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

If you have sold or transferred all your shares in SenseTime Group Inc., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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SenseTime Group Inc.

商汤集团股份有限公司

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

(Stock Codes: 0020 (HKD Counter) and 80020 (RMB Counter))

- (1) PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AND RE-ELECTION OF THE RETIRING DIRECTORS**
- (2) PROPOSED GRANT OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES**
- (3) PROPOSED RE-APPOINTMENT OF AUDITOR**
- (4) PROPOSED AMENDMENTS TO THE 2022 RSU SCHEME AND**
- (5) NOTICE OF THE ANNUAL GENERAL MEETING**

A notice convening the AGM of SenseTime Group Inc. (商汤集团股份有限公司) to be held at No. 1900 Hongmei Road, Xuhui District, Shanghai 200233, PRC on Wednesday, June 26, 2024 at 3:00 p.m. is set out on pages 44 to 48 of this circular. A form of proxy for use at the AGM is also enclosed, and published on the websites of The Stock Exchange of Hong Kong Limited (<https://www.hkexnews.hk>) and the Company (<https://www.sensetime.com>).

Whether or not Shareholders are able to attend the AGM in person, they are encouraged to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it 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, as soon as possible, but in any event not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 3:00 p.m. on Monday, June 24, 2024) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjourned meeting should you so wish. If Shareholders attend and vote at the AGM in person, the form of proxy completed and returned by such Shareholder will be revoked.

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

June 4, 2024

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DEFINITIONS

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

“2022 RSU Scheme”	the restricted share unit scheme of the Company adopted by the Board on June 20, 2022
“Administrative Committee”	the committee comprising the Chairman, one senior officer of the human resources department and one senior officer of finance department, as appointed by the Chairman, from time to time
“AGM”	the annual general meeting of the Company to be held at No. 1900 Hongmei Road, Xuhui District, Shanghai 200233, PRC on Wednesday, June 26, 2024 at 3:00 p.m., or any adjournment thereof
“Amended 2022 RSU Scheme”	the 2022 RSU Scheme as amended by the Proposed 2022 RSU Scheme Amendments
“Amendment Date”	the date on which the Shareholders approved the amendment to the terms of the 2022 RSU Scheme
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Chairman”	chairman of the Board
“Class A Share(s)”	class A ordinary shares of the share capital of the Company with a par value of US\$0.000000025 each, conferring weighted voting rights in the Company such that a holder of a Class A Share is entitled to 10 votes per share on any resolution tabled at the Company’s general meetings, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
“Class B Share(s)”	class B ordinary shares of the share capital of the Company with a par value of US\$0.000000025 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company’s general meetings (for the avoidance of doubt, save for any treasury Shares, the holders of which shall abstain from voting at the Company’s general meetings)
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules

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“Company”	SenseTime Group Inc. (商汤集团股份有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability on October 15, 2014 and whose Class B Shares are listed on the Stock Exchange (Stock Codes: 20 (HKD Counter) and 80020 (RMB Counter))
“Consolidated Affiliated Entities”	collectively, Shanghai Qianlun, Shanghai SenseTime Technology Development, Shanghai Shangchou and Shanghai Yushu, the financial results of which have been consolidated and accounted for as subsidiaries of the Company by virtue of series of contractual arrangements
“Director(s)”	the director(s) of the Company
“Dr. Lin”	Dr. Lin Dahua (林達華)
“Dr. Wang”	Dr. Wang Xiaogang (王曉剛), the Company’s co-founder, executive Director, chief scientist and a WVR Beneficiary
“Dr. Xu Li”	Dr. Xu Li (徐立), the Company’s co-founder, executive Chairman of the Board, executive Director, chief executive officer and a WVR Beneficiary
“Employee Participant(s)”	any employee (whether full time or part time), executives or officers, directors (including executive, non-executive and independent non-executive director) of any member of the Group
“Excluded Person”	(i) at the time of the proposed grant of RSU, any connected person of the Company, other than directors or substantial shareholders of any member of the Group, who did not notify the Company that they were connected person of the Company or (ii) any Participant who is resident in a place where the award of the RSUs and/or the vesting and transfer of the Shares underlying the vested RSUs pursuant to the terms of the Amended 2022 RSU Scheme is not permitted under the laws and regulations of such place such that in the view of the Board or the Chairman, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Participant
“Grantee”	any Participant who accepts a Grant in accordance with the terms of the Amended 2022 RSU Scheme, or (where the context so permits) any person who is entitled to RSUs in consequence of the death of the original Grantee
“Group”	the Company, its subsidiaries and the Consolidated Affiliated Entities

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“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Junior Grantee(s)”	any Grantee(s) other than a Senior Grantee
“Latest Practicable Date”	May 29, 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Date”	December 30, 2021, the date on which the Class B Shares were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
“Memorandum and Articles of Association”	the memorandum and articles of association of the Company, as amended from time to time
“Mr. Xu Bing”	Mr. Xu Bing (徐冰), our co-founder, executive Director, Board Secretary and a WVR Beneficiary
“Nomination Committee”	the nomination committee of the Board
“Participant(s)”	includes: (i) the Employee Participant; and (ii) the Service Providers
“PRC”	the People’s Republic of China. For the purpose of this circular and for geographical reference only, except where the context requires, references in this circular to “China”, “Mainland China” and the “PRC” do not apply to Hong Kong, Macau Special Administrative Region and Taiwan Region
“Pre-IPO ESOP”	the pre-IPO employee incentive scheme adopted by the Company dated November 1, 2016 as amended from time to time
“Pre-IPO RSU Plan”	the pre-IPO RSU plan adopted by the Company dated November 1, 2016 as amended from time to time
“Proposed 2022 RSU Scheme Amendments”	has the meaning given to it under the paragraph headed “6. Proposed Amendment to the 2022 RSU Scheme” in this circular
“Remuneration Committee”	the remuneration committee of the Board

DEFINITIONS

“Reserved Matters”	those matters or resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Memorandum and Articles of Association, being (i) any amendment to the Memorandum and Articles of Association, (ii) the variation of the rights attached to any class of Shares, (iii) the appointment, election or removal of any independent non-executive Director, (iv) the appointment or removal of the Company’s auditors, and (v) the voluntary liquidation or winding-up of the Company
“RSU(s)”	subject to any adjustments in accordance with the terms of the 2022 RSU Scheme or Amended 2022 RSU Scheme (as the case may be), restricted share unit(s) conferring the Grantee a conditional right upon vesting to obtain, as determined by the Board (in the case of Senior Grantee) or the Chairman (in the case of Junior Grantee), either a Class B Share or an equivalent value in cash with reference to the market value of a Class B Share on the date on which such Class B Share is sold, less any tax, fees, levies, stamp duty and other charges applicable
“Scheme Mandate Limit”	has the meaning ascribed to it in the paragraph headed “3. Scheme Mandate Limit, Service Provider Sublimit and Individual Limit” in Appendix III of this circular
“Senior Grantee(s)”	a Grantee(s) who is a Director
“SenseTalent”	SenseTalent Management Limited, a business company incorporated under the laws of the British Virgin Islands with limited liability
“Service Provider(s)”	any person who provide services to any members of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, including but not limited to any person providing advisory and consultancy services (in connection with, among others, research and development of the Group’s products and services and commercial planning and development), sales and marketing services, technology services, administrative services, strategic or commercial planning services, agency and subcontracting services and technical services, but excluding any placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or any professional service providers such as auditors or valuers who provide assurance or are required to perform their services to the Group with impartiality and objectivity

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“Service Provider Sublimit”	has the meaning ascribed to it in the paragraph headed “3. Scheme Mandate Limit, Service Provider Sublimit and Individual Limit” in Appendix III of this circular
“SFO”	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time)
“Shanghai Qianlun”	Shanghai Qianlun Technology Co., Ltd. (上海阡倫科技有限公司), a company incorporated under the laws of the PRC with limited liability on September 17, 2020
“Shanghai SenseTime Technology Development”	Shanghai SenseTime Technology Development Co., Ltd. (上海商湯科技開發有限公司), a company incorporated under the laws of the PRC with limited liability on January 16, 2020
“Shanghai Shangchou”	Shanghai Shangchou Technology Co., Ltd. (上海商籌科技有限公司), a company incorporated under the laws of the PRC with limited liability on September 13, 2022
“Shanghai Yushu”	Shanghai Yushu Technology Co., Ltd.* (上海禹紓科技有限公司), a company incorporated under the laws of the PRC with limited liability on December 21, 2023
“Share(s)”	the Class A Shares and/or Class B Shares in the share capital of the Company, as the context so requires
“Share Issue Mandate”	the general mandate to the Board and/or its authorized person(s) to exercise the power of the Company to allot, issue and deal with new Class B Shares (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) not exceeding 20% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing the ordinary resolution approving such mandate
“Share Repurchase Mandate”	the general mandate to the Board and/or its authorized person(s) to exercise the power of the Company to repurchase Shares to be held as treasury Shares by the Company or otherwise be cancelled, not exceeding 10% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing the ordinary resolution approving such mandate
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

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“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024, which, in the Company’s case, refers to any Class B Shares held in treasury
“US\$”	United States dollars, the lawful currency of the United States of America
“weighted voting rights”	has the meaning ascribed thereto under the Listing Rules
“WVR Beneficiary(ies)”	has the meaning ascribed thereto under the Listing Rules and unless the context otherwise requires, refers to Dr. Xu Li, Dr. Wang and Mr. Xu Bing, each being holder of Class A Shares
“%”	per cent

LETTER FROM THE BOARD



SenseTime Group Inc.

