Mr. Orr Gordon Robert Halyburton has confirmed that there is no other information required to be brought to the attention of the Shareholders and the Company or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his re-election as Director.

3. MR. LENG XUESONG

Mr. Leng Xuesong (冷雪松), aged 54, is an independent non-executive Director. He was appointed as Director in September 2018 and is responsible for providing independent advice on finance, executive compensation and corporate governance matters, and other matters subject to the Board guidance and approval.

Mr. Leng Xuesong joined Warburg Pincus, an international private equity firm, in September 1999 as an associate and served as managing director when he left in August 2007. From September 2007 to December 2014, he served as managing director at General Atlantic LLC, where he focused on investment opportunities in North Asia. In January 2015, Mr. Leng Xuesong founded Lupin Capital, a China-focused private equity fund.

Mr. Leng Xuesong acquired extensive corporate governance experience through his position as managing director of private equity funds and as non-executive director of various listed companies in Hong Kong and the US. He has accumulated corporate governance experience in (i) reviewing, monitoring and providing recommendations as to the companies' policies and compliance; (ii) facilitating effective communication between the board and shareholders; and (iii) understanding requirements of the Listing Rules and directors' duty to act in the best interest of the company and the shareholders as a whole.

Mr. Leng Xuesong served as non-executive director of China Huiyuan Juice Group Limited (HKEx Stock Code: 1886) from September 2006 to August 2007 and Zhongsheng Group Holdings Limited (HKEx Stock Code: 881) from August 2008 to June 2015. He served as non-executive director of Wuxi Pharmatech (Cayman) Inc. (NYSE Ticker: WX) from March 2008 to December 2015 and Soufun Holdings Ltd. (NYSE Ticker: SFUN) from September 2010 to December 2014. He also served as independent director of China Index Holdings Limited (NASDAQ Ticker: CIH) from July 2019 to May 2022.

Mr. Leng Xuesong received his bachelor's degree in international industrial trade from Shanghai Jiao Tong University in July 1992 and his master's degree in business administration from the Wharton School of the University of Pennsylvania in May 1999.

Mr. Leng Xuesong has renewed his appointment letter with the Company on April 12, 2021 for an initial term of three years from the date of the appointment letter, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association, and his appointment may be automatically renewed for successive period of three years until terminated in accordance with such appointment letter. Pursuant to the appointment letter, he receives an annual director's fee of RMB500,000.

As at the Latest Practicable Date, Mr. Leng Xuesong (i) directly beneficially owned 63,228 Class B Shares, and (ii) had RSUs equivalent to 9,686 Class B Shares granted pursuant to the Post-IPO Share Award Scheme, which, in aggregate, represents approximately 0.001% of the total issued share capital of the Company (on a one share one vote basis) within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Leng Xuesong does not have any other interests in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Leng Xuesong has not held any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any other relationships with any Directors, senior management, substantial or controlling Shareholders and does not hold any other position with the Company or other members of the Group.

Save as disclosed above, Mr. Leng Xuesong has confirmed that there is no other information required to be brought to the attention of the Shareholders and the Company or to be disclosed pursuant to Rule 13.51(2) of the Listing Rules in relation to his re-election as Director.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 604,519,783 Class A Shares and 5,637,585,004 Class B Shares.

Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 624,210,478 Shares which represent 10% of the total number of the issued Shares during the period ending on the earlier of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; or (iii) the date on which the authority set out in the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Company to repurchase its Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net asset value and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

The Directors have no present intention to cause the Company to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders.

FUNDING OF REPURCHASE

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands.

The Company may not repurchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, the Company may make repurchases with profits of the Company and/or out of the proceeds of a new issuance of shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Cayman Companies Act, out of capital and, in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles of Association and subject to Cayman Companies Act, out of capital.

IMPACT OF REPURCHASE

The Directors believe that if the Repurchase Mandate is exercised in full, it may not have a material adverse impact on the working capital and gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at December 31, 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

UNDERTAKING BY DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

INTENTION OF DIRECTORS AND CORE CONNECTED PERSONS TO SELL SHARES

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, their respective close associates (as defined in the Listing Rules), have any present intention if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

No core connected person (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

EFFECT OF TAKEOVERS CODE AND PUBLIC FLOAT

If as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Wang Xing beneficially owned 515,869,783 Class A Shares and 47,815,181 Class B Shares, and was deemed to be interested in 200 Class B Shares beneficially owned by his spouse, altogether representing approximately 44.57% of the voting rights in the Company (on a one share ten votes basis). In the event that the Directors exercise the proposed Repurchase Mandate, and upon the repurchased Shares having been canceled pursuant to Rule 10.06(5) of the Listing Rules, the reduction in the number of Shares in issue would otherwise result in an increase in the proportion of Class A Shares, the beneficiaries of weighted voting rights must,

pursuant to Rule 8A.15 of the Listing Rules, reduce their weighted voting rights in the Company proportionately through the conversion of a proportion of their shareholding into Class B Shares on the day in which the repurchased Shares are canceled. As such, to the best knowledge and belief of the Directors, the exercise of the Repurchase Mandate on the aforesaid basis is not expected to give rise to an obligation of Mr. Wang Xing to make a mandatory offer under the Takeovers Code. The Directors have no present intention to repurchase the Shares to the extent that will trigger the obligations under the Takeovers Code to make a mandatory offer. The Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any purchase by the Company of its Shares.

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

SHARE REPURCHASE MADE BY THE COMPANY IN PREVIOUS SIX MONTHS

No repurchase of Shares has been made by the Company during the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months preceding up to and including the Latest Practicable Date were as follows:

Month	Highest Price per Share HK\$	Lowest Price per Share HK\$
2022		
May	187.10	144.00
June	211.60	175.60
July	205.60	173.30
August	193.60	159.50
September	186.50	159.40
October	179.40	112.80
November	170.30	127.60
December	189.60	161.00
2023		
January	195.60	159.00
February	185.00	132.10
March	148.00	122.10
April	142.50	126.50
May (up to the Latest Practicable Date)	139.80	109.20

Details of the Proposed Articles Amendments are as follows:

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 2.2	In these Articles, unless there be something in the subject or context inconsistent therewith: <u>WORD</u> <u>MEANING</u> “business day” shall mean a day on which the Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt, where the Exchange is closed for business of dealing in securities in Hong Kong on a day by reason of a Number 8 or higher typhoon signal, black rainstorm warning or other similar event, such day shall for the purpose of these Articles be counted as a business day. “Chairman” shall mean the Chairman presiding at any meeting of the members of the Board. “Companies Law” shall mean the Companies Law (2018 Revision), Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor. “Company” shall mean Meituan Dianping 美团点评.	Article 2.2	In these Articles, unless there be something in the subject or context inconsistent therewith: <u>WORD</u> <u>MEANING</u> “black rainstorm warning” shall have the meaning given to it in the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong). “business day” shall mean a day on which the Exchange generally is open for the business of dealing in securities in Hong Kong. For the avoidance of doubt Notwithstanding the foregoing, where the Exchange is closed for business of dealing in securities in Hong Kong on a day by reason of a Number 8 or higher typhoon signalgale warning, black rainstorm warning or other similar event, such day shall for the purpose of any notice sent under these Articles be counted as a business day. “Chairman Chairperson” shall mean the ChairmanChairperson presiding at any meeting of members or of the Board. “Communication Facilities” shall mean video, video-conferencing, internet or online conferencing applications, telephone or teleconferencing and/or any other video-communications, internet or online conferencing application or telecommunications facilities by means of which all Persons participating in a meeting are capable of hearing and being heard by each other. “Companies LawAct” shall mean the Companies Law (2018 Revision), Cap. 22Act (As Revised) of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor. “Company” shall mean Meituan Dianping 美团点评.

