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))

CONDITIONAL GRANT OF SHARE AWARDS UNDER THE 2022 RSU SCHEME

This announcement is made by SenseTime Group Inc. (the "**Company**", together with its subsidiaries and consolidated affiliated entities, the "**Group**") pursuant to Rules 17.06A, 17.06B and 17.06C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

On September 4, 2025, the Company granted a total of 1,360,000,000 restricted share units ("**RSUs**") under the restricted share unit scheme of the Company adopted by the board (the "**Board**") of directors of the Company on June 20, 2022 (as amended pursuant to the shareholders' resolutions dated June 26, 2024) (the "**2022 RSU Scheme**") to the Senior Grantees (as defined under the 2022 RSU Scheme, each being an Executive Director) (the "**Proposed Senior Grants**"). The details are set out below:

Date of grant:	September 4, 2025	
Categories of Grantees:	**Grantees**	**Number of Awards granted**
	Senior Grantees, including:	
	Dr. Xu Li (Executive Director)	600,000,000
	Dr. Wang Xiaogang (Executive Director)	200,000,000
	Dr. Lin Dahua (Executive Director)	200,000,000
	Mr. Yang Fan (Executive Director)	200,000,000
	Mr. Wang Zheng (Executive Director)	160,000,000

Number of RSUs granted:	1,360,000,000, conferring the proposed grantees a conditional right upon vesting to obtain an aggregate of 1,360,000,000 class B shares of the Company (the "**Class B Shares**") (representing approximately 3.52% of the total issued shares of the Company as at the date of this announcement) or an equivalent value in cash pursuant to the terms of the 2022 RSU Scheme
Purchase price of the RSUs granted:	Nil
Closing price of the Class B Shares on the date of grant:	HK$1.92 per Class B Share
Conditions Precedent for the Grant:	The grant of RSUs to each of Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng is conditional upon the Company obtaining the necessary shareholders' approval in accordance with Rules 17.03D(1) and 17.04(2) (as appropriate) of the Listing Rules.
Vesting period of the RSUs granted:	The RSUs granted to the relevant Senior Grantees will be vested between 2026 to 2031 on a half-yearly basis, provided that the first vesting date shall be no less than 12 months from the date of grant.
Performance targets and clawback mechanism:	***Performance targets:*** The vesting of the RSUs granted to the relevant Senior Grantee of the Group is conditional upon the achievement of the performance targets as determined by the Board or its authorised representative at his/her absolute discretion. The performance targets are based on the performance and other management indicators and/or other appropriate indicators of the Group and its relevant departments, and subject to assessment by the Board or its authorised representative from time to time. ***Clawback mechanism:*** As described in the circular of the Company dated June 4, 2024, in accordance with the terms of the 2022 RSU Scheme, the clawback mechanism will be triggered on the RSUs upon the occurrence of any of the following events: (a) the participant is charged with any crime under any national law/regulation, or being required to undertake any criminal legal responsibility;

(b) 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;

(c) 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;

(d) 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

(e) in any such events or circumstances as may be specified in the terms and conditions in connection with such RSUs.

Upon the triggering of the clawback mechanism, any unvested RSUs shall lapse on the date as determined by the Board or its authorized representative and any Class B Shares underlying any vested RSUs shall be returned to any third party designated by the Board of the Company in Shares or cash in accordance with the terms of the 2022 RSU Scheme.

The Company and its subsidiaries has not made any arrangements to provide financial assistance to the grantees to promote the purchase of RSUs.

The vesting of the 1,360,000,000 RSUs granted will be satisfied by the issuance of new Class B Shares within the scheme mandate limit under the 2022 RSU Scheme. Upon the vesting of the 1,360,000,000 RSUs granted as set out in this announcement, 1,360,000,000 Class B Shares may be allotted and issued to the trustees and/or the special purpose vehicles established for the purposes of the 2022 RSU Scheme. The new Class B Shares, when issued and allotted, shall rank pari passu among themselves and with the fully paid Class B Shares in issue. An application will be made by the Company to The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") for the listing of, and permission to deal in, such Class B Shares on the Stock Exchange.

REASONS FOR THE PROPOSED GRANT

The purpose of the 2022 RSU Scheme is to (i) recognise the contributions made by participants and provide the participants with an opportunity to acquire an exclusive interest in the Company and become shareholders, thereby aligning their interests with those of the Company and its shareholders; (ii) encourage and retain such persons to contribute their efforts to the long-term growth, continued operation and development of the Group; (iii) provide them with additional incentives to achieve performance goals; and (iv) incentivise the participants to strive for the maximum value for the Group, so as to benefit both the participants and the Company and to achieve the objective of enhancing the value of the Group and its shares, while ownership of the RSUs will align the interests of the participants directly with those of the shareholders.