商汤集团股份有限公司

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

(Stock Codes: 0020 (HKD Counter) and 80020 (RMB Counter))

Executive Directors:

Dr. XU Li (*Executive Chairman of the Board*)

Dr. WANG Xiaogang

Mr. XU Bing

Non-executive Director:

Ms. FAN Yuanyuan

Independent Non-executive Directors:

Prof. XUE Lan

Mr. LYN Frank Yee Chon

Mr. LI Wei

Registered Office:

Third Floor, Century Yard,
Cricket Square P.O. Box 902,
Grand Cayman, KY1-1103
Cayman Islands

*Head Office and Principal place of
business in the PRC:*

No. 1900 Hongmei Road
Xuhui District
Shanghai 200233
PRC

*Head Office and Principal Place of
business in Hong Kong:*

2/F, Harbour View 1
12 Science Park East Avenue
Hong Kong Science & Technology Park
Shatin
Hong Kong

June 4, 2024

To the Shareholders

Dear Sir/Madam,

- (1) PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AND
RE-ELECTION OF THE RETIRING DIRECTORS**
**(2) PROPOSED GRANT OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES**
(3) PROPOSED RE-APPOINTMENT OF AUDITOR
**(4) PROPOSED AMENDMENTS TO THE 2022 RSU SCHEME
AND**
(5) NOTICE OF THE ANNUAL GENERAL MEETING

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with information in relation to the following resolutions to be proposed at the AGM to consider and, if thought fit, approve:

- (i) the proposed appointment of an executive Director and re-election of the retiring Directors;
- (ii) the proposed grant of the Share Repurchase Mandate;
- (iii) the proposed grant of the Share Issue Mandate (including the extended Share Issue Mandate);
- (iv) the proposed re-appointment of auditor; and
- (v) the proposed amendment to the 2022 RSU Scheme and adoption of Scheme Mandate Limit and Service Provider Sublimit under the Amended 2022 RSU Scheme.

2. PROPOSED APPOINTMENT OF EXECUTIVE DIRECTOR AND RE-ELECTION OF THE RETIRING DIRECTORS

Proposed Appointment of Executive Director

Reference is made to the announcement of the Company dated May 29, 2024 in respect of the proposed appointment of an executive Director.

The Board has proposed the appointment of Dr. Lin as an executive Director of the Company with effect from the conclusion of the AGM, subject to the approval by the Shareholders at the AGM by way of an ordinary resolution.

Proposed Re-election of the Retiring Directors

Pursuant to the Memorandum and Articles of Association, 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. Accordingly, Dr. Xu Li, Ms. Fan Yuanyuan, and Prof. Xue Lan shall retire by rotation at the AGM and, being eligible, have offered themselves for re-election at the AGM.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by Dr. Lin and the retiring Directors, the qualifications, skills and experience, and contribution of Dr. Lin and the retiring Directors with reference to the Company's board diversity policy and the Company's corporate strategies. The Nomination Committee has recommended to the Board on the appointment of Dr. Lin as an executive Director and the re-election of all the retiring Directors at the AGM. Dr. Xu Li and Prof. Xue Lan abstained from voting on the recommendation of their respective re-election throughout the nomination process of the Nomination Committee.

LETTER FROM THE BOARD

Prof. Xue Lan has confirmed his independence with reference to the criteria set out in Rule 3.13 of the Listing Rules. The Company has also previously received the written annual confirmation from Prof. Xue Lan on his independence in accordance with the Listing Rules.

The Board has considered the perspectives, skills, experiences and diversity of Dr. Lin and the retiring Directors and believed their professional knowledge and general business acumen will, or will continue to, generate significant contribution to the Board, the Company and the Shareholders as a whole. In particular, in proposing the re-election of Prof. Xue Lan as an independent non-executive Director, the Board has taken into account: (i) that Prof. Xue Lan has provided a confirmation of independence with reference to the criteria under Rule 3.13 of the Listing Rules, and the assessment of the Nomination Committee and the Board on the independence of Prof. Xue Lan; (ii) the perspectives, experiences and skills that Prof. Xue Lan can contribute to the Board, including his extensive experience in corporate governance and enterprise management; and (iii) that the Board is satisfied that Prof. Xue Lan has provided independent and objective judgment and advice to the Board to safeguard the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommended the appointment of Dr. Lin as an executive Director and the re-election of the retiring Directors at the AGM, and recommended the approval to authorise the Board to fix the respective remuneration of Dr. Lin and such retiring Directors.

Biographical details of Dr. Lin and the retiring Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

Ordinary resolutions will be proposed at the AGM for the proposed appointment of Dr. Lin as an executive Director and the proposed re-election of the retiring Directors.

3. PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on June 23, 2023, ordinary resolutions were passed to grant general mandates to the Board to exercise the powers of the Company to repurchase Shares not exceeding 10% of the total number of Shares in issue (excluding any treasury Shares) at the date of the passing of the relevant resolution. Such mandate, to the extent not renewed, revoked or varied by the date of the AGM, will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, grant to the Board and/or its authorized person(s) the Share Repurchase Mandate, details of which are set out in the proposed ordinary resolution no. 7 in the notice of the AGM. As at the Latest Practicable Date, the issued share capital of the Company comprised 7,520,115,072 Class A Shares and 25,948,809,928 Class B Shares. Subject to the passing of the ordinary resolution for the approval of the Share Repurchase Mandate, for illustrative purposes only and assuming no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 3,346,892,500 Shares (representing 10% of the total number of issued Shares (excluding any treasury Shares) as at the Latest Practicable Date).

LETTER FROM THE BOARD

The Share Repurchase Mandate shall continue to be in force during the period from the date of passing the resolution for the approval of the Share Repurchase Mandate until whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association or by any applicable laws to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders.

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

4. PROPOSED GRANT OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on June 23, 2023, ordinary resolutions were passed to grant general mandates to the Board to exercise the powers of the Company to issue, allot and dispose of such number of additional Shares not exceeding 20% of the total number of Shares in issue (excluding any treasury Shares) at the date of passing of the relevant resolutions. Such mandate, to the extent not renewed, revoked or varied by the date of the AGM, will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to issue Shares if and when appropriate (including but not limited to any issue of Shares for the purposes of share schemes of the Company adopted from time to time subject to compliance with the applicable Listing Rules requirements and/or any sale or transfer of treasury Shares), an ordinary resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, grant to the Board and/or its authorized person(s) the Share Issue Mandate, details of which are set out in the proposed ordinary resolution no. 8 in the notice of the AGM. As at the Latest Practicable Date, the issued share capital of the Company comprised 7,520,115,072 Class A Shares and 25,948,809,928 Class B Shares. Subject to the passing of the ordinary resolution for the approval of the Share Issue Mandate, for illustrative purposes only and assuming no further Shares are issued or repurchased and no other change in the issued share capital of the Company between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Share Issue Mandate to allot, issue and deal with (or sell or transfer out of treasury) a maximum of 6,693,785,000 Class B Shares (representing 20% of the total number of issued Shares (excluding any treasury Shares) as at the Latest Practicable Date).

In addition, a separate ordinary resolution no. 9 will also be proposed to approve the extension of the Share Issue Mandate by adding the number of repurchased Shares under the Share Repurchase Mandate to the total number of Class B Shares which may be allotted, issued or transferred by the Board and/or its authorized person(s) pursuant to the Share Issue Mandate.

The Share Issue Mandate (including the extended Share Issue Mandate) shall continue to be in force during the period from the date of passing the resolution for the approval of the Share Issue Mandate (including the extended Share Issue Mandate) until whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association or by applicable laws to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Issue Mandate (including the extended Share Issue Mandate) is revoked or varied by an ordinary resolution of the Shareholders.

LETTER FROM THE BOARD

5. PROPOSED RE-APPOINTMENT OF AUDITOR

Following the recommendation of the audit committee of the Board, the Board proposed to re-appoint PricewaterhouseCoopers 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 for the year ending December 31, 2024.

An ordinary resolution no. 10 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.

6. PROPOSED AMENDMENTS TO THE 2022 RSU SCHEME

The 2022 RSU Scheme

The 2022 RSU Scheme was adopted by the Company on June 20, 2022 to, amongst other things, recognize the contributions by, and to motivate and retain, the eligible participants through the grant of RSUs subject to and on the terms of the 2022 RSU Scheme.

Proposed 2022 RSU Scheme Amendments

In light of the amendments to Chapter 17 of the Listing Rules which took effect on January 1, 2023, the Board has resolved to propose the proposed amendments to be made to the 2022 RSU Scheme (the “**Proposed 2022 RSU Scheme Amendments**”) to bring it in line with the Listing Rules.

The key changes to the 2022 RSU Scheme under the Proposed 2022 RSU Scheme Amendments are summarised as follows:

- (a) to revise the definition of “Participants” to include (i) any Employee Participant and (ii) any Service Provider;
- (b) to adopt the Scheme Mandate Limit and the Service Provider Sublimit;
- (c) to include the requirement of Shareholders’ approval for refreshment of the Scheme Mandate Limit and Service Providers Sublimit;
- (d) to include the requirement of independent Shareholders’ approval for refreshment of the Scheme Mandate Limit and Service Providers Sublimit within a three-year period from the date of Shareholders’ approval for the last refreshment (or, as the case may be, the date on which the Amended 2022 RSU Scheme becomes effective);
- (e) to include the requirement of separate approval by Shareholders for granting RSUs beyond the Scheme Mandate Limit to specifically identified Participants;
- (f) to include the individual limits (as set out in paragraph 3 of Appendix III);

LETTER FROM THE BOARD

- (g) to include the requirement of approval by the Shareholders for any grant of RSU over new Shares of the Company to a Director (other than an independent non-executive Director) or chief executive(s) of the Company (or any of their respective associates) that would result in the number of Shares issued and to be issued in respect of all share awards involving issue of new Shares granted under the Amended 2022 RSU Scheme and any other share schemes of the Company (excluding any share awards lapsed in accordance with the terms of the Amended 2022 RSU Scheme or any other share schemes of the Company, and any options) 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 the Shares in issue (excluding any treasury Shares of the Company);
- (h) to include the requirement of approval by the Shareholders for any grant of RSU over new Shares of the Company to an independent non-executive Director or a substantial Shareholder of the Company (or any of their respective associates) that would result in the number of Shares issued and to be issued in respect of all options and awards involving issue of new Shares granted under the Amended 2022 RSU Scheme and any other share schemes of the Company (excluding any options or share awards lapsed in accordance with the terms of the Amended 2022 RSU Scheme or and any other share schemes of the Company) 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 the Shares in issue (excluding any treasury Shares of the Company);
- (i) to clarify that the Company may appoint one or more trustees to assist with the administration and vesting of RSU granted under the Amended 2022 RSU Scheme and that one or more special purpose vehicles may be established for the purpose of holding any Class B Shares and/or consideration received in accordance with the terms and conditions of the Amended 2022 RSU Scheme, and that such special purpose vehicle shall be administered by the Administrative Committee;
- (j) to clarify that the source of Class B Shares underlying the RSU may include: (i) allotment and issue of new Class B Shares; (ii) transfer of any treasury Shares of the Company in issue; and (iii) Class B Shares transferred by other Shareholders or purchase of Class B Shares (either on-market or off-market);
- (k) to elaborate on the scope and examples of criteria for the performance targets for the vesting of the RSU as from time to time determined by the Board (or such other committee as the Board may authorise) (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees);