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
	<p>“Electronic Transactions Law” shall mean the Electronic Transactions Law (2003 Revision) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.</p> <p>...</p> <p>“ordinary resolution” shall mean a resolution passed by a simple majority of the votes of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting held in accordance with these Articles and includes an ordinary resolution passed pursuant to Article 14.10.</p>		<p>“Electronic Transactions LawAct” shall mean the Electronic Transactions Law (2003 Revision) Act (As Revised) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.</p> <p>“gale warning” shall have the meaning given to it in the Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong).</p> <p>“ordinary resolution” shall mean a resolution passed by a simple majority of the votes of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting held in accordance with these Articles and includes shall include an ordinary resolution passed pursuant to Article 14.1014.11.</p> <p>“Person” shall mean any natural person, firm, <u>company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires.</u></p> <p>“Present” shall mean, in respect of any Person, <u>such Person’s presence at a general meeting of members, which may be satisfied by means of such Person or, if a corporation or other non-natural Person, its duly authorised representative (or, in the case of any member, a proxy which has been validly appointed by such member in accordance with these Articles), being:</u></p> <p><u>(a) physically present at the meeting;</u> <u>or</u></p> <p><u>(b) in the case of any meeting at which Communication Facilities are permitted in accordance with these Articles, including any Virtual Meeting, connected by means of the use of such Communication Facilities.</u></p>
	<p>“Secretary” shall mean the person appointed as company secretary by the Board from time to time.</p>		<p>“Secretary” shall mean the person <u>or persons</u> appointed as company secretary by the Board from time to time.</p>

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
	<p>“special resolution” shall have the same meaning as ascribed thereto in the Companies Law and shall include a unanimous written resolution of all members: for this purpose, the requisite majority shall be not less than three-fourths of the votes of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, and includes a special resolution passed pursuant to Article 14.10.</p> <p>...</p>		<p>“special resolution” shall have the same meaning as ascribed thereto in the Companies Law and shall include a unanimous written resolution of all members. Act and for this purpose, the requisite majority shall be not less than three-fourths of the votes of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy or, in the case of corporations, by their duly authorised representatives, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, and includes <u>shall include</u> a special resolution passed pursuant to Article 14.10 <u>14.11</u>.</p> <p>“Virtual Meeting” shall mean any general meeting of the members at which the members (and any other permitted participants of such meeting, including, without limitation, the Chairperson of the meeting and any Directors) are permitted to attend and participate solely by means of Communication Facilities.</p>
Article 3.2	Subject to Article 4.3, the holders of Class A Ordinary Shares and Class B Ordinary Shares shall at all times vote together as one class on all resolutions submitted to a vote by the members. Subject to Article 3.10, on each resolution subject to a vote at general meetings on a poll, each Class A Ordinary Share shall entitle its holder to ten votes and each Class B Ordinary Share shall entitle its holder to one vote.	Article 3.2	Subject to Article 4.3, the holders of Class A Ordinary Shares and Class B Ordinary Shares shall at all times vote together as one class on all resolutions submitted to a vote by the members. Subject to Article 3.10 <u>3.11</u> , on each resolution subject to a vote at general meetings on a poll, each Class A Ordinary Share shall entitle its holder to ten votes and each Class B Ordinary Share shall entitle its holder to one vote.
Article 3.4	No further Class A Ordinary Shares shall be issued by the Company, except with the prior approval of the Exchange and pursuant to (i) an offer to subscribe for shares made to all the members pro rata (apart from fractional entitlements) to their existing holdings; (ii) a pro rata issue of shares to all the members by way of scrip dividends; or (iii) pursuant to a share subdivision or other similar capital reorganisation; provided that, each member shall be entitled to subscribe for (in a pro rata offer) or be issued (in an issue of shares by way of scrip dividends) shares in the same class as the shares then held by him, notwithstanding the provisions of Article 3.11; and further provided that the proposed allotment or issuance will not result in an increase in the proportion of Class A Ordinary Shares in issue, so that:	Article 3.4	No further Class A Ordinary Shares shall be issued by the Company, except with the prior approval of the Exchange and pursuant to (i) an offer to subscribe for shares made to all the members pro rata (apart from fractional entitlements) to their existing holdings; (ii) a pro rata issue of shares to all the members by way of scrip dividends; or (iii) pursuant to a share subdivision or other similar capital reorganisation; provided that, each member shall be entitled to subscribe for (in a pro rata offer) or be issued (in an issue of shares by way of scrip dividends) shares in the same class as the shares then held by him, notwithstanding the provisions of Article 3.11 <u>3.12</u> ; and further provided that the proposed allotment or issuance will not result in an increase in the proportion of Class A Ordinary Shares in issue, so that:

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
		Article 3.7	Each Class A Ordinary Share is convertible into one Class B Ordinary Share at any time by the holder thereof, such right to be exercisable by the holder of the Class A Ordinary Share delivering a written notice to the Company that such holder elects to convert a specified number of Class A Ordinary Shares into Class B Ordinary Shares.
Article 3.9	All of the Class A Ordinary Shares in the authorised share capital shall be automatically re-designated into Class B Ordinary Shares in the event all of the Class A Ordinary Shares in issue are converted into Class B Ordinary Shares in accordance with Article 3.7, and no further Class A Ordinary Shares shall be issued by the Company.	Article 3.10	All of the Class A Ordinary Shares in the authorised share capital shall be automatically re-designated into Class B Ordinary Shares in the event all of the Class A Ordinary Shares in issue are converted into Class B Ordinary Shares in accordance with Article 3-73.8, and no further Class A Ordinary Shares shall be issued by the Company.
Article 4.3	If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Companies Law, be varied or abrogated only with (in addition to a special resolution to amend the Memorandum or these Articles) the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of shares of that class by members holding shares representing three-fourths in nominal value of the shares present in person or by proxy and voting at such meeting. For so long as any Class A Ordinary Share is in issue and unless such change is otherwise required by law or the Listing Rules, (a) any change to the composition of the Board of Directors set out in Article 17.1; (b) any change in the proportion of votes required to pass a resolution of the members, whether as an ordinary resolution or a special resolution or in respect of particular matters or generally; (c) any variation to the number of votes attached to a share of any class, except any such variation arising from an automatic conversion of a Class A Ordinary Share into a Class B Ordinary Share pursuant to Article 3.7; and (d) any change to the matters in respect of which each Class A Ordinary Share and each Class B Ordinary Share shall entitle its holder to one vote on a poll at a general meeting in Article 3.10, to the quorum requirements for meetings of Directors in Article 22.1 or to this Article 4.3, shall require the consent in writing of the holders of not less than three-fourths in nominal or par value of the issued Class A Ordinary Shares. To every such separate meeting all the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorised representative) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class.	Article 4.3	If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Companies Law, be varied or abrogated only with (in addition to a special resolution to amend the Memorandum or these Articles) the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of shares of that class by members holding shares representing three-fourths in nominal value of the shares present in person or by proxy and voting at such meeting. For so long as any Class A Ordinary Share is in issue and unless such change is otherwise required by law or the Listing Rules, (a) any change to the composition of the Board of Directors set out in Article 17.1; (b) any change in the proportion of votes required to pass a resolution of the members, whether as an ordinary resolution or a special resolution or in respect of particular matters or generally; (c) any variation to the number of votes attached to a share of any class, except any such variation arising from an automatic conversion of a Class A Ordinary Share into a Class B Ordinary Share pursuant to Article 3-73.8; and (d) any change to the matters in respect of which each Class A Ordinary Share and each Class B Ordinary Share shall entitle its holder to one vote on a poll at a general meeting in Article 3-403.11, to the quorum requirements for meetings of Directors in Article 22.1 or to this Article 4.3, shall require the consent in writing of the holders of not less than three-fourths in nominal or par value of the issued Class A Ordinary Shares. To every such separate meeting all the provisions of these Articles relating to general meetings shall mutatis mutandis apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorised representative) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class.
Article 8.6(d)	in the case of a transfer to joint holders, the number of joint holders to which the share is to be transferred does not exceed four;	Article 8.6(d)	in the case of a transfer to joint holders, the number of joint holders to which whom the share is to be transferred does not exceed four;