The Proposed Senior Grants to the Executive Directors are part of the Group's incentive package policy. The purpose of such grants is to closely align the interests and benefits of the Company and its employees in order to maximise the motivation of the Executive Directors. The Executive Directors have been invaluable to and instrumental in the Group's success and development. In determining the number of Shares to be awarded to each of Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng, the Board, the Independent Non-executive Directors and the Remuneration Committee considered the following factors: (1) the responsibilities of the Grantees; (2) the length of service with the Group; (3) the past contribution of the Grantees to the development and growth of the Group or their potential future contribution to the Group; (4) the importance of the Grantees' skills, knowledge, experience, expertise and other personal qualifications to a high-tech company like the Group, which depends significantly on highly educated and skilled individuals with the requisite business and industry knowledge, to retain, motivate and incentivise the Executive Directors and senior management to run the Company successfully for the long-term benefits of the Group; and (5) current market practice and industry standards and, where possible, the level of incentive package provided by comparable companies to their directors.

The Proposed Senior Grants have been considered and approved by the Board, the Remuneration Committee and the Independent Non-executive Directors in accordance with the terms of the 2022 RSU Scheme and/or the Listing Rules and will continued to be subject to the oversight of the Board, the Remuneration Committee and/or the Independent Non-executive Directors as appropriate in accordance with the terms of the 2022 RSU Scheme and/or the requirements under the Listing Rules. Any Director which is a proposed Grantee or has other material interests in the Proposed Senior Grants has abstained from, and will abstain from, voting at Board meetings on the following relevant matters:

(i) the Proposed Senior Grants;

(ii) any exercise of discretion that will materially affect vesting conditions, settlement mechanism or timing (including waivers and/or any accelerated vesting/settlement, if any) in respect of the Proposed Senior Grants to themselves;

(iii) any determination of clawback rights in respect of the Proposed Senior Grants to themselves.

(i) Proposed Senior Grants to Dr. Xu Li

The Board proposes to grant RSUs to Dr. Xu Li, after fully considering his indispensable role as a co-founder, executive Chairman of the Board and Chief Executive Officer of the Company, his profound background and extensive experience in the artificial intelligence industry, and his significant contributions to the Group's growth and sustainable development since the Company was listed.

Dr. Xu Li is a co-founder, executive chairman of the Board, Executive Director, member of the Remuneration Committee, member of the Nomination Committee, member of the Executive Committee, and Chief Executive Officer of the Company. Appointed as Chief Executive Officer and a Director since 2015, he has continuously been responsible for the Group's overall strategic planning and business operational decisions, playing a critical role in the Group's development and success. Under his leadership, the Group has consistently held the top market share in visual AI for nine consecutive years, and is successfully listed in Hong Kong. Subsequently, Dr. Xu Li took a forward-looking approach in promoting AI infrastructure construction and general model deployment, proposing and implementing the integrated strategy "AI Infrastructure (SenseCore) – Large Model (SenseNova) – Application". Such approach has achieved a leap in business from visual AI to generative AI, reaching several important milestones in operational and financial performance. In the face of rapid industry changes, Dr. Xu Li further advanced the Group's "1+X" strategy, accelerating core business and ecosystem synergy, inspiring the team's entrepreneurial momentum for a second time, and continuously promoting the Group's growth and success.

The Group requires a core figure with strong leadership to comprehensively coordinate overall strategy and development, drive the implementation of medium and long-term business strategies, and ensure the achievement of various business objectives. It is expected that Dr. Xu Li's leadership will further enhance the Group's corporate value, thereby safeguarding and promoting the overall interests of the Company and all shareholders.

Dr. Xu Li obtained his bachelor's degree in computer science and engineering and a Master's degree in computer engineering from Shanghai Jiao Tong University, and a Ph.D. in computer science and engineering from the Chinese University of Hong Kong (CUHK). Prior to joining the Company, he served as a postdoctoral fellow at The CUHK and a research scientist at Lenovo Group Ltd.; he also serves as a visiting professor at Shanghai Jiao Tong University.

