THIS CIRCULAR IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

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HUABAO INTERNATIONAL HOLDINGS LIMITED
華寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00336)

ADOPTION OF SHARE INCENTIVE SCHEME BY A SUBSIDIARY
AND
NOTICE OF SPECIAL GENERAL MEETING

A notice convening the special general meeting of Huabao International Holdings Limited to be held at Room 3 - 4, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 28 November 2025 at 10:00 a.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use at the special general meeting is also enclosed.

If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above is in force at or after 8:00 a.m. on 28 November 2025 and/or if the Hong Kong Observatory announces at or before 8:00 a.m. on 28 November 2025 that either of the above mentioned warnings is to be issued within the next two hours, or the extreme conditions as announced by the Government of Hong Kong persist two hours prior to 10:00 a.m. on 28 November 2025, the special general meeting shall automatically be postponed to the next Business Day on which no "black" rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted between the hours from 8:00 a.m. to 10:00 a.m. or the extreme conditions as announced by the Government of Hong Kong persist two hours prior to 10:00 a.m. and in such case the special general meeting shall be held at 10:00 a.m. on that Business Day at Suite 3008, 30th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong.

Whether or not you are able to attend the special general meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via designated URL (https://evoting.vistra.com) by using the username and password provided on the notification letter sent by the Company as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting or adjourned meeting. **Completion and return of the form of proxy will not preclude you from attending and voting at the special general meeting or any adjournment thereof if you so wish. If you attend and vote at the SGM in person, the authority of your proxy will be deemed to have been revoked. No refreshment will be served and no gift will be distributed at the SGM.**

* *for identification purposes only*

10 November 2025

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Appendix I — Summary of the Rules of the Share Incentive Scheme . . . . . App I-1

Notice of Special General Meeting SGM-1

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

"Administrative Measures"	Administrative Measures on Share Incentives of Listed Companies《上市公司股權激勵管理辦法》(Revised in 2025) issued by the CSRC
"associate(s)"	has the same meaning ascribed to it under the Hong Kong Listing Rules
"Board"	the board of directors of the Company
"Business Day"	a day (not being a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are open for general banking business
"Bye-laws"	the bye-laws of the Company, as amended, supplemented or modified from time to time
"Company" or "Huabao International"	Huabao International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"Company Law"	the Company Law of the People's Republic of China (《中華人民共和國公司法》)
"ChiNext Listing Rules"	Rules Governing the Listing of Stocks on the ChiNext Market of the Shenzhen Stock Exchange (深圳證券交易所創業板股票上市規則)
"Class II Restricted Shares"	refer to performance-based restricted shares granted under the Share Incentive Scheme, which will only be issued to Incentive Participants upon satisfaction of the specified vesting conditions and payment of the designated purchase price
"CSRC"	China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Company
"Grant Date"	the date on which Restricted Shares are granted by Huabao Flavours Board to Incentive Participants pursuant to the terms of the Share Incentive Scheme, which shall fall on a trading day
"Group"	the Company and its subsidiaries

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange, as amended, supplemented or modified from time to time
"Hong Kong Stock Exchange" or "HKEX"	The Stock Exchange of Hong Kong Limited
"Huabao Flavours"	Huabao Flavours & Fragrances Co., Ltd. (華寶香精股份有限公司), a non-wholly owned subsidiary of the Company with its shares listed on the ChiNext of Shenzhen Stock Exchange (Stock Code: 300741)
"Huabao Flavours Board"	the board of directors of Huabao Flavours
"Incentive Participant(s)"	directors, senior management, core management, technical and business personnel of Huabao Flavours (including its controlled subsidiaries) and such other personnel (all of whom being directors or employees of Huabao Flavours and/or its controlled subsidiaries) as the board of directors of Huabao Flavours may deem necessary to be incentivized pursuant to the provisions of the Share Incentive Scheme
"Latest Practicable Date"	4 November 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"Non-Competition Agreement"	the agreement entered into between certain Incentive Participants and Huabao Flavours or its holding subsidiaries to the effect that such Incentive Participants shall be refrained from (i) joining company(ies) that compete(s) with Huabao Flavours by engaging in the production of similar products or operation thereof or engage(s) in similar businesses within a period of time after the termination or cessation of his/her employment contract with Huabao Flavours or its holding subsidiaries, or (ii) establishing his/her own business that engage in the production of similar products or operation thereof or partake in similar business that compete(s) with Huabao Flavours
"Purchase Price"	With respect to the Share Incentive Scheme, the price (if any) payable by an Incentive Participant to acquire the Restricted Shares as determined by Huabao Flavours at the time of the respective grants