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Article 8.9	The registration of transfers may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). In the event that there is an alteration of book closure dates, the Company shall give at least 5 business days' notice before the announced closure, or the new closure, whichever is earlier. If, however, there are exceptional circumstances (e.g. during a Number 8 or higher typhoon signal and black rainstorm warning) that render the giving of such publication of advertisement impossible, the Company shall comply with these requirements as soon as practicable.	Article 8.9	The registration of transfers may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the register closed at such times for such periods as the Board may from time to time determine, provided always that such registration shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). In the event that there is an alteration of book closure dates, the Company shall give at least 5 business days' notice before the announced closure, or the new closure, whichever is earlier. If, however, there are exceptional circumstances (e.g. during a Number 8 or higher typhoon signal <u>gale warning and black rainstorm warning</u>) that render the giving of such publication of advertisement impossible, the Company shall comply with these requirements as soon as practicable.
Article 13.1	The Company shall hold a general meeting as its annual general meeting in each year other than the year of the Company's adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as the Exchange may authorise). The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.	Article 13.1	The Company shall hold a general meeting as its annual general meeting in each financial year other than the year of the Company's adoption of these Articles, within a period of not more than 15 months after the holding of the last preceding annual general meeting or not more than 18 months after the date of adoption of these Articles (or such longer period as the Exchange may authorise) <u>and such general meeting shall be held within six (6) months (or such other period as may be permitted by the Listing Rules or the Exchange) after the end of the Company's financial year.</u> The annual general meeting shall be specified as such in the notices calling it and shall be held at such time and place as the Board shall appoint.

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 13.3	<p>The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members, which shall include a recognised clearing house (or its nominee(s)), holding, as at the date of deposit of the requisition, in aggregate shares representing not less than one-tenth of the paid up capital of the Company which carry the right of voting at general meetings of the Company, provided that, in the case of a recognised clearing house (or its nominee(s)), it has received instructions to deposit such requisition from account holders holding in aggregate the beneficial interests in shares representing not less than one-tenth of the paid up capital of the Company which carry the right of voting at general meetings of the Company. A written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitioner(s). If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitioner(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to them by the Company.</p>	Article 13.3	<p>The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members, which shall include a recognised clearing house (or its nominee(s)), holding, as at the date of deposit of the requisition, in aggregate shares representing not less than one-tenth of the paid up capital <u>voting rights</u>, on a one vote per share basis, of the Company which carry the right of voting at general meetings of the Company, provided that, in the case of a recognised clearing house (or its nominee(s)), it has received instructions to deposit such requisition from account holders holding in aggregate the beneficial interests in shares representing not less than one-tenth of the paid up capital <u>voting rights</u>, on a one vote per share basis, of the Company which carry the right of voting at general meetings of the Company. A written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting <u>and the resolutions to be added to the meeting agenda</u>, and signed by the requisitioner(s). If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitioner(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to them by the Company.</p>
		Article 13.4	<p><u>The Directors may make Communication Facilities available for a specific general meeting or all general meetings of the Company so that members and other participants may attend and participate at such general meetings by means of such Communication Facilities. Without limiting the generality of the foregoing, the Directors may determine that any general meeting may be held as a Virtual Meeting.</u></p>

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 13.4	An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.	Article 13.5	An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirement under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. The notice of <u>any general meeting (including a postponed or reconvened meeting held pursuant to Article 13.12) at which Communication Facilities will be utilised (including any Virtual Meeting) shall disclose the Communication Facilities that will be utilised, including the procedures to be followed by any member or other participant of the general meeting who wishes to utilise such Communication Facilities for the purpose of attending, participating and voting at such meeting.</u> Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.
Article 13.5	Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in Article 13.4, it shall be deemed to have been duly called if it is so agreed: ...	Article 13.6	Notwithstanding that a meeting of the Company is called by shorter notice than that referred to in Article 13.4 13.5, it shall be deemed to have been duly called if it is so agreed: ...
...	...	Article 13.10	<u>If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board, in its absolute discretion, considers that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place specified in the notice calling such meeting, it may change or postpone the meeting to another date, time and place in accordance with Article 13.12.</u>
...	...	Article 13.11	<u>The Board shall also have the power to provide in every notice calling a general meeting that in the event of a gale warning or a black rainstorm warning (or the equivalent in the location of the relevant meeting) is in force at any time on the day of the general meeting (unless such warning has been cancelled at least a minimum period of time prior to the general meeting as the Board may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date in accordance with Article 13.12.</u>

Currently in force		Proposed to be amended as	
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	...	Article 13.12	<p>Where a general meeting is postponed in accordance with Article 13.10 or Article 13.11:</p> <p>(a) <u>the Company shall endeavour to cause a notice of such postponement, which shall set out the reason for the postponement in accordance with the Listing Rules, to be placed on the Company's Website and published on the Exchange's website as soon as practicable, provided that failure to place or publish such notice shall not affect the automatic postponement of a general meeting pursuant to Article 13.11;</u></p> <p>(b) <u>the Board shall fix the date, time and place for the reconvened meeting and at least seven clear days' notice shall be given for the reconvened meeting by one of the means specified in Article 35.1; and such notice shall specify the date, time and place at which the postponed meeting will be reconvened, and the date and time by which proxies shall be submitted in order to be valid at such reconvened meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new proxy); and</u></p> <p>(c) <u>only the business set out in the notice of the original meeting shall be transacted at the reconvened meeting, and notice given for the reconvened meeting does not need to specify the business to be transacted at the reconvened meeting, nor shall any accompanying documents be required to be recirculated. Where any new business is to be transacted at such reconvened meeting, the Company shall give a fresh notice for such reconvened meeting in accordance with Article 13.5.</u></p>
Article 14.1	For all purposes the quorum for a general meeting shall be two members holding not less than one-third of the total voting power of the Company present in person (or in the case of a corporation, by its duly authorised representative) or by proxy provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy. No business (except the appointment of a Chairman) shall be transacted at any general meeting unless the requisite quorum shall be present at the commencement of the business.	Article 14.1	For all purposes the quorum for a general meeting shall be two members holding not less than one-third of the total voting power of the Company present in person (or in the case of a corporation, by its duly authorised representative) or by proxy Present provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy Present. No business (except the appointment of a Chairman Chairperson) shall be transacted at any general meeting unless the requisite quorum shall be present Present at the commencement of the business.
Article 14.2	If within 15 minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting, the member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy shall be a quorum and may transact the business for which the meeting was called.	Article 14.2	If within 15 minutes from the time appointed for the meeting a quorum is not present Present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the Board, and if at such adjourned meeting a quorum is not present Present within 15 minutes from the time appointed for holding the meeting, the member or members present in person (or in the case of a corporation, by its duly authorised representative) or by proxy Present shall be a quorum and may transact the business for which the meeting was called.