Dedicated to the artificial intelligence industry for over 15 years, Dr. Xu Li's accumulation of technical foresight, management experience, and expertise is indispensable to the development of the Group. As a scholar, innovator, and entrepreneur, his outstanding contributions and leadership have been fully validated by the Group's achievements in past years.

(ii) Proposed Senior Grants to Dr. Wang Xiaogang

The Board proposes to grant RSUs to Dr. Wang Xiaogang, after fully considering his contributions as a co-founder, Executive Director, and chief technology officer of the Company.

Dr. Wang Xiaogang is a co-founder, Executive Director, member of the Executive Committee, chief technology officer, and Executive Vice President (EVP) of the Company. Upon joining the Group, he successively held the positions of Chief Scientist and chief technology officer, building an independent and controllable technology system that provides solid and reliable underlying support for products and applications. Concurrently serving as the principal officer competent in smart automotive and edge AI directions, he has successfully integrated AI capabilities into diverse terminal devices, including smartphones, intelligent driving, and IoT devices, introducing the market to accessible technologies. His commitments have laid a solid foundation for the Group's business diversification.

Dr. Wang Xiaogang obtained his bachelor's degree in electronic engineering and information science from the Special Class for the Gifted Young of the University of Science and Technology of China, an MPhil degree from the CUHK, and a Ph.D. degree in Computer Science from the Massachusetts Institute of Technology. He also serves as a professor at the CUHK.

Dr. Wang Xiaogang has played a crucial role in the business diversification of the Group, as he applies his rich experience to commercialise technological applications, building the Group's core technological competitiveness that continues to drive the diversified development of the Group's business.

(iii) Proposed Senior Grants to Dr. Lin Dahua

The Board proposes to grant RSUs to Dr. Lin Dahua, after fully considering his contributions as a co-founder, Executive Director, and chief scientist of the Company.

Dr. Lin Dahua is an Executive Director, member of the Executive Committee, chief scientist, and EVP of the Company. Upon joining the Group in 2014, he has consistently been at the forefront of core artificial intelligence technology research and development. Dr. Lin Dahua is responsible for the Group's strategic planning and positioning, team building, and driving the implementation of core R&D projects in large models and generative artificial intelligence technologies. With his profound academic accomplishments and forward-looking technical vision, he continuously leads innovation and breakthroughs in core technologies. His keen insights and rigorous scientific spirit help build a technological moat for the Group. Under his leadership, the key research achievements made his team in multi-modal large models, intelligent agents, real-time audio and video interaction technologies, and video generation technologies have been transformed into core engines that drive product iteration and business upgrades. Therefore, Dr. Lin Dahua plays a crucial role in building and consolidating the Group's core technologies and key technological competitiveness in related fields.

Dr. Lin Dahua obtained his bachelor's degree in electronic engineering and information science from the University of Science and Technology of China, a Master of Science in information engineering from the CUHK, and a Doctor of Philosophy degree in computer science from the Massachusetts Institute of Technology. Dr. Lin Dahua also serves as an associate professor and the director of the Interdisciplinary Artificial Intelligence Research Institute (香港中文大學人工智能交叉學科研究所) of CUHK.

Dr. Lin Dahua has played an important role in the Group, as he applies his rich experience to core artificial intelligence technology research and development, securing the R&D advantaged position of the Group in fierce competition, which is beneficial to the Group's long-term development.

(iv) Proposed Senior Grants to Mr. Yang Fan

The Board proposes to grant RSUs to Mr. Yang Fan, after fully considering his contributions as a co-founder, Executive Director, and Head of the AI infrastructure (SenseCore) business.

Mr. Yang Fan is a co-founder, Executive Director, member of the Executive Committee, Head of the SenseCore business, and EVP of the Company. Upon joining the Company in 2014, he has successively been responsible for several key businesses including AI+Internet, intelligent video analysis, cloud-side AI chip, AI+education, and AI infrastructure (SenseCore). He has also successively served in various the functions of business management roles such as engineering technology, strategic planning, construction of product system, partner ecosystem, information security, and ethical governance, making significant contributions to the Group's business marketisation and the improvement of its management system. Furthermore, he continues to promote the establishment of the SenseTime Lingang AIDC, and builds the AI infrastructure (SenseCore) infrastructure as SenseTime's strategic business operation, gradually developing the AI infrastructure (SenseCore) infrastructure into the core AI infrastructure, the core driver of technological innovation, the core engine of business growth, and a key support for industry implementation and ecosystem construction of the Company, laying a solid foundation for the formulation and successful implementation of the Group's integrated strategy of "AI Infrastructure (SenseCore) – Large Model (SenseNova) – Application".