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- (l) to specify that any RSU granted to a selected Participant but unvested may be cancelled by the Board (or such other committee as the Board may authorise) or the Chairman in its/his absolute discretion, and that where any RSU granted to a selected Participant are cancelled, the RSUs so cancelled will be regarded as utilized for the purposes of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder);
- (m) to specify that consideration may be payable by any selected Participants for the acceptance and/or vesting of RSUs as may be determined by the Board (or such other committee as the Board may authorise) (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) and the criteria for determining whether any consideration shall be payable and the amount thereof;
- (n) to include the specific circumstances in which the RSUs can be granted by the Board (or such other committee as the Board may authorise) (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) under the Amended 2022 RSU Scheme with a vesting period shorter than 12 months;
- (o) to clarify that the RSUs do not carry voting rights and no Grantee shall enjoy any rights of a Shareholder by virtue of the grant of RSUs under the Amended 2022 RSU Scheme unless and until the Class B Shares underlying the RSUs are actually transferred or issued and allotted to (as the case may be) such Grantees, provided that the Board (or such other committee as the Board may authorise) (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) may in their sole and absolute discretion determine that a Grantee shall be entitled to exercise the voting rights in any Class B Shares held by a trustee and/or a special purpose vehicle following the vesting of RSUs and/or shall be entitled to any cash or non-cash income derived from any Shares underlying a RSU prior to its vesting;
- (p) to elaborate on the provision for adjustment of the Scheme Mandate Limit, the Service Provider Sublimit and/or number and/or nominal value of Shares underlying any unvested or unsatisfied RSUs granted under the Amended 2022 RSU Scheme in the event of a capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of shares capital of the Company;
- (q) to include a clawback mechanism;
- (r) to include the requirement for Shareholders' approval for any alterations to the terms and conditions of the Amended 2022 RSU Scheme which are of a material nature, or any alteration to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules;

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- (s) to include the requirement for the approval(s) of the Board (or such other committee as the Board may authorise), the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) for any change to the terms of the RSUs granted to a Selected Participant if the initial grant of the RSUs was approved by such person and/or committee; and
- (t) to include other amendments for house-keeping purposes and to better align the requirements under the Amended 2022 RSU Scheme with the updated requirements under the Listing Rules.

The Company intends that treasury Shares may be used to satisfy the RSUs granted under the Amended 2022 RSU Scheme if and when appropriate, in addition to existing Class B Shares to be transferred by any Shareholders or purchased on-market or off-market, and the allotment and issue of new Class B Shares.

A summary of the principal terms of the Amended 2022 RSU Scheme is set out in Appendix III to this circular. A copy of the rules of the Amended 2022 RSU Scheme will be published on the website of the Stock Exchange and the Company for display for the period of not less than 14 days before the date of the AGM, and will also be made available for inspection at the AGM.

Basis of eligibility of the participants under the Amended 2022 RSU Scheme

The Participants under the Amended 2022 RSU Scheme shall comprise (i) Employee Participants, and (ii) Service Providers. The eligibility of any Participant to an award shall be determined by the Board (or such other committee as the Board may authorise) in its sole discretion on the basis of the Board's (or its authorised committee's) opinion as to his contribution and/or future contribution to the development and growth of the Group.

In determining an Employee Participant's eligibility, the Board may take into account factors including, among others, (i) his/her skill, knowledge, experience, expertise and other relevant personal qualities, (ii) educational and professional qualifications, and knowledge in the industry, (iii) performance, length of employment with the Group, nature of duties and position within the Group, (iv) his/her adherence to the Group's culture and values, or (v) the contribution and potential contribution to the development of the Group.

Service Providers include any person who provide services to any members of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, including but not limited to any person providing advisory and consultancy services (in connection with, among others, research and development of the Group's products and services and commercial planning and development), sales and marketing services, technology services, administrative services, strategic or commercial planning services, agency and subcontracting services and technical services, but excluding any placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or any professional service providers such as auditors or valuers who provide assurance or are required to perform their services to the Group with impartiality and objectivity. Such person may include, but are not limited to, consultants and/or advisers of any members of the Group.

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In determining a Service Provider's eligibility, the Board may take into account factors including, among others:

- (a) in general: (i) the actual or potential extent of involvement in or cooperation with the Group, (ii) background, reputation and track record of the Service Provider, and (iii) the amount of actual or potential support, assistance, guidance, advice, efforts and contributions the Service Provider is likely to be able to contribute towards the development of the Group; and
- (b) in respect of consultants and advisers: (i) the expertise, skills, technical know-how and professional qualification, (ii) the experience and network of the Service Provider in the relevant industry; (iii) the benefits and strategic value brought by the Service Provider to the Group's development and future prospects align with the needs of Group's principal business and strategic development goals.

The Board (including the independent non-executive Directors) is of the view that the criteria for determining the eligibility of a Participant as set out above are in line with the purpose of the Amended 2022 RSU Scheme.

Opinion of the Board (including the independent non-executive Directors) on the Proposed 2022 RSU Scheme Amendments

The Board (including the independent non-executive Directors) is of the view that the proposed inclusion of Service Providers as Participants under the Amended 2022 RSU Scheme would align the interests of Service Providers directly to that of the Shareholders and motivate them by providing direct economic interest to them in striving for the future growth and development of and increasing the value of the Group in the long run. In addition, the inclusion of Service Providers as Participants (which may include but are not limited to consultants and/or advisers) is in line with the business needs of the Group. Accordingly, the Board (including the independent non-executive Directors) believes that the proposed inclusion of the Service Providers as Participants is in line with the purpose of the Amended 2022 RSU Scheme and the long term interest of the Company and the Shareholders as a whole.

The vesting period for RSUs under the Amended 2022 RSU Scheme shall not be less than 12 months from the date of grant save that the Board (or such other committee as the Board may authorise) (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) may, in the specific circumstances set out in paragraph 5 of Appendix III, grant RSUs with vesting periods of less than 12 months from the date of grant. In this connection, the Board is of the view that the discretion in allowing shorter vesting period is in line with the requirements under the Listing Rules and allows flexibility for the Company to permit a shorter vesting period in appropriate circumstances, which are appropriate and aligns with the purposes of the Amended 2022 RSU Scheme.

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In respect of performance targets, the Board believes that it may not always be appropriate to impose performance targets, particularly when the purpose of granting RSUs is to compensate Participants for their past contributions to the Group, and considers that that flexibility given to the Board (or such other committee as the Board may authorise) (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) in relation to the performance target will allow the Company to require the Participants to achieve such performance target when appropriate, whilst providing the Company with the flexibility to grant RSUs with other appropriate metrics (e.g. time-based vesting conditions) in appropriate circumstances. In addition, the Board believes that the scope and examples of performance targets as set out in the Amended 2022 RSU Scheme will allow the Company to comprehensively assess the Participants' performance taking into account the overall performance of the Group and the individual performance of the Participant as appropriate. The Board therefore believes that the performance target mechanism under the Amended 2022 RSU Scheme aligns with the purposes of the Amended 2022 RSU Scheme.

The Board (or such other committee as the Board may authorise) (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) may provide that any RSUs granted under the Amended 2022 RSU Scheme shall be subject to the payment of consideration for acceptance and/or vesting of the RSUs. Such consideration (if any) shall be determined taking into account the prevailing market price of the Class B Shares, the purposes of the Amended 2022 RSU Scheme and the RSUs to be granted, the profile of the relevant Participant, and such other factors as the Board (or such other committee as the Board may authorise) or the Chairman (as the case may be) may deem relevant. The Board is of the view that the current mechanism allows flexibility for the Company to impose appropriate consideration payable for the acceptance and/or vesting of the RSUs taking into account the importance of the relevant Participant to the Group and the then market value of the Class B Shares, and aligns with the purposes of the Amended 2022 RSU Scheme.

The RSUs under the Amended 2022 RSU Scheme shall be subject to a clawback under specified circumstances as detailed in paragraph 14 of Appendix III to this circular. The Board is of the view that the clawback mechanism will allow the Company to claw back the RSUs granted to the Selected Participants in the event of any serious misconduct (e.g. if the Participant is charged with crime or commits a serious breach of Company policies) and therefore aligns with the purposes of the Amended 2022 RSU Scheme.

Adoption Conditions for the Proposed 2022 RSU Scheme Amendments

The adoption of the Proposed 2022 RSU Scheme Amendments is conditional upon the passing of ordinary resolutions by the Shareholders at the AGM approving (i) the Proposed 2022 RSU Scheme Amendments, and (ii) the proposed adoption of the Scheme Mandate Limit and the Service Provider Sublimit under the Amended 2022 RSU Scheme.

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Proposed Adoption of the Scheme Mandate Limit under the Amended 2022 RSU Scheme

In light of the amendments to Chapter 17 of the Listing Rules, the Board has resolved to propose the adoption of the Scheme Mandate Limit, such that the maximum number of new Class B Shares which may be allotted and issued in respect of all RSUs under the Amended 2022 RSU Scheme and all options and/or awards under any other share schemes of the Company shall not exceed 10% of the total number of issued Shares as at the Amendment Date or the relevant date of the Shareholders' approval of the refreshment of the Scheme Mandate Limit (excluding any treasury Shares of the Company). The Board believes that the adoption of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole, as it provides flexibility for the Company to reward Participants under the Amended 2022 RSU Scheme and/or any other schemes to be adopted by the Company involving the allotment and issue of new Class B Shares whilst balancing the dilution impact of the Shareholders as a result of allotment and issue of Class B Shares. As at the Latest Practicable Date, the Company had a total of 33,468,925,000 Shares in issue. Assuming that there is no change in the number of issued Shares during the period from the Latest Practicable Date to the date of the AGM, the Scheme Mandate Limit will be 3,346,892,500 Class B Shares, representing 10% of the total number of Shares in issue (excluding any treasury Shares of the Company) as at the Amendment Date.

Proposed Adoption of the Service Provider Limit under the Amended 2022 RSU Scheme

Within the Scheme Mandate Limit, the Board has resolved to propose the adoption of the Service Provider Sublimit, such that the maximum number of new Class B Shares which may be allotted and issued in respect of all RSUs under the Amended 2022 RSU Scheme and all options and/or awards under any other share schemes of the Company to the Service Providers shall not exceed 1% of the total number of issued Shares as at the Amendment Date or the relevant date of the Shareholders' approval of the refreshment of the Service Provider Sublimit (excluding any treasury Shares of the Company). In determining the Service Provider Sublimit, the Board has taken into account the number of service providers which the Group currently engages, the extent of existing and potential future contribution to the business and prospect of the Group and the Group's business needs.