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 14.3	The chairman of the board of Directors shall take the chair at every general meeting, or, if there be no such chairman or, if at any general meeting such chairman shall not be present within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present shall choose another Director as Chairman, and if no Director be present, or if all the Directors present decline to take the chair, or if the Chairman chosen shall retire from the chair, then the members present (whether in person or represented by proxy or duly authorised representative) shall choose one of their own number to be Chairman.	Article 14.3	The chairman chairperson of the board of Directors shall take the chair at every general meeting, or, if there be no such chairman chairperson or, if at any general meeting such chairman chairperson shall not be presentPresent within 15 minutes after the time appointed for holding such meeting or is unwilling to act, the Directors presentPresent shall choose another Director as Chairman Chairperson, and if no Director be presentPresent, or if all the Directors presentPresent decline to take the chair, or if the Chairman Chairperson chosen shall retire from the chair, then the members present (whether in person or represented by proxy or duly authorised representative)Present shall choose one of their own number to be Chairman Chairperson.
		Article 14.4	The Chairperson of any general meeting shall be entitled to attend and participate at any such general meeting by means of Communication Facilities, and to act as the chairperson of such general meeting, in which event the following provisions shall apply: (a) The Chairperson of the meeting shall be deemed to be Present at the meeting; and (b) If the Communication Facilities are interrupted or fail for any reason to enable the Chairperson of the meeting to hear and be heard by all other Persons participating in the meeting, then the other Directors Present at the meeting shall choose another Director Present to act as chairperson of the meeting for the remainder of the meeting; provided that (i) if no other Director is Present at the meeting, or if all the Directors Present decline to take the chair, then the meeting shall be automatically adjourned to the same day in the next week and at such time and place as shall be decided by the Board.
Article 14.4	The Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.	Article 14.5	The Chairman Chairperson may, with the consent of any general meeting at which a quorum is presentPresent, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting. No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.
Article 14.6	A poll shall (subject as provided in Article 14.7) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was taken as the Chairman directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken.	Article 14.6	A poll shall (subject as provided in Article 14.7 14.8) be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place, not being more than 30 days from the date of the meeting or adjourned meeting at which the poll was taken as the Chairman Chairperson directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was taken.

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No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 15.1	Subject to Articles 3.2 and 3.10 and to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting where a show of hands is allowed, every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) shall have one vote, and on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.	Article 15.1	Subject to Articles 3.2 and 3-403.11 and to any special rights, privileges or restrictions as to voting (including situation where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration) for the time being attached to any class or classes of shares, at any general meeting where (a) every member Present shall have the right to speak, (b) on a show of hands is allowed , every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) Present shall have one vote, and (c) on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy Present shall have one vote for each share registered in his name in the register. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way. For the avoidance of doubt, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands and is under no obligation to cast all his votes in the same way on a poll.
Article 15.4	Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.	Article 15.4	Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present Present at any meeting personally or by proxy , that one of the said persons so present Present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.
Article 15.6	Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member), or to be reckoned in a quorum, either personally or by proxy at any general meeting.	Article 15.6	Save as expressly provided in these Articles or as otherwise determined by the Board, no person other than a member duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present Present or to vote (save as proxy for another member), or to be reckoned in a quorum, either personally or by proxy at any general meeting.
Article 15.14	Any corporation which is a member may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member and where a corporation is so represented, it shall be treated as being present at any meeting in person.	Article 15.14	Any corporation which is a member may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member and where a corporation is so represented, it shall be treated as being present Present at any meeting in person.

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 17.1	The number of Directors shall not be less than two. So long as shares are listed on the Exchange, the Board shall consist of not less than one-third and less than one-half of Independent Non-executive Directors.	Article 17.1	The number of Directors shall not be less than two. So long as shares are listed on the Exchange, the Board shall consist of not less than one-third and less than one-half of Independent Non-executive Directors.
Article 17.2	The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at that meeting.	Article 17.2	The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.
Article 17.3	The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Companies Law, the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.	Article 17.3	The Company may from time to time in general meeting by ordinary resolution increase or reduce the number of Directors but the number of Directors shall not be less than two. Subject to the provisions of these Articles and the Companies Law Act , the Company may by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.
Article 17.6	The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.	Article 17.6	The Company may by ordinary resolution at any time remove any Director (including a Managing Director or other executive Director) before the expiration of his period term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provision of this Article of compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 17.9	<p>An alternate Director shall (except when absent from Hong Kong), be entitled to receive and waive (in lieu of his appointor) notices of meetings of the Directors and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative and he need not use all his votes or cast all the votes he uses in the same way. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act (as to which a certificate by the alternate shall in the absence of actual notice to the contrary to other Directors be conclusive), his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the provisions of this Article shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.</p>	Article 17.9	<p>An alternate Director shall (except when absent from Hong Kong), be entitled to receive and waive (in lieu of his appointor) notices of meetings of the Directors and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which the Director appointing him is not personally present and generally at such meeting to perform all the functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. If he shall be himself a Director or shall attend any such meeting as an alternate for more than one Director his voting rights shall be cumulative and he need not use all his votes or cast all the votes he uses in the same way. If his appointor is for the time being absent from Hong Kong or otherwise not available or unable to act (as to which a certificate by the alternate shall in the absence of actual notice to the contrary to other Directors be conclusive), his signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. To such extent as the Board may from time to time determine in relation to any committee of the Board, the provisions of this Article shall also apply mutatis mutandis to any meeting of any such committee of which his appointor is a member. An alternate Director shall not, save as aforesaid, have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles.</p>
Article 17.18	<p>...</p> <p>At every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed pursuant to Article 17.2 or Article 17.3 shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.</p>	Article 17.18	<p>...</p> <p>At every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed required to stand for re-election pursuant to Article 17.2 or Article 17.3 shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.</p>