Mr. Yang Fan obtained his bachelor's degree and a master's degree in electronic engineering from Tsinghua University. Prior to joining the Group, Mr. Yang Fan served as a research software development engineer at Microsoft (China) Co., Ltd.

Mr. Yang Fan has played an important role in the Group's development and success, as he applies his rich experience in managing the Group's strategic planning, management system construction, and core business commercialisation, which is beneficial to the Group's development and expansion.

(v) Proposed Senior Grants to Mr. Wang Zheng

The Board proposes to grant the RSUs to Mr. Wang Zheng, after fully considering his contributions as an Executive Director, Chief Financial Officer and Head of the Enterprise Innovation Business Group of the Company.

Mr. Wang Zheng is an Executive Director, member of the Executive Committee, Chief Financial Officer, Head of the Enterprise Innovation Business Group, and EVP of the Company. Upon joining the Company in 2019, he has continuously served as the Chief Financial Officer, making important contributions to the Group's overall financial planning and management, including capital market strategies. He also served as the principal officer of the Group's Enterprise Innovation Business Group, which includes a number of innovative businesses such as AI Healthcare, AI Retail and SenseRobot, laying a solid foundation for the formulation and successful implementation of the Group's "1+X" strategy. In addition to taking responsibility for departments such as strategic investments, IT, administration services, and brand, marketing and communications, he serves as the general manager of SenseTime Hong Kong, playing an important role in the Group's corporate governance and business development.

Mr. Wang Zheng graduated summa cum laude with a bachelor's degree from Yale College, majoring in computer science and economics. He subsequently served at Credit Suisse First Boston, Morgan Stanley, McKinsey & Company, and General Atlantic. Prior to joining the Group, Mr. Wang Zheng served as managing director and head of Greater China at Silver Lake, where he spent more than 10 years primarily focusing on private equity investments in technology and technology-enabled industries.

Mr. Wang Zheng has played an important role in the Group's development and success, as he applies his rich experience in managing the Group's overall financial and capital market strategy, innovative business development, and corporate governance, which is beneficial to the Group's long-term healthy development and expansion.

The Board and the Remuneration Committee have taken into account that:

(i) since the listing of the Company's Class B Shares on the Stock Exchange in 2021, the Company has never granted any equity incentives or awards to its Executive Directors for their duties and contributions as Executive Directors; furthermore, none of the Company's Executive Directors have reduced their shareholdings in the Company during their tenure;

(ii) high-end talents have become the scarcest strategic resource in the field of artificial intelligence; competition in the artificial intelligence field is, ultimately, competition for top-notch talents. As one of the industries attracting greatest public attention due to its huge development potential, the artificial intelligence industry has attracted close attention from the most powerful technology and internet giants in the global market, directly expanding high-end talent competition to a global scale, with the talent acquisition becoming increasingly intensified; and

(iii) the overall shareholding percentage of the Company's current five Executive Directors as well as its retention power is low compared to to similar technology companies. In the long run, this will not only weaken the stability and cohesion of the leadership team, but also make it more difficult to incentivize their long-term interest alignment with the Company and shareholders for co-sharing risks and co-enjoying results. The Group will face severe challenges in attracting and retaining top-notch talents.

The Board and the Remuneration Committee are of the view that the proposed grant is conducive to talent retention and incentivises the Grantees to continue with their best endeavours for the past success of the Company and its affiliates, and rewards them for their perseverance in this regard.

The Board and the Remuneration Committee are also of the view that the Proposed Senior Grants can effectively motivate the relevant Executive Directors to strive for the long-term development of the Company. In addition, it is anticipated that the RSUs given under the Proposed Senior Grants will further align the interests of the Executive Directors with the long-term interests of the Company and the shareholders, thereby ensuring better coordination between the Group's long-term strategic and financial objectives and the Executive Directors' incentive package.

Dr. Xu Li, the Executive Chairman of the Board of the Company, has voluntarily undertaken that he will not dispose of any Class A Shares and/or Class B Shares of the Company held or beneficially owned by him or any entity controlled by him prior to December 31, 2027. Dr. Xu Li has informed the Company that such voluntary non-disposal undertakings are for the benefit of the Company, in expressing his absolute confidence in the Group's long-term strategic value after a profound insight into the industry outlook. Therefore, the Company believes that the Proposed Senior Grants to Dr. Xu Li would achieve the aforementioned purposes of the 2022 RSU Scheme of the Company, and thereby enhance the stability of the Group's management, so as to facilitate the Group's long-term strategy and development.