The Service Provider Sublimit would provide the Company with flexibility to provide equity incentives (as an alternative or in addition to any cash payment) to reward and collaborate with persons who are not employees or Directors of the Group, but who have expertise in their fields or who may be able to provide valuable expertise and services to the Group, which is in line with the purposes of the Amended 2022 RSU Scheme. Therefore, the Board (including the independent non-executive Directors) is of the view that, the Service Provider Sublimit is appropriate and reasonable. As at the Latest Practicable Date, the Company had a total of 33,468,925,000 Shares in issue. Assuming that there is no change in the number of issued Shares during the period from the Latest Practicable Date to the date of the AGM, the Service Provider Sublimit will be 334,689,250 Shares, representing 1% of the total number of Shares in issue (excluding any treasury Shares of the Company) as at the Amendment Date.

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General

Pursuant to the Listing Rules, alterations to the terms and conditions of a share scheme which are of a material nature must be approved by the Shareholders in general meeting. As the Proposed 2022 RSU Scheme Amendments are of a material nature, the Proposed 2022 RSU Scheme Amendments will be subject to Shareholders' approval at the AGM.

The Proposed 2022 RSU Scheme Amendments will take effect on the date of the AGM subject to the passing of an ordinary resolution by the Shareholders to approve the Proposed 2022 RSU Scheme Amendments at the AGM.

In the event the Proposed 2022 RSU Scheme Amendments were not approved by the Shareholders at the AGM, the Company would only operate the existing 2022 RSU Scheme and grant or vest the RSUs under the same to the extent permitted by the Listing Rules.

As at the Latest Practicable Date, no RSUs were granted since the adoption of the 2022 RSU Scheme. In addition, as at the Latest Practicable Date, the Company has not formulated any specific plan to grant RSUs to any specific eligible participants under the 2022 RSU Scheme. As such, so far as the Directors are aware, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had a material interest in the Proposed 2022 RSU Scheme Amendments and as such, no Shareholder is required to abstain from voting on the resolution to be proposed at the AGM in respect of the Proposed 2022 RSU Scheme Amendments and the adoption of the Scheme Mandate Limit and the Service Provider Sublimit under the Amended 2022 RSU Scheme.

As at the Latest Practicable Date, none of the Directors is a trustee of the 2022 RSU Scheme or has a direct or indirect interests in the trustee of the 2022 RSU Scheme.

Other share incentive schemes adopted by the Company as at the Latest Practicable Date

As at the Latest Practicable Date, the Company has adopted three share incentive schemes, including the Pre-IPO RSU Plan, the Pre-IPO ESOP and the 2022 RSU Scheme. A summary of the principal terms of each of these share incentive schemes is set out in the annual report of the Company for the year ended 31 December 2023.

As disclosed above, as at the Latest Practicable Date, no grant of RSU has been made under the 2022 RSU Scheme.

As at the Latest Practicable Date, the Pre-IPO RSU Plan has been fully granted to its limit, and all of the restricted share units granted thereunder (the exercise of which shall be satisfied by the existing Class B Shares held by SenseTalent) were fully exercised by the relevant participants.

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As at the Latest Practicable Date, 3,376,931,209 options (the exercise of which shall be satisfied by the existing Class B Shares held by SenseTalent) have been granted under the Pre-IPO ESOP, among which 729,021,948 options remained unvested under the terms of the Pre-IPO ESOP. Set out below is a summary of the outstanding options and unvested options under the Pre-IPO ESOP as at the Latest Practicable Date:

Grantees	Total options outstanding as at the Latest Practicable Date	Unvested options as at the Latest Practicable Date
Category 1: Five highest paid individuals during the financial year ended December 31, 2023		
Five highest paid individuals during the financial year ended December 31, 2023 ⁽¹⁾	90,841,724	54,760,214
Category 2: Other Grantees		
Total of all other grantees under the Pre-IPO ESOP Plan ⁽²⁾	895,384,936	674,261,734
	3,806,936 ⁽³⁾	0
	122,501,482 ⁽⁴⁾	122,501,482
	35,017,844 ⁽⁵⁾	0
	734,058,674 ⁽⁶⁾	551,760,252
Total of all categories	986,226,660	729,021,948

Notes:

- (1) Such options were granted from January 1, 2020 to April 25, 2024 with a vesting period of 3.5 to 4.25 years, exercise period of 7 years and exercise price of approximately HK\$0.78 or HK\$0.22 or HK\$0.01.
- (2) Such options were granted from November 2, 2016 to May 28, 2024 with a vesting period of 0 to 4.25 years, exercise period of 7 years and exercise price of approximately HK\$0.78 or HK\$0.22 or HK\$0.01 or HK\$0.0001.
- (3) Options granted to the other grantees with an exercise price of approximately HK\$0.0001.
- (4) Options granted to the other grantees with an exercise price of approximately HK\$0.01.
- (5) Options granted to the other grantees with an exercise price of approximately HK\$0.22.
- (6) Options granted to the other grantees with an exercise price of approximately HK\$0.78.

Subject to the obtaining of the requisite approvals for the Proposed 2022 RSU Scheme Amendments, the Board intends to terminate the Pre-IPO RSU Plan and the Pre-IPO ESOP Plan in accordance with their respective terms and will make no further grant of restricted share unit or option (as the case may be) thereunder from the date of such termination. For the avoidance of doubt, the termination of the Pre-IPO RSU Plan and the Pre-IPO ESOP Plan shall not affect the subsisting rights of any grantee thereunder.

LETTER FROM THE BOARD

7. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 44 to 48 of this circular. At the AGM, resolutions will be proposed to approve, among others, (i) the proposed appointment of an executive Director and re-election of the retiring Directors; (ii) the proposed grant of the Share Repurchase Mandate; (iii) the proposed grant of the Share Issue Mandate (including the extended Share Issue Mandate); (iv) the proposed re-appointment of auditor; and (v) the proposed amendments to the 2022 RSU Scheme, the adoption of the Scheme Mandate Limit and the adoption of the Service Provider Sublimit under the Amended 2022 RSU Scheme.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

The Company is controlled through weighted voting rights. Holders other than the WVR Beneficiaries present in person (in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote per Share. The WVR Beneficiaries present in person (in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have 10 votes per Share (i.e. in respect of resolutions no. 1 to 4, 6 to 9 and 11 to 13 as set out in the notice of the AGM), save for resolutions with respect to any Reserved Matters, in which case they shall have one vote per Share (i.e. in respect of resolutions no. 5, regarding the proposed re-election of Prof. Xue Lan as an independent non-executive Director, and no. 10, regarding the proposed re-appointment of auditor, each as set out in the notice of the AGM). Holders of Class B Shares and Class A Shares shall at all times vote together as one class. Pursuant to the Listing Rules, any holders of treasury Shares shall abstain from voting in the Company's general meetings. As at the Latest Practicable Date, no treasury Shares are outstanding. As such, so far as the Directors are aware, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain in respect of any resolutions proposed at the AGM.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.sensetime.com>). Whether or not you are able to attend the AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of attorney or authority, to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the AGM (i.e. not later than 3:00 p.m. on Monday, June 24, 2024) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM physically if you so wish and in such event, your proxy form shall be deemed to be revoked.

LETTER FROM THE BOARD

8. RECOMMENDATION

The Directors (including independent non-executive Directors) are of the opinion that all the proposed resolutions are in the interests of the Company and the Shareholders as a whole and so recommend the Shareholders to vote in favor of all the resolutions to be proposed at the AGM.

9. RESPONSIBILITY STATEMENT

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

Yours faithfully,
By order of the Board
SenseTime Group Inc.
商汤集团股份有限公司
Dr. Xu Li
Executive Chairman
Chief Executive Officer

Pursuant to the Listing Rules, the details of Dr. Lin, who is proposed to be elected as an executive Director, and the Directors who will retire and being eligible, offer themselves for re-election at the AGM, are provided below.

(1) POSITION AND EXPERIENCE

Dr. Lin Dahua (林達華)

Dr. Lin Dahua (aged 42) is our co-founder and chief scientist for the Group's AI infrastructure and Large Model since November 2014 and is principally responsible for the technological deployment and research and development planning of the Group in pioneering areas including AI infrastructure and Large Model, and is also the responsible person of the Chinese University of Hong Kong-SenseTime Joint Laboratory (香港中文大學-商湯聯合實驗室).

Dr. Lin commenced his tenure at the Chinese University of Hong Kong ("CUHK") in the Department of Information Engineering as an assistant professor in August 2014 and was promoted to associate professor in August 2020. He has served as the director of the CUHK Interdisciplinary Artificial Intelligence Research Institute (香港中文大學人工智能交叉學科研究所) since April 2021, and was dual-appointed as a leading scientist at the Shanghai AI Laboratory (上海人工智能實驗室) since November 2021. He has also served as the chairman of the Large Model Standard Working Group (大模型標準工作組) of the Institute of Electrical and Electronics Engineers (IEEE) since June 2023. From September 2012 to August 2014, Dr. Lin held the position of research assistant professor at the Toyota Technological Institute at Chicago.

Dr. Lin obtained a Bachelor's degree in Electronic Engineering and Information Science from the University of Science and Technology of China in July 2004, followed by a Master of Philosophy at the CUHK in July 2006. He then earned a Doctor of Philosophy degree in Computer Science from the Massachusetts Institute of Technology in July 2012.

Dr. Xu Li (徐立)

Dr. Xu Li (aged 42) is our co-founder, executive Chairman of our Board, executive Director and chief executive officer. He was appointed as a Director on December 15, 2015 and re-designated as an executive Director on August 23, 2021. He is primarily responsible for our Group's vision strategy, business development and daily operations. He has been an adjunct professor at Shanghai Jiao Tong University since December 2018.

Prior to joining our Group, Dr. Xu Li was a research scientist at Lenovo Group Ltd. from August 2013 to March 2015, and a postdoctoral fellow at the Chinese University of Hong Kong from October 2010 to July 2013.

Dr. Xu Li obtained his bachelor's degree in computer science and engineering in July 2004 and his master's degree in computer engineering in March 2007 from Shanghai Jiao Tong University (上海交通大學), and his Ph.D. degree in computer science and engineering in December 2010 from the Chinese University of Hong Kong, where he focused on research on computer vision and computational imaging.