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 22.1	The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in any part of the world and may determine the quorum necessary for the transaction of business. Unless otherwise determined, two Directors, including the chairman of the Board of Directors (or his alternate Director), shall be a quorum. For the purposes of this Article an alternate Director shall be counted in a quorum in place of the Director who appointed him and an alternate Director who is an alternate for more than one Director shall for quorum purposes be counted separately in respect of himself (if he is a Director) and in respect of each Director for whom he is an alternate (but so that nothing in this provision shall be construed as authorising a meeting to be constituted when only one person is physically present). A meeting of the Board or any committee of the Board may be held by means of a telephone or tele-conferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.	Article 22.1	The Board may meet together for the despatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in any part of the world and may determine the quorum necessary for the transaction of business. Unless otherwise determined, two Directors, including the chairman <u>chairperson</u> of the Board of Directors (or his alternate Director <u>(except where the chairperson of the Board is not to be counted in the quorum pursuant to these Articles)</u>), shall be a quorum. For the purposes of this Article an alternate Director shall be counted in a quorum in place of the Director who appointed him and an alternate Director who is an alternate for more than one Director shall for quorum purposes be counted separately in respect of himself (if he is a Director) and in respect of each Director for whom he is an alternate (but so that nothing in this provision shall be construed as authorising a meeting to be constituted when only one person is physically present). A meeting of the Board or any committee of the Board may be held by means of a telephone or tele-conferencing or any other telecommunications facility provided that all participants are thereby able to communicate contemporaneously by voice with all other participants and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.
Article 24.1(g)	(g) confirm, on an annual basis, that each holder of Class A Ordinary Shares (or where a holder is a Director Holding Vehicle, the person holding and controlling such vehicle) has been a Director throughout the year and that none of the events set out in Article 3.7(a) to (d) have occurred during the relevant financial year;	Article 24.1(g)	(g) confirm, on an annual basis, that each holder of Class A Ordinary Shares (or where a holder is a Director Holding Vehicle, the person holding and controlling such vehicle) has been a Director throughout the year and that none of the events set out in Article 3.7 <u>3.8</u> (a) to (d) have occurred during the relevant financial year;
Article 24.1(h)	(h) confirm, on an annual basis, that each holder of Class A Ordinary Shares (or where a holder is a Director Holding Vehicle, the Director holding and controlling such vehicle) has complied with Articles 3.4, 3.5, 3.7 and 3.10 throughout the year;	Article 24.1(h)	(h) confirm, on an annual basis, that each holder of Class A Ordinary Shares (or where a holder is a Director Holding Vehicle, the Director holding and controlling such vehicle) has complied with Articles 3.4, 3.5, 3.7 <u>3.8</u> and 3.10 <u>3.11</u> throughout the year;

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 28.2	<p>Wherever such a resolution as referred to in Article 28.1 shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares, debentures or other securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board:</p> <p>to make such provision by the issue of fractional certificates or by payment in cash or otherwise (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned) as they think fit in cases where shares, debentures or other securities become distributable in fractions;</p> <p>to exclude the right of participation or entitlement of any member with a registered address outside any territory where in the absence of a registration statement or other special or onerous formalities the circulation of an offer of such right or entitlement would or might be unlawful or where the Board consider the costs, expense or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefits of the Company; and</p> <p>to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares, debentures or other securities to which they may be entitled upon such capitalisation, or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.</p>	Article 28.2	<p>Wherever such a resolution as referred to in Article 28.1 shall have been passed the Board shall make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid up shares, debentures or other securities, if any, and generally shall do all acts and things required to give effect thereto, with full power to the Board:</p> <p>(a) to make such provision by the issue of fractional certificates or by payment in cash or otherwise (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the members concerned) as they think <u>it thinks</u> fit in cases where shares, debentures or other securities become distributable in fractions;</p> <p>(b) to exclude the right of participation or entitlement of any member with a registered address outside <u>in</u> any territory where in the absence of a registration statement or other special or onerous formalities <u>;</u></p> <p><u>(i) the circulation of an offer of such right or entitlement would or might be unlawful or where the Board consider in the absence of a registration statement or other special formalities; or</u></p> <p><u>(ii) the costs, expense expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer are, in the Board's opinion, out of proportion to the benefits of the Company; and</u></p> <p>(c) to authorise any person to enter on behalf of all members entitled thereto into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares, debentures or other securities to which they may be entitled upon such capitalisation, or, as the case may require, for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.</p>

Currently in force		Proposed to be amended as	
No.	ARTICLES OF ASSOCIATION	No.	ARTICLES OF ASSOCIATION
Article 29.11	The Board may on any occasion determine that rights of election and the allotment of shares under Article 29.7 shall not be made available or made to any members with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, or where the Board considers the costs, expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer out of proportion to the benefit of the Company, and in any such case the provisions aforesaid shall be read and construed subject to such determination.	Article 29.11	The Board may on any occasion determine that rights of election and the allotment of shares under Article 29.7 shall not be made available or made to any members with registered addresses in any territory where in the absence of : (a) a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, or where the Board considers in the absence of a registration statement or other special formalities; or (b) the costs, expenses or possible delays in ascertaining the existence or extent of the legal and other requirements applicable to such offer or the acceptance of such offer are, in the Board's opinion, out of proportion to the benefit benefits of the Company, and in any such case the provisions aforesaid shall be read and construed subject to such determination.
Article 34.2	The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.	Article 34.2	The Company shall at every annual general meeting <u>by ordinary resolution</u> appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company at the annual general meeting at which they are appointed <u>by ordinary resolution</u> provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Board under this Article may be fixed by the Board.
		Article 38.1	<u>Subject to the Companies Act, the Company may by special resolution resolve that the Company be wound up voluntarily.</u>
Article 40	Financial Year The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it.	Article 40	Financial Year The financial year of the Company shall be prescribed by the Board and may, from time to time, be changed by it. <u>Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31 December in each year and, following the year of incorporation, shall begin on 1 January in each year.</u>

APPENDIX III PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

- * Similar amendments updating references to Chairman to Chairperson have been made in the following Articles as well: Article 2.2, 15.7, 15.10, 17.24, 22.3, 22.4, 22.10, 23.1(d), 23.2, 24.2

- * Similar amendments updating references to the Law to the Act have been made in the following Articles as well: Article 2.3, 2.6, 4.1, 4.6, 4.9, 4.13, 4.14, 5.1, 5.4, 5.5, 5.11, 11.1(b), 11.1(c), 11.2, 12.5, 17.5, 20.1, 20.3, 26.1, 26.2, 28.1, 29.1, 29.12, 29.19, 32, 33.1, 33.2, 33.3, 33.6, 39.2, 41, 42, 43

Note: The Seventh Amended and Restated Memorandum and Articles of Association is prepared in English with no official Chinese version. Chinese translation is for reference only. In the event of any inconsistency, the English version shall prevail.

1. 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 in this circular or this circular misleading.