The Proposed Senior Grants also forms part of the incentive package of each of Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng, which has been approved by the Remuneration Committee.

Taking into account (i) the significant contributions made by the Grantees to the Company; (ii) their importance to the further development of the Group; (iii) the insignificant dilutive effect of this grant, the Board (including the Independent Non-executive Directors, but excluding Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng) and the Remuneration Committee are of the view that the Proposed Senior Grants represent appropriate incentive for the past and future contributions made and to be made by Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng to the Group.

The independent non-executive Directors of the Company have approved the Proposed Senior Grants to Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng in accordance with Rule 17.04(1) of the Listing Rules.

In addition, the Corporate Governance Committee of the Company has approved the Proposed Senior Grants of 600,000,000 and 200,000,000 RSUs to the weighted voting rights beneficiaries of the Company (i.e. Dr. Xu Li and Dr. Wang Xiaogang) respectively, in accordance with Rule 8A.30 of the Listing Rules.

Pursuant to Rule 17.04(2) of the Listing Rules, as the Proposed Senior Grants to Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng as set out in this announcement will cause the aggregate of Class B Shares issued and to be issued under all awards granted to them (excluding any awards which have lapsed in accordance with the terms of the relevant share schemes) during the 12-month period up to and including the date of the proposed grant to exceed 0.1% of the Company's issued shares, the grant of RSUs to Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng as set out in this announcement is subject to the approval of the shareholders of the Company. In addition, the proposed grant of RSUs to Dr. Xu Li as set out in this announcement would also result in the Class B Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the relevant share schemes) to Dr. Xu Li in the 12-month period up to and including the date of the proposed grant representing in aggregate over 1% of the shares of the Company in issue, the grant of RSUs to Dr. Xu Li is also required to be approved by shareholders of the Company in accordance with Rule 17.03D(1) of the Listing Rules. Pursuant to (i) Rule 17.03(D)(1) of the Listing Rules, Dr. Xu Li and his associates shall abstain from voting in respect of the resolutions at the Shareholders' meeting approving the Proposed Senior Grants to Dr. Xu Li; and (ii) Rule 17.04(4) of the Listing Rules, Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng and their respective associates and all core connected persons of the Company (each as defined in the Listing Rules) shall abstain from voting in favour in respect of the Proposed Senior Grants at such shareholders' meeting.

Save for Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng abstaining from voting on the Board resolutions approving the grants to themselves, no Director is considered to be interested in the proposed grants as set out in this announcement and therefore none of them had abstained from voting on the relevant Board resolutions approving the proposed grants as set out in this announcement.

Save for Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng, none of the Grantees is a director, chief executive or substantial shareholder of the Company or associates (as defined in the Listing Rules) of any of them. None of the Grantees is a related entity participant (as defined under Rule 17.03A(1) of the Listing Rules) or a service provider. In addition, other than Dr. Xu Li, none of the Grantees is a participant which has been or will be granted share awards or share options exceeding the 1% individual limit under Rule 17.03D(1) of the Listing Rules. Accordingly, save for the grants to Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng, there are no other grants that require shareholders' approval.

As at the date of this announcement, 1,675,558,869 Class B Shares (representing approximately 4.33% of the total issued shares as at the date of this announcement) are available for further grant under the scheme mandate limit of the 2022 RSU Scheme, and 327,799,670 Class B Shares (representing approximately 0.85% of the total issued shares as at the date of this announcement) are available for further grant under the service provider sublimit of the 2022 RSU Scheme.

GENERAL

The Company will convene an extraordinary general meeting to consider and, if thought fit, approve the proposed grant of RSUs to each of Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng as set out in this announcement.

A circular containing, among other things, details of the proposed grant to Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng, other information required by the Listing Rules and a notice of the extraordinary general meeting will be despatched to shareholders on the same date as this announcement.

SenseTime Group Inc.
商汤集团股份有限公司
Ms. Lin Jiemin
Joint Company Secretary

Hong Kong, September 4, 2025

As at the date of this announcement, the Executive Directors are Dr. Xu Li, Dr. Wang Xiaogang, Dr. Lin Dahua, Mr. Yang Fan and Mr. Wang Zheng; the Non-executive Director is Ms. Fan Yuanyuan; and the Independent Non-executive Directors are Prof. Xue Lan, Mr. Lyn Frank Yee Chon and Mr. Chiu Duncan.