"Regulatory Guidelines"	the Self-regulatory Guidelines for Listed Companies on the ChiNext market of Shenzhen Stock Exchange No. 1 — Business Handling《深圳證券交易所創業板上市公司自律監管指南第1號 — 業務辦理》
"Restricted Shares"	shares of Huabao Flavours to be subscribed at the Purchase Price, subject to the satisfaction of the Vesting Conditions under the Share Incentive Scheme. The Incentive Participants shall not, by virtue of holding the Restricted Shares, be entitled to the rights of shareholders including the voting rights, dividend rights, or right to nominate a seat at the board of directors of Huabao Flavours before vesting, and the Restricted Shares shall not be transferred nor used for guarantee or debt repayment, etc.
"RMB"	Renminbi, the lawful currency of the PRC
"Scheme Rules"	relevant rules of the Share Incentive Scheme, in its present form or as amended from time to time
"SGM" or "Special General Meeting"	the special general meeting of the Company to be held at Room 3 - 4, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 28 November 2025 at 10:00 a.m., notice of which is set out in this circular. **If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force at or after 8:00 a.m. on 28 November 2025 and/or if the Hong Kong Observatory announces at or before 8:00 a.m. on 28 November 2025 that either of the above mentioned warnings is to be issued within the next two hours, or the extreme conditions as announced by the Government of Hong Kong persist two hours prior to 10:00 a.m. on 28 November 2025, the special general meeting shall automatically be postponed to the next Business Day on which no "black" rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted between the hours from 8:00 a.m. to 10:00 a.m. or the extreme conditions as announced by the Government of Hong Kong persist two hours prior to 10:00 a.m. and in such case the special general meeting shall be held at 10:00 a.m. on that Business Day at Suite 3008, 30/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong**
"Share Incentive Scheme" or "Incentive Scheme"	the 2025 Restricted Share Incentive Scheme of Huabao Flavours & Fragrances Co., Ltd. (華寶香精股份有限公司首期限制性股票激勵計劃) to be adopted by Huabao Flavours

"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company
"Shareholder(s)"	Shareholder(s) of the Company
"subsidiary(ies)"	subsidiary(ies) of the Company from time to time
"Vesting Conditions"	the attribution conditions to be satisfied by the Incentive Participants in order to receive Restricted Shares under the Share Incentive Scheme
"%"	per cent.

HUABAO INTERNATIONAL HOLDINGS LIMITED
華寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00336)

Executive Directors:
Ms. CHU Lam Yiu *(Chairlady and CEO)*
Mr. LAM Ka Yu *(Co-Chairman)*
Mr. XIA Liqun *(Vice Chairman and President)*
Mr. POON Chiu Kwok *(Vice President and Company Secretary)*
Ms. LAM Ka Yan
Ms. CHOY Man Har

Independent Non-executive Directors:
Mr. LEE Luk Shiu
Mr. Jonathan Jun YAN
Mr. HOU Haitao

Registered office:
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal place of business in Hong Kong:
Suite 3008
30th Floor, Central Plaza
18 Harbour Road Wanchai
Hong Kong

10 November 2025

To the Shareholders

Dear Sir or Madam,

ADOPTION OF SHARE INCENTIVE SCHEME BY A SUBSIDIARY AND NOTICE OF SPECIAL GENERAL MEETING

I. INTRODUCTION

The purpose of this circular is to (i) provide you with information in respect of the resolution to be proposed at the SGM for the adoption of the Share Incentive Scheme; and (ii) give you the notice of SGM.

* *For identification purpose only*

II. PROPOSED ADOPTION OF THE SHARE INCENTIVE SCHEME

At the SGM, an ordinary resolution will be proposed by the Company to the Shareholders to consider and, if thought fit, approve the Share Incentive Scheme and the adoption and implementation thereof by Huabao Flavours. A summary of the principal terms of the Share Incentive Scheme is set out in Appendix I to this circular.

The Share Incentive Scheme will take effect subject to the fulfilment of the conditions as set forth below:

(i) the passing of an ordinary resolution by the shareholders of the Company to approve the Share Incentive Scheme with the Scheme Mandate Limit; and

(ii) the passing of a special resolution by the shareholders of Huabao Flavours to, among other things, adopt the Share Incentive Scheme with the Scheme Mandate Limit and authorize the directors of Huabao Flavours to implement and administer the Scheme, including but not limited to the granting of Restricted Shares to Incentive Participants under the Share Incentive Scheme.