2. DIRECTORS' INTERESTS OR SHORT POSITIONS IN EQUITY SECURITIES

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) to be recorded in the register required to be kept by the Company pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Name of Director or chief executive	Nature of interest ⁽¹⁾	Relevant entity/person	Number and class of securities	Approximate percentage of interest in each class of Shares ⁽⁷⁾
Mr. Wang Xing ⁽²⁾	Beneficiary and founder of a Trust (L)	Trust	489,600,000 Class A Shares	80.99%
	Interest in controlled corporation (L)	Songtao Limited	489,600,000 Class A Shares	80.99%
	Interest in controlled corporation (L)	Crown Holdings	489,600,000 Class A Shares	80.99%
	Interest in controlled corporation (L)	Shared Patience	26,269,783 Class A Shares	4.35%
			318 Class B Shares	0.00%
	Interest in controlled corporation (L)	WAFO Global Inc.	1,121 Class B Shares	0.00%
	Interest in controlled corporation (L)	WangXing Foundation	47,813,542 Class B Shares	0.85%
	Interest of Spouse (L)	Ms. Guo Wanhui	200 Class B Shares	0.00%

Name of Director or chief executive	Nature of interest ⁽¹⁾	Relevant entity/ person	Number and class of securities	Approximate percentage of interest in each class of Shares ⁽⁷⁾
Mr. Mu Rongjun ⁽³⁾	Beneficiary and founder of a Trust (L)	Trust	88,650,000 Class A Shares	14.66%
			28,000,000 Class B Shares	0.50%
	Interest in controlled corporation (L)	Day One Holdings Limited	88,650,000 Class A Shares	14.66%
			28,000,000 Class B Shares	0.50%
	Interest in controlled corporation (L)	Charmway Enterprises	88,650,000 Class A Shares	14.66%
			28,000,000 Class B Shares	0.50%
Interest in controlled corporation (L)	Shared Vision	7,996,668 Class B Shares	0.14%	
Mr. Wang Huiwen ⁽⁴⁾	Beneficiary and founder of a Trust (L)	Trust	5,166,665 Class B Shares	0.09%
			38,534,660 Class B Shares	0.68%
	Interest in controlled corporation (L)	Aim Mars Investment Limited	38,534,660 Class B Shares	0.68%
			38,534,660 Class B Shares	0.68%
	Interest in controlled corporation (L)	Galileo Space Limited	5,321,335 Class B Shares	0.09%
			2,188,005 Class B Shares	0.04%
Beneficial interest (L)	–	2,188,005 Class B Shares	0.04%	
		138,902,500 Class B Shares	2.46%	
Mr. Shen Nanpeng ⁽⁵⁾	Interest in controlled corporations (L)	Sequoia Capital China Funds, Sequoia Capital Global Growth Funds and Other Controlled Entities		

Name of Director or chief executive	Nature of interest ⁽¹⁾	Relevant entity/ person	Number and class of securities	Approximate percentage of interest in each class of Shares ⁽⁷⁾
	Beneficial interest (L)	–	9,476,400 Class B Shares	0.17%
Mr. Orr Gordon Robert Halyburton ⁽⁶⁾	Beneficial interest (L)	–	72,914 Class B Shares	0.00%
Mr. Leng Xuesong ⁽⁶⁾	Beneficial interest (L)	–	72,914 Class B Shares	0.00%
Dr. Shum Heung Yeung Harry ⁽⁶⁾	Beneficial interest (L)	–	72,914 Class B Shares	0.00%

Notes:

- (1) The letter “L” denotes the person’s Long Position in such Shares.
- (2) Crown Holdings is wholly-owned by Songtao Limited. The entire interest in Songtao Limited is held through a trust which was established by Mr. Wang Xing (as settlor) for the benefit of Mr. Wang Xing and his family. Mr. Wang Xing is deemed to be interested in the 489,600,000 Class A Shares held by Crown Holdings under the SFO. Shared Patience and WAFO Global Inc. are wholly-owned by Mr. Wang Xing. On June 3, 2021, Shared Patience converted 57,319,000 Class A Shares into Class B Shares, which were then transferred to WangXing Foundation, a foundation founded by Mr. Wang Xing as an irrevocable philanthropic foundation devoted exclusively to philanthropic purposes. On the same day, WangXing Foundation transferred 9,354,458 Class B Shares to an independent third party for philanthropic purpose. On March 24, 2023, 200 Class B Shares were distributed to Ms. Guo Wanhuai (the spouse of Mr. Wang Xing) following completion of the distribution in specie by Tencent Holding Limited.
- (3) Charmway Enterprises is wholly-owned by Day One Holdings Limited. The entire interest in Day One Holdings Limited is held through a trust which was established by Mr. Mu Rongjun (as settlor) for the benefit of Mr. Mu Rongjun and his family. Mr. Mu Rongjun is deemed to be interested in the 88,650,000 Class A Shares and 28,000,000 Class B Shares held by Charmway Enterprises under the SFO. Shared Vision is wholly-owned by Mr. Mu Rongjun. On November 30, 2022, Charmway Enterprises converted 30,000,000 Class A Shares into Class B Shares, and Share Vision converted 7,330,000 Class A Shares into Class B Shares. Mr. Mu Rongjun was granted RSUs equivalent to 1,000,000 Class B Shares and options with respect to 5,000,000 Class B Shares under the Pre-IPO ESOP subject to vesting/exercise. As at the Latest Practicable Date, 666,668 Class B Shares were issued to Shared Vision with respect to the vesting of 666,668 RSUs granted to Mr. Mu Rongjun under the Pre-IPO ESOP.
- (4) Kevin Sunny is wholly-owned by Aim Mars Investment Limited. The entire interest in Aim Mars Investment Limited is held through a trust established by Mr. Wang Huiwen (as settlor) for the benefit of Mr. Wang Huiwen and his family. On March 27, 2023 and May 29, 2023, Kevin Sunny converted 18,400,000 and 18,000,000 Class A Shares to Class B Shares, respectively. Mr. Wang Huiwen is deemed to be interested in the 38,534,660 Class B Shares held by Kevin Sunny under the SFO. Galileo Space Limited is wholly-controlled by Mr. Wang Huiwen.
- (5) Sequoia Capital China Funds refers to Sequoia Capital China I, L.P., Sequoia Capital China Partners Fund I, L.P., Sequoia Capital China Principals Fund I, L.P., Sequoia Capital China II, L.P., Sequoia Capital China Partners Fund II, L.P., Sequoia Capital China Principals Fund II, L.P., Sequoia Capital 2010 CV Holdco, Ltd., SCC Venture V Holdco I, Ltd., SCC Venture VI Holdco, Ltd., SCC Venture VI Holdco B, Ltd., SCC Growth 2010-Top Holdco, Ltd., SCC Growth IV Holdco A, Ltd. and Sequoia Capital China Growth Fund IV, L.P. (which hold approximately 0.25%, 0.03%, 0.04%, 0.77%, 0.02%, 0.13%, 0.20%, 0.002%, 0.01%, 0.01%, 0.30%, 0.02% and 0.02%, respectively, of the outstanding

Shares), and Sequoia Capital Global Growth Funds refers to Sequoia Capital Global Growth Fund, L.P., Sequoia Capital Global Growth Principals Fund, L.P. and SC GGFII Holdco, Ltd. (which hold approximately 0.12%, 0.003% and 0.16%, respectively, of the outstanding Shares). The Sequoia Capital China Funds and the Sequoia Capital Global Growth Funds may act together with respect of the holding, disposal and casting of voting rights of the Shares.