Dr. Xu Li was ranked top ten in Fortune's Global List of 40 Under 40 in 2018, an annual ranking published by Fortune featuring the most influential young people in business sector. He was also listed on Fortune China's 40 Under 40, a list featuring 40 young business elites in China, for five consecutive years from 2017 to 2021. He was named as the Technology Category Winner of Ernst & Young Entrepreneur of The Year China 2018 and the Hong Kong InnoStars Award (香港創新領軍人物大獎) by Our Hong Kong Foundation (團結香港基金) in 2019.

Ms. Fan Yuanyuan (范瑗瑗)

Ms. Fan Yuanyuan (aged 49) has been our Director since January 25, 2017 and re-designated as a non executive Director on August 23, 2021. She is primarily responsible for providing advice to the overall development of our Group.

Ms. Fan has years of experience in private equity investments, management consulting and financial services. She has been a Board Director of UniLink Capital since February 2024. She worked with Sailing Capital from January 2013 to November 2023, had been a partner and managing director from January 2016 to February 2023, and had been a deputy CEO of Sailing Capital (Hong Kong) from March 2023 to November 2023, responsible for cross-border private equity investments. She was a director of Jianpu Technology Inc., a company listed on the New York Stock Exchange (stock code: JT) from October 2017 to May 2019. She served as an adjunct professor at the college of business of the Shanghai University of Finance and Economics (上海財經大學) from December 2017 to December 2019. She had previously worked at Pacific Asset Management from July 2010 to December 2012 and McKinsey & Company from October 2008 to June 2010.

Ms. Fan obtained a bachelor's degree and a master's degree in economics from the Shanghai University of Finance and Economics in July 1996 and January 1999, respectively. She further received an MBA degree from Cornell University in May 2003 and an EMBA degree from Tsinghua University in July 2015.

Prof. Xue Lan (薛瀾)

Prof. Xue Lan (aged 64) has been our independent non-executive Director since December 7, 2021. He is primarily responsible for offering independent advice to our Board on the operations and management of our Group.

Prof. Xue has been a professor at Tsinghua University since September 1998 and the Dean of Schwarzman College since September 2018. He was the Dean of the School of Public Policy and Management at the same university from October 2008 to November 2018. He has also been an independent non-executive director of Neusoft Corporation (東軟集團股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600718) since May 2020 and an independent non-executive director of Lenovo Group Limited (聯想集團有限公司), a company listed on the Stock Exchange (stock code: 992) since June 2022, where he acquired corporate governance experience. His corporate governance experience includes, among others, (i) regularly attending board meetings and providing independent opinions to Neusoft Corporation and Lenovo Group Corporation on certain corporate governance matters to ensure that it is operated and managed for the benefit of all of its shareholders and in compliance with the relevant laws and regulations; (ii) reviewing and opining on related party transactions and connected transactions (as the case may be); (iii) monitoring the appointment and remuneration of directors and senior management; and (iv) reviewing and understanding the implementation of internal control measures of Neusoft Corporation and Lenovo Group Corporation.

Prof. Xue has been serving as the vice chairman of the board of Chinese Association of Science of Science and S&T Policy (CASSSP) (中國科學學與科技政策研究會) since October 2015, a member and chair of the National Expert Committee on New Generation of Artificial Intelligence Governance (國家新一代人工智能治理專業委員會) since March 2019, a member of the Standing Committee of the China Association for Science and Technology since May 2021, a member of the United Nations Committee of Experts on Public Administration (CEPA) since August 2021 and a member of the United Nations Internet Governance Forum (IGF) Leadership Panel since August 2022. Prof. Xue was awarded the Fudan Distinguished Contribution Award for Management Science in November 2011, the Outstanding Contribution Award by the CASSSP in October 2018 and the National Award for Excellence in Innovation (全國創新爭先獎章) in May 2020. He was also recognized as a Changjiang Scholar by the Ministry of Education of the PRC in 2008.

Prof. Xue obtained his bachelor's degree in optics and fine mechanics from the Changchun Institute of Optics and Fine Mechanics (長春光學精密機械學院) (currently known as Changchun University of Science and Technology (長春理工大學)) in January 1982. He obtained a Master of Science degree from the State University of New York at Stony Brook in December 1987. He further received a Master of Science degree and a Ph.D. degree in engineering and public policy from Carnegie-Mellon University in May 1989 and December 1991, respectively.

Save as disclosed above, each of Dr. Xu Li, Dr. Lin Dahua, Ms. Fan Yuanyuan and Prof. Xue Lan has not held other directorships in the last three years in public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

(2) LENGTH OF SERVICE AND EMOLUMENTS

Dr. Xu Li entered into a service contract with the Company, and each of Ms. Fan and Prof. Xue entered into an appointment letter with the Company, pursuant to which each of them agreed to act as a Director for a period of three years or until the third general meeting of the Company after the Listing Date, whichever is earlier. The Company will enter into a new service contract with Dr. Xu Li and Dr. Lin and a new appointment letter with Ms. Fan and Prof. Xue subject to the approval of their appointment or re-appointment by the Shareholders at the AGM, pursuant to which each of them will agree to act as a Director for a period of three years after the conclusion of the AGM, subject to retirement and re-election at annual general meeting of the Company in accordance with the Memorandum and Articles of Association.

Each of Dr. Xu Li and Dr. Lin is and will not be entitled to any annual Director's fee from the Company for his appointment as a Director, but is entitled to receive salaries and other benefits for his employment with the Group as well as discretionary bonus which will be determined by the Group with reference to his performance, duties and responsibilities with the Group and the prevailing market condition. Prof. Xue Lan is and will be entitled to an annual Director's fee of HK\$1,400,000. Ms. Fan is and will be entitled to an annual Director's fee of HK\$1,400,000.

(3) RELATIONSHIPS

As far as the Directors are aware and as at the Latest Practicable Date, each of Dr. Xu Li, Dr. Lin, Ms. Fan and Prof. Xue, does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules) or controlling Shareholders (as defined in the Listing Rules) of the Company.

Save as disclosed above, each of Dr. Xu Li, Dr. Lin, Ms. Fan and Prof. Xue Lan was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

(5) OTHER INFORMATION AND MATTERS THAT NEED TO BE DISCLOSED OR BROUGHT TO THE ATTENTION OF THE SHAREHOLDERS

Save as disclosed above, each of Dr. Xu Li, Dr. Lin, Ms. Fan and Prof. Xue 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 election or re-election (as the case may be) as a Director.

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution no. 7 to be proposed at the AGM in relation to the grant of the Share Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the grant of the Share Repurchase Mandate is in the interests of the Company and the Shareholders as a whole.

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

The Company confirms that neither this explanatory statement nor the proposed share repurchase under the Share Repurchase Mandate have any unusual features.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 33,468,925,000 Shares, out of which 7,520,115,072 were Class A Shares and 25,948,809,928 were Class B Shares with no treasury Shares.

Subject to the passing of the ordinary resolution set out in no. 7 of the notice of the AGM in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged from the Latest Practicable Date up to the date of the AGM, i.e. being 33,468,925,000 Shares, the Board and/or its authorized person(s) would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, up to a maximum of 3,346,892,500 Shares, representing 10% of the total number of Shares in issue (excluding any treasury Shares) as at the date of the AGM.

3. FUNDING OF REPURCHASES

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

4. IMPACT OF REPURCHASES

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended December 31, 2023) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Board and/or its authorized person(s) does not intend to exercise the Share 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 Board and/or its authorized person(s), are from time to time appropriate for the Company.

5. EFFECT OF TAKEOVERS CODE AND PUBLIC FLOAT

If, on the exercise of the power to repurchase Shares pursuant to the Share 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 by the relevant Shareholder for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined under the Takeovers Code) may 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.

Pursuant to Rule 8A.15 of the Listing Rules, in the event that the Board and/or its authorized person(s) exercises the Share Repurchase Mandate, the WVR Beneficiaries must reduce their weighted voting rights in the Company proportionately (for example through conversion of a proportion of their shareholding with those rights into Class B Shares), if the reduction in the number of Shares (after deducting any treasury Shares) in issue would otherwise result in an increase in the proportion of Class A Shares.

The Board and/or its authorized person(s) has 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.

In addition, the Board and/or its authorized person(s) does not propose to repurchase Shares which would result in less than the relevant prescribed minimum percentage of Shares in public hands as required by the Stock Exchange.

6. INTENTION OF DIRECTORS AND CORE CONNECTED PERSONS TO SELL SHARES

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

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

7. UNDERTAKING BY DIRECTORS

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

The Company may cancel such repurchased Shares or hold them as treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares.

8. MARKET PRICES OF SHARES

The highest and lowest closing prices per Share at which the Class B Shares have been traded on the Stock Exchange during each of the previous 12 months up to the Latest Practicable Date were as follows:

Month	Closing price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
June	2.33	2.07
July	2.18	1.68
August	1.82	1.49
September	1.68	1.37
October	1.48	1.35
November	1.56	1.36
December	1.38	1.08
2024		
January	1.16	0.79
February	0.96	0.78
March	0.92	0.70
April	1.22	0.58
May (up to the Latest Practicable Date)	1.68	1.31

9. REPURCHASES OF SHARES MADE BY THE COMPANY

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

The following is a summary of the principal terms of the Amended 2022 RSU Scheme. It does not form part of, nor is it intended to be part of the rules of the Amended 2022 RSU Scheme and it should not be taken as affecting the interpretation of the rules of the Amended 2022 RSU Scheme.

1. PURPOSE, DURATION AND ADMINISTRATION OF THE AMENDED 2022 RSU SCHEME

The purposes of the Amended 2022 RSU Scheme are to (i) recognise the contributions by the Participants with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals for the continual operation and development of the Group; (iii) provide additional incentives for them to achieve performance goals; (iv) attract suitable personnel for further development of the Group; and (v) motivate the Participants to maximise the value of the Company for the benefits of both the Participants and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Participants directly to the Shareholders through ownership of the RSUs.

Subject to any early termination as may be determined by the Board pursuant to the terms of the Amended 2022 RSU Scheme, the Amended 2022 RSU Scheme shall be valid and effective for a period of 10 years commencing on the adoption date (being June 20, 2022, being the date on which the Amended 2022 RSU Scheme was first adopted by Board), after which no RSUs will be granted, but the provisions of the Amended 2022 RSU Scheme shall in all other respects remain in full force and effect and the RSUs granted during the term of the Amended 2022 RSU Scheme may continue to be valid and exercisable in accordance with their respective terms of grant.