The general partner of each of Sequoia Capital China I, L.P., Sequoia Capital China Partners Fund I, L.P. and Sequoia Capital China Principals Fund I, L.P. is Sequoia Capital China Management I, L.P. (“SCC Management I”). The general partner of each of Sequoia Capital China II, L.P., Sequoia Capital China Partners Fund II, L.P. and Sequoia Capital China Principals Fund II, L.P. is Sequoia Capital China Management II, L.P. (“SCC Management II”). The sole shareholder of Sequoia Capital 2010 CV Holdco, Ltd. is Sequoia Capital China Venture 2010 Fund, L.P., whose general partner is SC China Venture 2010 Management, L.P. (“SCCV 2010 Management”). The sole shareholder of SCC Venture V Holdco I, Ltd. is Sequoia Capital China Venture Fund V, L.P., whose general partner is SC China Venture V Management, L.P. (“SCCV V Management”). The sole shareholder of each of SCC Venture VI Holdco, Ltd. and SCC Venture VI Holdco B, Ltd. is Sequoia Capital China Venture Fund VI, L.P., whose general partner is SC China Venture VI Management, L.P. (“SCCV VI Management”). The controlling shareholder of SCC Growth 2010-Top Holdco, Ltd. is Sequoia Capital China Growth 2010 Fund, L.P. (“China Growth Fund 2010”), whose general partner is SC China Growth 2010 Management, L.P. (“SCCGF 2010 Management”). In respect of the casting of votes held by China Growth Fund 2010 in SCC Growth 2010-Top Holdco, Ltd., China Growth Fund 2010 is accustomed to act in accordance with the instructions of Sequoia Capital China Growth Fund I, L.P., whose general partner is Sequoia Capital China Growth Fund Management I, L.P. (“SCCGF Management I”). The sole shareholder of SCC Growth IV Holdco A, Ltd. is Sequoia Capital China Growth Fund IV, L.P., whose general partner is SC China Growth IV Management, L.P. (“SCCGF IV Management” and, together with SCC Management I, SCC Management II, SCCV 2010 Management, SCCV V Management, SCCV VI Management, SCCGF 2010 Management and SCCGF Management I, collectively, the “General Partners”). The general partner of each of the General Partners is SC China Holding Limited, which is a wholly-owned subsidiary of SNP China Enterprises Limited. Neil Nanpeng Shen is the sole shareholder of SNP China Enterprises Limited, and has a beneficial interest of 9,476,400 Class B Shares. Other Controlled Entities refers to URM Management Limited and N&J Investment Holdings Limited (which hold approximately 0.00004% and 0.16%, respectively, of the outstanding Shares) and are controlled by Neil Nanpeng Shen.

In view of the above, the Sequoia Capital China Funds and the Sequoia Capital Global Growth Funds are deemed to be interested in the Shares held by each other and by Neil Nanpeng Shen and Other Controlled Entities and vice versa; and is therefore each deemed to be interested in 2.38% interest in the share capital of the Company (or 2.63% of the total issued Class B Shares).

- (6) Each of the independent non-executive Directors, namely Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong and Dr. Shum Heung Yeung Harry was granted RSUs equivalent to 72,914 Class B Shares under the Post-IPO Share Award Scheme.
- (7) As at the Latest Practicable Date, the Company had 6,242,104,787 issued Shares in total, comprising of 604,519,783 Class A Shares and 5,637,585,004 Class B Shares. The above calculation is based on the total number of relevant class of Shares or the total number of Shares in issue as at the Latest Practicable Date.

3. OTHER INTERESTS OF THE DIRECTORS

Mr. Neil Nanpeng Shen, our non-executive Director, is a non-executive director of Trip.com Group Ltd. (NASDAQ Ticker: TCOM; HKEx Stock Code: 9961), formerly known as Ctrip.com International, Ltd. (NASDAQ Ticker: CTRP), a travel service provider in China. The Company is of the view that such competing interest will not result in any material conflict of interest because, in his capacity as our non-executive Director, Mr. Neil Nanpeng Shen does not participate in the day-to-day management of Trip.com Group Ltd.

In addition, investment funds affiliated with Sequoia Capital China are minority shareholders of one or more companies which may compete, directly or indirectly, with the Company. For each of these companies, Mr. Neil Nanpeng Shen (i) is not a director; and (ii) neither he nor Sequoia Capital China participates in its day-to-day management.

Save as otherwise disclosed, as at the Latest Practicable Date,

- (a) none of the Directors had any direct or indirect interest in any assets which have been, since December 31, 2022, the date of the latest published audited accounts of the Company, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (b) none of the Directors was a director or employee of a company which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under provisions of Divisions 2 and 3 of Part XV of the SFO;
- (c) none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group, excluding contracts expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation);
- (d) none of the Directors and their respective associate(s) was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group and requires disclosure under Rule 8.10 of the Listing Rules; and
- (e) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group taken as a whole.

4. CONSENT OF EXPERT

At the Latest Practicable Date, Somerley has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

The following are the qualifications of Somerley, who has given its opinions or advice which are contained in this circular:

Name	Qualifications
Somerley	A licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Somerley did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group. As at the Latest Practicable Date, Somerley did not have any direct or indirect interest in any assets which have been, since 31 December 2022, being the date to which the latest published audited accounts of the Group were made up, acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to any member of the Group.

5. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since December 31, 2022, the date to which the latest published audited consolidated financial statements of the Group were made up.

6. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the AGM, and in addition, such documents will be made available for inspection at the AGM:

- (1) the rules governing the Post-IPO Share Option Scheme (as amended);
- (2) the rules governing the Post-IPO Share Award Scheme (as amended);
- (3) the letter of advice from Somerley Capital Limited to the Independent Board Committee and the Independent Shareholders, the text of which is set out in this circular;

- (4) the written consent of Somerley Capital Limited referred to in this Appendix; and
- (5) the current rules governing the Post-IPO Share Award Scheme.

7. LANGUAGE

In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

NOTICE OF ANNUAL GENERAL MEETING



(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)
(Stock code: 3690)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Meituan (the “**Company**”) will be held at Command Center of Meituan Beijing Office, Block A, Hengjiweiye Building, No. 4 Wang Jing East Road, Chaoyang District, Beijing on Friday, June 30, 2023 at 2:00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company (unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated June 8, 2023):

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company for the year ended December 31, 2022 and the reports of the Directors and independent auditor thereon.
2. Conditional upon the passing of the special resolution set forth herein, to elect Ms. Marjorie Mun Tak Yang as an independent non-executive Director.
3. To re-elect Mr. Wang Huiwen as a non-executive Director.
4. To re-elect Mr. Orr Gordon Robert Halyburton as an independent non-executive Director.
5. To re-elect Mr. Leng Xuesong as an independent non-executive Director.
6. To authorize the Board to fix the remuneration of the Directors.
7. To consider and, if thought fit, pass with or without modification the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, a general unconditional mandate be and is hereby given to the Directors of the Company, exercisable on their behalf by Mr. Wang Xing, during the Relevant Period (as defined in paragraph (d) below) to exercise all the powers of the Company to allot, issue and deal with

NOTICE OF ANNUAL GENERAL MEETING

additional Class B Shares or securities convertible into Class B Shares, or options, warrants or similar rights to subscribe for Class B Shares or such convertible securities of the Company (other than issuance of options, warrants or similar rights to subscribe for additional Class B Shares or securities convertible into Class B Shares for cash consideration) and to make or grant offers, agreements or options (including any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Class B Shares) that would or might require the exercise of such powers;

- (b) the mandate in paragraph (a) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors to make or grant offers, agreements and/or options during the Relevant Period that would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Class B Shares allotted or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below);
 - (ii) the grant or exercise of any options under any share option scheme of the Company or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the Directors, officers and/or employee of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for Class B Shares or rights to acquire Class B Shares;
 - (iii) the vesting of RSUs granted pursuant to the Pre-IPO ESOP or granted or to be granted pursuant to the Post-IPO Share Award Scheme;
 - (iv) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares of the Company in accordance with the Articles of Association of the Company; and
 - (v) a specific authority granted by the Shareholders of the Company in general meeting,

shall not exceed 10% of the total number of issued Shares of the Company as at the date of the passing of this resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of any of the Shares of the Company into a smaller or larger number of Shares of the Company respectively after the passing of this resolution) and the said mandate shall be limited accordingly.