The Amended 2022 RSU Scheme shall be subject to the administration of the Board (or such other committee as the Board may authorise) in accordance with the terms and conditions of the Amended 2022 RSU Scheme and references to the “Board” in this Appendix include such other committee as the Board may authorise. The Board shall have the sole and absolute right to, among others, determine the Senior Grantees who will be granted RSUs under the Amended 2022 RSU Scheme, the terms and conditions (including the vesting schedule and other terms and conditions (if any)) on which RSUs are granted to Senior Grantees and when the RSUs granted to Senior Grantees pursuant to the Amended 2022 RSU Scheme may vest. The Chairman shall have the sole and absolute right to, among others, determine the Junior Grantees who will be granted RSUs under the Amended 2022 RSU Scheme, the terms and conditions (including the vesting schedule and other terms and conditions (if any)) on which RSUs are granted to Junior Grantees and when the RSUs granted to Junior Grantees pursuant to the Amended 2022 RSU Scheme may vest.

The Company may appoint one or more trustees to assist with the administration and vesting of RSUs granted pursuant to the Amended 2022 RSU Scheme. In addition, the Company may establish one or more special purpose vehicles for the purpose of holding any Class B Shares and/or the consideration received in accordance with the terms and conditions of the Amended 2022 RSU Scheme. Any special purpose vehicles shall be administered by the Administrative Committee.

The Administrative Committee may (i) direct the Company to allot and issue Class B Shares or transfer any treasury shares of the Company in issue to the relevant trustee and/or special purpose vehicles subject to compliance with any applicable laws and regulations (including but not limited to the Listing Rules) and any trust deed; and/or (ii) direct and procure the relevant trustee and/or special purpose vehicles to receive existing Class B Shares from any Shareholder or purchase existing Class B Shares (either on-market or off-market), for the purposes of satisfying any RSUs granted or to be granted under the Amended 2022 RSU Scheme. The Company shall procure that sufficient funds are provided to the relevant trustee and/or special purpose vehicles by whatever means as the Administrative Committee may determine to enable the relevant trustee and/or special purpose vehicles to satisfy its obligations in connection with the administration of the Amended 2022 RSU Scheme.

2. PARTICIPANTS OF THE AMENDED 2022 RSU SCHEME AND BASIS OF DETERMINING THE ELIGIBILITY OF THE AMENDED 2022 RSU SCHEME

The eligibility of any person as a Participant shall be determined by the Board in its sole discretion on the basis of the Board's opinion as to his contribution and/or future contribution to the development and growth of the Group.

3. SCHEME MANDATE LIMIT, SERVICE PROVIDER SUBLIMIT AND INDIVIDUAL LIMITS

- (a) Subject to Clauses 3(c) and 3(d) below, the maximum number of new Class B Shares which may be allotted and issued in respect of all RSUs to be granted under the Amended 2022 RSU Scheme and all options and/or awards under any other share schemes of the Company shall not exceed 10% of the number of Shares in issue as at the Amendment Date (excluding any treasury shares of the Company) (the “**Scheme Mandate Limit**”). Any RSUs lapsed in accordance with the Amended 2022 RSU Scheme and any awards or options lapsed in accordance with any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- (b) Subject to Clause 3(c) below, the maximum number of new Class B Shares which may be allotted and issued in respect of all RSUs to be granted under the Amended 2022 RSU Scheme and all options and/or awards under any other share schemes of the Company to the Service Providers under the Scheme Mandate Limit shall not exceed 1% of the number of Shares in issue as at the Amendment Date (excluding any treasury shares of the Company) (the “**Service Provider Sublimit**”).

- (c) Without prejudice to Clause 3(d), the Company may seek approval of its shareholders in general meeting to refresh the Scheme Mandate Limit and/or the Service Provider Sublimit, provided that:
- (i) (a) the total number of new Shares which may be allotted and issued in respect of all RSUs to be granted under the Amended 2022 RSU Scheme and all options and awards to be granted under any other share schemes of the Company as refreshed must not exceed 10% of the total number of Shares in issue as at the approval date of the refreshed Scheme Mandate Limit (excluding any treasury shares of the Company); and (b) the total number of new Shares which may be allotted and issued in respect of all RSUs to be granted to any Service Provider under the Amended 2022 RSU Scheme and all options and awards to be granted under any other share schemes of the Company as refreshed must not exceed 1% of the total number of Shares in issue as at the approval date of the refreshed Service Provider Sublimit (excluding any treasury shares of the Company). For the purpose of calculating the refreshed Scheme Mandate Limit and/or the Service Provider Sublimit, any RSUs lapsed in accordance with the Amended 2022 RSU Scheme and any awards or options lapsed in accordance with any other share schemes of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and/or the Service Provider Sublimit;
 - (ii) where the refreshment of the Scheme Mandate Limit and/or the Service Provider Sublimit is sought after three years from the Amendment Date or the date of shareholders' approval for the last refreshment, the refreshment shall be approved by the Shareholders in a general meeting;
 - (iii) subject to Clause 3(c)(iv), where the refreshment of the Scheme Mandate Limit and/or the Service Provider Sublimit is sought within a three year period from the Amendment Date or the date of shareholders' approval for the last refreshment, the refreshment shall be approved by independent Shareholders in a general meeting, and for such purposes, any controlling shareholder of the Company and their associates or (where the Company has no controlling shareholder) the Directors (excluding any independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution(s) approving the refreshment at the general meeting, and the Company shall comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the Listing Rules or such other requirements under the Listing Rules from time to time;
 - (iv) the requirements under Clause 3(c)(iii) shall not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit and/or the Service Provider Sublimit (as a percentage of the relevant Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit and/or the Service Provider Sublimit immediately before such issue of securities, rounded to the nearest whole Share.

- (d) Notwithstanding the foregoing provisions, the Company may at any time seek separate approval by Shareholders for granting RSUs beyond the Scheme Mandate Limit, provided that the RSUs in excess of the Scheme Mandate Limit are granted only to Participant(s) specifically identified by the Company before such approval is sought.
- (e) Subject to Clause 3(f), no RSU may be granted to any Participant if such further grant of RSUs would result in the Shares issued and to be issued in respect of any RSUs granted under the Amended 2022 RSU Scheme and all awards and options granted under any other share schemes of the Company to any Participant (excluding any RSUs lapsed in accordance with the terms of the Amended 2022 RSU Scheme or any awards or options lapsed in accordance with the terms of any other share schemes of the Company) in the 12-month period up to and including the date of such proposed grant exceeding 1% of the Shares in issue at the time of such proposed grant.
- (f) Where any further grant of RSUs to a Participant would result in the Shares issued and to be issued in respect of any RSUs granted under the Amended 2022 RSU Scheme and all awards and options granted under any other share schemes of the Company to any Participant (excluding any RSUs lapsed in accordance with the terms of the Amended 2022 RSU Scheme or any awards or options lapsed in accordance with the terms of any other share schemes of the Company) in the 12-month period up to and including such proposed grant to exceed 1% of the Shares in issue at the time of such proposed grant (excluding any treasury shares of the Company), such grant shall be separately approved by the Shareholders, and for such purposes, the Participant and his close associates (or where the Participant is a connected person, his associates) shall abstain from voting on the resolution approving such grant to the relevant Participant.
- (g) Where any further grant of RSUs to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all RSUs granted under the Amended 2022 RSU Scheme and all awards granted under any other share schemes of the Company (excluding any RSUs lapsed in accordance with the terms of the Amended 2022 RSU Scheme, any awards lapsed in accordance with the terms of any other share schemes of the Company, and any options) to such person in the 12-month period up to and including such grant to exceed 0.1% of the Shares in issue at the time of such proposed grant (excluding any treasury shares of the Company), such grant must be separately approved by the Shareholders, and for such purposes, the relevant Participant to which the grant is proposed to be made, his associates and all core connected persons of the Company shall abstain from voting in favour on the resolution approving such grant to the relevant Participant.

- (h) Where any further grant of RSUs to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all RSUs granted under the Amended 2022 RSU Scheme and all awards and options granted under any other share schemes of the Company (excluding any RSUs lapsed in accordance with the terms of the Amended 2022 RSU Scheme, any awards or options lapsed in accordance with the terms of any other share schemes of the Company) to such person in the 12-month period up to and including such grant to exceed 0.1% of the Shares in issue at the time of such proposed grant (excluding any treasury shares of the Company), such grant must be separately approved by the Shareholders, and for such purposes, the relevant Participant to which the grant is proposed to be made, his associates and all core connected persons of the Company shall abstain from voting in favour on the resolution approving such grant to the relevant Participant.
- (i) For the purposes of seeking the requisite Shareholders' approval under Clauses 3(c) to 3(h) above, the Company shall send a circular to the Shareholders containing such required information and within such time, each as may be specified under the Listing Rules from time to time.

4. GRANT OF RSUs and performance targets

On and subject to the terms of the Amended 2022 RSU Scheme, the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) shall be entitled at any time during the term of the Amended 2022 RSU Scheme to make a grant to any Participant, as the Board or the Chairman (as the case may be) may in its absolute discretion determine. The amount of RSUs to be granted may be determined at the sole and absolute discretion of the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) and may differ among selected Participants.

RSUs may be granted on such terms and conditions (such as by linking the vesting of the RSU to the attainment or performance of certain objectives or performance targets by any member of the Group, the Grantee or any group of Grantees) as the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) may determine, provided such terms and conditions shall be consistent with any other terms and conditions of the 2022 RSU Scheme. Such performance targets may include, but are not limited to, targets that are benchmarked to the business and operational segments of the Group such as research and development, business development, sales and marketing and financial performance of the Group, or those relating to individual performance relevant to the Participant's roles and responsibilities, which shall be assessed at the end of the performance period for such target by comparing the actual performance against the pre-agreed targets. The Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) shall have the right to make adjustments to the relevant objectives or performance targets subsequent to the grant of RSUs, provided that such adjustments shall be considered fair and reasonably by the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees).

Restrictions on Grant

No RSU may be granted to any Participant:

- (a) where the Company has information that must be disclosed under Rule 13.09 of the Listing Rules or where the Company reasonably believes there is inside information (within the meaning given under Part XIVA of the SFO, the “**Inside Information**”) which must be disclosed under Part XIVA of the SFO, until and including the trading day after such Inside Information has been published on the websites of the Stock Exchange and the Company;
- (b) after any Inside Information in relation to the securities of the Company has occurred or has become the subject of a decision, until and including the trading day after such Inside Information has been published;
- (c) within the period commencing 60 days (in the case of annual results), or 30 days (in the case of results for half-year, quarterly or other interim period) immediately preceding the earlier of (i) the date of a meeting of the Board (as such date is first notified to the Stock Exchange) for the approval of the Company’s results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish its quarterly, interim or annual results announcement for any such period, and ending on the date of such announcement;
- (d) in any other circumstances where dealings by selected Participant (including Directors) are prohibited under the Listing Rules, the SFO or any other applicable law or regulation or where the requisite approval from any applicable regulatory authorities has not been granted;
- (e) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant or in respect of the 2022 RSU Scheme, unless the Board determines otherwise;
- (f) where the grant would result in a breach of any applicable securities laws, rules or regulations by any member of the Group or any of its directors; or
- (g) the grant would result in breach of the limits as set out in “3. Scheme Mandate Limit, Service Provider Sublimit and Individual Limits” above or other rules of the Amended 2022 RSU Scheme unless the applicable procedures stipulated thereunder have been complied with.

For as long as the Class B Shares are listed on the Stock Exchange, if required by the Stock Exchange or the Listing Rules, the grant of a RSU shall be subject to the compliance with the requisite requirements under the Listing Rules or otherwise required by the Stock Exchange.

5. VESTING PERIOD

Subject to the terms of the Amended 2022 RSU Scheme, the specific terms and conditions applicable to each RSU, the vesting period shall be determined by the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees), provided that the vesting period for any RSU shall not be less than 12 months except under the specific circumstances as set out below:

- (a) granting RSUs to new employees to replace the share awards they forfeited (the “**Forfeited Awards**”) when leaving their previous employers (including any entity which, as a result of mergers and acquisitions by the Company, became a subsidiary of the Company). The vesting period for such RSUs will be the same as the remaining vesting period of the Forfeited Awards (which may be less than 12 months);
- (b) granting RSUs to a Participant whose employment or service (as the case may be) was terminated due to death, illness, disability or any force majeure event;
- (c) granting RSUs which are subject to performance-based vesting conditions (as opposed to time-based conditions);
- (d) granting RSUs that are made in batches during a year for administrative and/or compliance reasons, in which case the vesting periods for such RSUs may be shortened to reflect the time from which the RSUs would have been granted;
- (e) granting RSUs with a mixed or accelerated vesting schedule such that the RSUs may vest evenly over a period of 12 months; or
- (f) granting RSUs with a total vesting and holding period of more than 12 months.

The RSUs which have vested shall be satisfied at the sole and absolute discretion of the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) within a reasonable period from the vesting date of such RSUs, in whole or in part by either: (a) the Administrative Committee directing and procuring the relevant trustee and/or special purpose vehicle to transfer the Class B Shares underlying the RSUs to the Grantee in such manner as determined by it from time to time; and/or (b) the Administrative Committee directing and procuring the trustee and/or special purpose vehicle to pay to the Grantee in cash an amount which is equivalent to the market value of the Class B Shares (in which case, the amount payable to such Grantee shall be the actual sale proceeds net of any tax, fees, levies or other charges applicable).

Unless otherwise provided in the Amended 2022 RSU Scheme, any RSU shall vest upon the expiry of the vesting period subject to the specific terms and conditions as determined by the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees), provided that:

- (a) in the event a general offer for Shares (whether by way of voluntary offer, takeover, scheme of arrangement or otherwise) is made to all holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror), the Board may, prior to or

immediately upon the offer becoming or being declared unconditional, determine at its absolute discretion whether any RSU shall vest prior to the expiry of the vesting period and the period within which such RSU shall vest. If the Board determines that such RSU shall vest prior to the expiry of the vesting period, it shall notify the Grantee, and the Company that the RSU shall vest and the period within which such RSU shall vest. In the absence of such determination by the Board, the RSUs shall continue to vest in accordance with their respective vesting timetable;

- (b) in the event of a compromise or arrangement between the Company and the Shareholders or its creditors being proposed in connection with a scheme for the reconstruction of the Company or its amalgamation or merger with any other company or companies pursuant to the Companies Act of the Cayman Islands, the Board may, prior to or immediately upon the meeting of the Shareholders or creditors considering such compromise or arrangement, determine at its absolute discretion whether any RSU shall vest prior to the expiry of the vesting period and the period within which such RSU shall vest. If the Board determines that such RSU shall vest, it shall notify the Grantee, and the Company that the RSU shall vest prior to the expiry of the vesting period and the period within which such RSU shall vest. In the absence of such determination by the Board, the RSUs shall continue to vest in accordance with their respective vesting timetable, provided that upon such compromise, arrangement, amalgamation or merger becoming effective, all RSUs shall, to the extent that they have not been vested, lapse and determined;
- (c) in the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Board may, prior to or immediately upon the meeting of the Shareholders considering such resolution, determine at its absolute discretion whether any RSU shall vest prior to the expiry of the vesting period and the period within which such RSU shall vest. If the Board determines that such RSU shall vest, it shall notify the Grantee, and the Company that the RSU shall vest prior to the expiry of the vesting period and the period within which such RSU shall vest. In the absence of such determination by the Board, the RSUs shall continue to vest in accordance with their respective vesting timetable, provided that all RSUs shall, to the extent that they have not been vested, lapse immediately on the date of the commencement of the voluntary winding-up of the Company; and
- (d) the Board may, in its absolute discretion and on any terms and conditions as it thinks fit, accelerate the vesting period of all or any RSUs at any time subject to the applicable terms and conditions in connection with such RSUs.

6. CONSIDERATION AND BASIS OF DETERMINATION

The consideration (if any) payable by a selected Participant to the relevant trustee and/or special purpose vehicle for acceptance and/or vesting of the RSU under the Amended 2022 RSU Scheme and the period within which such consideration shall be paid by a selected Participant shall be determined at the sole and absolute discretion of the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees). Such consideration (if any) shall be determined taking into account the prevailing market price of the Class B Shares, the purposes of the Amended

2022 RSU Scheme and the RSUs to be granted, the profile of the relevant Participant, and such other factors as the Board (in the case of the Senior Grantees) or the Chairman (in the case of Junior Grantees) may deem relevant.

7. RIGHTS OF THE PARTICIPANTS

The RSUs do not carry any right to vote general meetings of the Company. No Grantees shall enjoy any of the rights of a Shareholder by virtue of the grant of an RSU under the Amended 2022 RSU Scheme, unless and until the Class B Shares underlying the RSUs are actually transferred to or allotted or issued to (as the case may be) to the Grantees following the vesting of such RSUs, provided that (i) the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) shall have the sole and absolute discretion to determine that any Grantee shall be entitled to exercise the voting rights in any Class B Shares held by a trustee and/or a special purpose vehicle for the purpose of satisfying any vested RSUs held by such Grantee through the trustee and/or special purpose vehicle; and (ii) the Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) shall have the sole and absolute discretion to determine that any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions derived from any Shares underlying a RSU prior to vesting of the RSU shall also be paid to any Grantee upon vesting of the RSUs.

8. LAPSE OF RSUs

The unvested RSUs shall automatically lapse upon the earliest of: (a) the date on which the Participant ceases to be an eligible Participant; (b) the expiry of any of the periods or the occurrence of the relevant event referred to in paragraph 5; (c) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company; (d) the date on which the Grantee commits a breach of the restrictions as set out in the paragraph headed “Transferability of the RSUs” below; (e) the date on which the Participants are found to be an Excluded Person; (f) the date on which it is no longer possible to satisfy any outstanding conditions to vesting; or (g) the Board has decided that the unvested RSUs shall not be vested for the Grantee in accordance with the rules of the Amended 2022 RSU Scheme and the terms and conditions as set out in the notice of grant.

9. ADJUSTMENTS

In the event of any alteration in the capital structure of the Company, such as capitalization issue, rights issue, consolidation, sub-division and reduction of the share capital of the Company (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 any member of the Group is a party), the Board may make equitable adjustments that it considers appropriate, at its sole and absolute discretion, to:

- (a) the Scheme Mandate Limit and the Service Provider Sublimit; and/or
- (b) the number and/or nominal value of Shares underlying any RSU or part thereof which has not yet been vested and/or satisfied;

provided that:

- (a) any such adjustment shall be made to give a Grantee the same proportion of the equity capital of the Company (rounded to the nearest whole Share) as that to which the Grantee was previously entitled; and
- (b) no such adjustment shall be made to the extent that a Share would be issued at less than its nominal value.

In respect of such adjustments (other than any made on a capitalisation issue), the auditor or an independent financial adviser to the Company (as the case may be) must confirm to the Board in writing that the adjustments satisfy the applicable requirements under the Listing Rules. The capacity of the auditor or the independent financial adviser to the Company (as the case may be) in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees.

10. CANCELLATION OF RSUs

The Board (in the case of Senior Grantees) or the Chairman (in the case of Junior Grantees) may in its sole discretion cancel any RSUs granted but which remain unvested. RSUs may be made to a Participant in place of any cancelled RSUs, provided that there are available Scheme Mandate Limit and (where applicable) Service Provider Sublimit for such grant. Where any RSUs granted to a Grantee are cancelled, the RSUs cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and (where applicable) the Service Provider Sublimit.

11. TERMINATION OF THE AMENDED 2022 RSU SCHEME

The Amended 2022 RSU Scheme may be terminated at any time prior to the expiry of its term by the Board provided that such termination shall not affect any subsisting rights of any Grantee hereunder. For the avoidance of doubt, no further RSUs shall be granted after the Amended 2022 RSU Scheme is terminated but in all other respects the provisions of the Amended 2022 RSU Scheme shall remain in full force and effect. All RSUs granted prior to such termination (whether or not vested on the date of termination) shall remain valid.

12. TRANSFERABILITY OF THE RSUs

Any RSU granted pursuant to the 2022 RSU Scheme shall be personal to the Grantee and shall not be assignable or transferable. No Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber, hedge or create any interest in favor of any other person over or in relation to any RSU or any property held by the trustee on trust for the Grantees, RSUs, Shares underlying any RSUs or RSUs or any interest or benefits therein. Subject to the obtaining of the required waiver from the Stock Exchange, the Administrative Committee may allow a transfer of the RSUs to a vehicle (such as a trust or a private company) for the benefit of the Grantee and any family members of such Grantee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the Amended 2022 RSU Scheme and comply with Chapter 17 of the Listing Rules. Where such waiver is granted, any transfer to a permitted transferee shall be subject to the terms of (in the case of RSUs held under a Trust) the relevant Trust Deed and the applicable laws and regulations including but not limited to the Listing Rules (as amended from time to time).