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association of the Company or any applicable laws; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“**Rights Issue**” means an offer of Shares of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for Shares of the Company, open for a period fixed by the Directors to holders of Shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares of the Company (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

8. “**THAT**

- (a) a general unconditional mandate be and is hereby given to the Directors of the Company, exercisable on their behalf by Mr. Wang Xing, during the Relevant Period (as defined in paragraph (b) below) to exercise all the powers of the Company to purchase its own Shares on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and which is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, provided that the total number of shares of the Company which may be purchased pursuant to this mandate shall not exceed 10% of the total number of issued Shares of the Company as at the date of passing of this resolution (such total number to be subject to adjustment in the case of any consolidation or subdivision of any of the shares of the Company into a smaller or larger number of shares of the Company respectively after the passing of this resolution) and the said mandate shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(b) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
9. To re-appoint PricewaterhouseCoopers as auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorize the Board to fix their remuneration for the year ending December 31, 2023.
10. **“THAT, conditional upon the passing of ordinary resolution numbered 12,** the amendments to the Post-IPO Share Option Scheme proposed by the Board, a copy of which is produced to this meeting, marked “**A**” and initialled by the chairman of the AGM for the purpose of identification, be and is hereby approved and adopted in all respects, and the Directors be and are hereby authorised to grant the options thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the Post-IPO Share Option Scheme.”
11. **“THAT, conditional upon the passing of ordinary resolution numbered 12,** the amendments to the Post-IPO Share Award Scheme proposed by the Board, a copy of which is produced to this meeting, marked “**B**” and initialled by the chairman of the AGM for the purpose of identification, be and is hereby approved and adopted in all respects, and the Directors be and are hereby authorised to grant the awards thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the Post-IPO Share Award Scheme.”
12. **“THAT,** the Scheme Limit on the total number of Class B Shares that may be issued in respect of all options and awards to be granted to the eligible participants under all the share schemes of the Company be and is hereby approved and adopted.”

NOTICE OF ANNUAL GENERAL MEETING

13. **“THAT, conditional upon the passing of ordinary resolution numbered 12,** the Service Provider Sublimit on the total number of Class B Shares that may be issued in respect of all options and awards to be granted to the Service Providers under all the share schemes of the Company be and is hereby approved and adopted.”

14. **“THAT** the issue of 9,686 Class B Shares to Mr. Orr Gordon Robert Halyburton upon vesting of his RSUs pursuant to the terms of the Post-IPO Share Award Scheme be and is hereby approved and any one Director of the Company be and is hereby authorised to allot and issue such Class B Shares and do all things and sign all documents, which in his opinion may be necessary, desirable or expedient for the purpose of giving effect to and/or to implement the transactions contemplated in this resolution.”

15. **“THAT** the issue of 9,686 Class B Shares to Mr. Leng Xuesong upon vesting of his RSUs pursuant to the terms of the Post-IPO Share Award Scheme be and is hereby approved and any one Director of the Company be and is hereby authorised to allot and issue such Class B Shares and do all things and sign all documents, which in his opinion may be necessary, desirable or expedient for the purpose of giving effect to and/or to implement the transactions contemplated in this resolution.”

16. **“THAT** the issue of 9,686 Class B Shares to Dr. Shum Heung Yeung Harry upon vesting of his RSUs pursuant to the terms of the Post-IPO Share Award Scheme be and is hereby approved and any one Director of the Company be and is hereby authorised to allot and issue such Class B Shares and do all things and sign all documents, which in his opinion may be necessary, desirable or expedient for the purpose of giving effect to and/or to implement the transactions contemplated in this resolution.”

SPECIAL RESOLUTION

“THAT

- (a) the Proposed Articles Amendments, the details of which are set out in Appendix III to the circular of the Company dated June 8, 2023, be and are hereby approved;

- (b) the Seventh Amended and Restated Memorandum and Articles of Association, which contains all the Proposed Articles Amendments and a copy of which has been produced to this meeting, marked “C” and initialled by the chairman of the AGM for the purpose of identification, be and are hereby approved and adopted in substitution for and to the exclusion of the existing Memorandum and Articles of Association with immediate effect; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) any Director or company secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents and make all such arrangements that they shall, in their absolute discretion, deem necessary or expedient to give effect to the Proposed Articles Amendments and the adoption of the Seventh Amended and Restated Memorandum and Articles of Association, including without limitation, attending to the necessary filings with the Registrar of Companies in Hong Kong and Cayman Islands.”

Ordinary resolutions numbered #10, #11 and #13 are conditional upon the passing of the ordinary resolution numbered #12. In the event that ordinary resolutions numbered #10 to #12 are passed but ordinary resolution numbered #13 is not passed, the Company will adopt the amendments to the Post-IPO Share Schemes proposed by the Board save that the Board shall alter each of the Post-IPO Share Schemes to remove references to the grant of options and/or awards to the Service Providers. In the event that ordinary resolution numbered #10 is not passed but ordinary resolution numbered #11 is passed, the Company will adopt the amendments to the Post-IPO Share Award Scheme proposed by the Board; in the event that ordinary resolution numbered #11 is not passed but ordinary resolution numbered #10 is passed, the Company will adopt the amendments to the Post-IPO Share Option Scheme proposed by the Board.

Ordinary resolution numbered #2 is conditional upon the passing of the special resolution set forth herein. In the event that ordinary resolution numbered #2 is passed but the special resolution set forth herein is not passed, the proposed election of Ms. Marjorie Mun Tak Yang will not take effect.

By Order of the Board
Meituan
Wang Xing
Chairman

Hong Kong, June 8, 2023

NOTICE OF ANNUAL GENERAL MEETING

Registered Office:

PO Box 309
Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Head Office and Principal Place of Business in China:

Block B&C, Hengjiweiye Building
No. 4 Wang Jing East Road
Chaoyang District, Beijing 100102
China

Principal Place of Business in Hong Kong

5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman of the meeting decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Articles of Association of the Company and the Listing Rules. The results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint any number of proxies (who must be individuals) to attend and vote instead of them. 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.
3. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if they were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members of the Company in respect of the relevant joint holding.
4. 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 Hong Kong share registrar, Computershare Hong Kong Investor Services Limited (for both holders of Class A Shares and holders of Class B Shares), 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 meeting 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.
5. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, June 27, 2023 to Friday, June 30, 2023 both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 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 Hong Kong share registrar, Computershare Hong Kong Investor Services Limited (for both holders of Class A Shares and holders of Class B Shares), 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 Monday, June 26, 2023.

NOTICE OF ANNUAL GENERAL MEETING

As at the date of this notice, the Board comprises Mr. Wang Xing and Mr. Mu Rongjun as executive Directors, Mr. Wang Huiwen and Mr. Neil Nanpeng Shen as non-executive Directors, and Mr. Orr Gordon Robert Halyburton, Mr. Leng Xuesong and Dr. Shum Heung Yeung Harry as independent non-executive Directors.