13. AMENDMENT OF THE AMENDED 2022 RSU SCHEME

- (a) Any alterations to the terms and conditions of the Amended 2022 RSU Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Participants shall not be made, in either case, without the prior approval of Shareholders in general meeting. The Board's determination as to whether any proposed alteration to the terms and conditions of the Amended 2022 RSU Scheme is material shall be conclusive.
- (b) Any alterations to the terms of the RSUs granted to a Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the RSUs was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be), except where the alterations take effect automatically under the existing terms of the Amended 2022 RSU Scheme.
- (c) Except as otherwise provided under the terms of the Amended 2022 RSU Scheme, the terms of the Amended 2022 RSU Scheme may be altered, amended or waived in any respect by the Board provided that such alteration, amendment or waiver shall not affect any subsisting rights of any Grantee thereunder.

14. CLAWBACK

- (a) Upon the occurrence of any of the following events in relation to a Participant, no further RSUs shall be granted to such Participant and the RSUs granted to such Participant shall be clawed back and shall lapse accordingly on the date as determined by the Board or the Chairman (as the case may be) (if such RSUs are unvested):
 - (i) the Participant is charged with any crime under any national law/regulation, being convicted of such crime, or being required to undertake any criminal legal responsibility;
 - (ii) the Participant is in breach of any non-competition obligation, non-solicitation obligation (including such obligation relating to customer/suppliers, potential customers/suppliers, and/or employees), confidentiality obligation; and/or disparaging the Company or its affiliates;
 - (iii) the Participant is in breach of any laws or regulations, policies of the Company and/or employment agreement or labour agreement entered into between any members of the Group and such Participant, which resulted in the termination of the employment relationship of such Participant with any members of the Group;

- (iv) the Participant has committed any conduct which constitutes a serious breach of the policies of the Company, or which resulted or would result in serious harm to any members of the Group (whether as viewed in the details of the relevant acts or on the actual effect on the Company), which include but are not limited to any reputational damage or economic losses. The foregoing reference to “serious breach” and/or “serious harm” includes any breach or harm as described or defined in the employment agreement, labour agreement or service contract, or the Company’s various policies; and/or as determined by the Board. The Board shall have the final right to determine whether the circumstances relate to a “serious breach” or “serious harm”; or
 - (v) in any such events or circumstances as may be specified in the terms and conditions in connection with such RSUs.
- (b) Where a RSU granted to a Participant has been vested at the time when such RSU is clawed back, the Participant shall return, in the sole discretion of the Board or the Chairman (as the case may be):
 - (i) the exact number of vested and clawed back Share(s), by transferring it at nil consideration, the lowest consideration permissible under any applicable laws and regulation or the consideration (if any) paid by the Participant for the acceptance and/or vesting of the RSU to the Company or any third party designated by the Board or the Chairman (as the case may be); or
 - (ii) the monetary amount equivalent to the value of the relevant Share(s) on the date of such clawback or the amount of sale proceeds as a result of the sale of the relevant Share(s) actually received by such Participant.
- (c) Where a RSU granted to a Participant is unvested at the time when such RSU is clawed back, such RSU shall lapse on the date as determined by the Board or the Chairman (as the case may be) in its sole discretion.

NOTICE OF THE ANNUAL GENERAL MEETING



SenseTime Group Inc.

商汤集团股份有限公司

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

(Stock Codes: 0020 (HKD Counter) and 80020 (RMB Counter))

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of SenseTime Group Inc. (商汤集团股份有限公司) will be held at No. 1900 Hongmei Road, Xuhui District, Shanghai 200233, PRC on Wednesday, June 26, 2024 at 3:00 p.m. for the following purposes:

AS ORDINARY RESOLUTIONS

1. To receive the audited consolidated financial statements of the Company and the reports of the directors (the “**Director(s)**”) and the auditor of the Company for the year ended December 31, 2023;
2. To elect Dr. Lin Dahua as an executive Director;
3. To re-elect Dr. Xu Li as an executive Director;
4. To re-elect Ms. Fan Yuanyuan as a non-executive Director;
5. To re-elect Prof. Xue Lan as an independent non-executive Director;
6. To authorize the board of Directors of the Company (the “**Board**”) to fix the respective Directors’ remuneration;
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, a general unconditional mandate be and is hereby given to the Board and/or its authorized person(s), during the Relevant Period (as defined below) to exercise all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited or on another stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company (excluding any class B ordinary shares in the share capital of the Company (“**Class B Shares**”) that are held as treasury shares (the “**treasury Shares**”) which shall have the meaning ascribed to it under the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited coming into effect on June 11, 2024) as at the date of passing this resolution (subject to adjustment in the case of any consolidation or subdivision of the shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly; and
 - (c) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company (the “**Memorandum and Articles of Association**”) or any applicable laws to be held.”;
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, a general unconditional mandate be and is hereby given to the Board and/or its authorized person(s), during the Relevant Period (as defined below) to exercise all the powers of the Company to allot, issue and deal with authorized and unissued 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 and/or to sell or transfer any treasury Shares and to make or grant offers, agreements and options which might require the exercise of such powers;
- (b) the approval in paragraph (a) above shall authorize the Board and/or its authorized person(s) to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF THE ANNUAL GENERAL MEETING

- (c) the total number of Class B Shares allotted, sold or transferred or agreed conditionally or unconditionally to be allotted, sold or transferred by the Board and/or its authorized person(s) pursuant to the approval in paragraph (a) above, otherwise than by way of Rights Issue (as defined below) or pursuant to the exercise of any subscription rights attaching to any securities which may be allotted and issued by the Company from time to time or, pursuant to the exercise of any options which may be granted or the allotment and issue of Class B Shares in lieu of the whole or part of a dividend on the Class B Shares in accordance with the Memorandum and Articles of Association, shall not exceed 20% of the total number of shares of the Company in issue (excluding any Class B Shares that are held as treasury Shares) as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of the shares of the Company after the passing of this resolution and the said approval shall be limited accordingly) excluding any Class B Shares to be issued upon conversion of class A shares in the share capital of the Company into Class B Shares on a one to one basis; and
- (d) for the purposes of this resolution:

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

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

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

NOTICE OF THE ANNUAL GENERAL MEETING

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

“**THAT** conditional upon the passing of the resolutions set out in items 7 and 8 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 8 of the Notice be and is hereby extended by the addition to the total number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Board and/or its authorized person(s) (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) pursuant to such general mandate of an amount representing the total number of shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 7 of the Notice, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company (excluding any Class B Shares that are held as treasury Shares) as at the date of passing this resolution.”;

10. 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, 2024;

11. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (i) the amendments to the restricted share unit scheme of the Company adopted by the board of Directors on June 20, 2022 (the “**2022 RSU Scheme**”, as amended by the proposed amendments, the “**Amended 2022 RSU Scheme**”), a copy of which is produced to this meeting, marked “A” and initialed by the chairman of the meeting for identification purpose), be and is hereby approved and adopted in all respects in substitution for and to the exclusion of the 2022 RSU Scheme;
- (ii) the Directors be and are hereby authorized to grant awards subject to and in accordance with the terms of the Amended 2022 RSU Scheme, and to do all such acts and execute all such documents as he/she may deem necessary or expedient to give full effect to the implementation of the Amended 2022 RSU Scheme (including, without limitation, to administer the Amended 2022 RSU Scheme in accordance with the terms thereunder, to modify and/or amend the Amended 2022 RSU Scheme in accordance with the terms thereunder subject to the Listing Rules and/or to allot and issue from time to time such number of Class B shares of the Company as may be required and/or to procure transfer or otherwise deal with the relevant Class B Shares or treasury Shares of the Company for the purpose of satisfying grants of awards thereunder).”;

12. To consider, and if thought fit, approve and adopt the Scheme Mandate Limit (as defined in the circular of the Company dated June 4, 2024) under the terms of the Amended 2022 RSU Scheme; and

NOTICE OF THE ANNUAL GENERAL MEETING

13. To consider, and if thought fit, approve and adopt the Service Provider Sublimit (as defined in the circular of the Company dated June 4, 2024) under the terms of the Amended 2022 RSU Scheme.

By order of the Board
SenseTime Group Inc.
商汤集团股份有限公司
Dr. Xu Li
Executive Chairman
Chief Executive Officer

Hong Kong, June 4, 2024

As at the date of this Notice, the Board comprises Dr. Xu Li, Dr. Wang Xiaogang and Mr. Xu Bing as executive Directors; Ms. Fan Yuanyuan as non-executive Director; Prof. Xue Lan, Mr. Lyn Frank Yee Chon and Mr. Li Wei as independent non-executive Directors.

Notes:

- a. Shareholders are reminded that they may exercise their right to vote by using the forms of proxy to appoint the Chairman of the AGM as their proxies to vote on the relevant resolutions.
- b. Any Shareholder of the Company entitled to attend and vote at this meeting is entitled to appoint another person as proxy to attend and vote instead of him/her/it. For the avoidance of doubt and for the purpose of the Listing Rules, holders of treasury Shares of the Company (if any) are not entitled to vote at this meeting. A proxy need not be a Shareholder of the Company. A Shareholder who is the holder of two or more shares of the Company may appoint any number of proxies to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- c. Where there are joint registered holders of any share, any one of such persons may vote at this meeting, either personally or by proxy, in respect of such share as if he/she/it 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.
- d. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, must be deposited at the Company's share registrar in Hong Kong (i.e. Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 3:00 p.m. on Monday, June 24, 2024 or any adjournment thereof. Delivery of the form of proxy shall not preclude a Shareholder of the Company from attending and voting in person physically at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
- e. For determining the entitlement to attend and vote at this meeting, the register of members of the Company will be closed from June 20, 2024 to June 26, 2024 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on June 19, 2024.
- f. References to time and dates in this Notice are to Hong Kong time and dates.
- g. If a tropical cyclone warning signal No. 8 or above is hoisted or "extreme conditions" caused by super typhoons is announced by the Government of Hong Kong or a black rainstorm warning signal is in force at or after 9:00 a.m. on the date of the meeting, the meeting will be postponed or adjourned. The Company will post an announcement on the Stock Exchange's website (<https://www.hkexnews.hk>) and the Company's website (<https://www.sensetime.com>) to notify Shareholders of the date, time and venue of the rescheduled meeting.