Background

Huabao Flavours, a joint stock limited company established in the PRC with limited liability, is an indirect non-wholly owned subsidiary of the Company, with its shares listed on the ChiNext Market of the Shenzhen Stock Exchange (Stock Code: 300741). As at the Latest Practicable Date, the total share capital of Huabao Flavours was 615,880,000 shares of RMB1 each, of which 615,877,150 shares, representing approximately 99.9995% of the issued share capital, were ordinary shares listed on the ChiNext of Shenzhen Stock Exchange. The remaining 2,850 shares, representing approximately 0.0005% of the issued share capital, were non-circulating shares subject to lock-up, held by the current or former directors, supervisors and senior management of Huabao Flavours.

As at the Latest Practicable Date, Huabao Flavours is considered a principal subsidiary of the Company for the purposes of Rule 17.14 of the Hong Kong Listing Rules. The Share Incentive Scheme involves the grant of awards over new shares of Huabao Flavours, constituting a share scheme under Chapter 17 of the Hong Kong Listing Rules, which governs share schemes of principal subsidiaries of a listed issuer, and is therefore subject to the relevant requirements of Chapter 17 of the Hong Kong Listing Rules.

Overview of the Share Incentive Scheme

1. Purpose of the Share Incentive Scheme

The purpose of the Share Incentive Scheme is to further the construction and improvements to the long-term incentive mechanism of Huabao Flavours, attract and retain outstanding talent, and fully motivate the directors, senior management, core management, technical and business personnel of Huabao Flavours and such other personnel (all of whom being directors or employees of Huabao Flavours and/or its controlled subsidiaries) whom the Huabao Flavours Board may deem necessary to be incentivized. The Share Incentive Scheme is designed to effectively align the interests of Huabao Flavours' shareholders, Huabao Flavours and its core team members, enabling all parties to focus jointly on the long-term development of Huabao Flavours, while fully safeguarding the interests of its shareholders.

2. Participants and Eligibility

According to Article 8 of the Administrative Measures, the Restricted Shares under the Share Incentive Scheme can only be issued to directors, senior managers, core technical personnel or core business personnel of listed issuers, as well as other employees whom the issuers may deem necessary to be incentivized and who have a direct impact on such issuers' operating performance and future development, but shall not include independent directors. Foreign employees who serve as directors, senior managers, core technical or core business personnel of listed companies are eligible as incentive participants.

Accordingly, the Incentive Participants of the Share Incentive Scheme will be the directors, senior management, core management, technical and business personnel of Huabao Flavours (including its controlled subsidiaries) and such other personnel (all of whom are directors or employees of Huabao Flavours and/or its controlled subsidiaries) as the Huabao Flavours Board may deem necessary to be incentivized. All Incentive Participants must be employed by Huabao Flavours or its controlled subsidiaries during the assessment period of the Share Incentive Scheme and must have entered into an employment or service agreement with Huabao Flavours or its controlled subsidiaries. The proposed Incentive Participants will be the "employee participants" (within the meaning of Rule 17.03A(1)(a) of the Hong Kong Listing Rules).

The basis of determining the eligibility of the Incentive Participants is consistent with the purpose of the Share Incentive Scheme. By including directors, senior management, core management, technical and business personnel, and other key employees of Huabao Flavours and its controlled subsidiaries as deemed appropriate by the Huabao Flavours Board, the scheme ensures that those who play a crucial role in the long-term growth and value creation of Huabao Flavours can be motivated and retained. This alignment of eligibility of Incentive Participants with the Scheme's objectives helps to effectively link their performance and contributions with the interests of Huabao Flavours and its shareholders, thereby supporting the sustainable development of Huabao Flavours.

3. Scheme Mandate Limit

As at the Latest Practicable Date, (i) Huabao Flavours had no subsisting share schemes involving grants by Huabao Flavours, whether in the form of options over new shares or awards of new or existing shares; and (ii) Huabao Flavours had no unvested restricted shares or outstanding share options, whether granted or to be granted, which shall remain unchanged prior to the SGM.

As at the Latest Practicable Date, Huabao Flavours has 615,880,000 shares in issue. Assuming that (a) no further shares will be allotted, issued, repurchased or cancelled by Huabao Flavours prior to the SGM, and (b) the proposed adoption of the Share Incentive Scheme is approved by the shareholders of both the Company and Huabao Flavours, the total number of shares that may be issued in respect of all Restricted Shares to be granted under the Share Incentive Scheme (assuming all Restricted Shares granted thereunder shall be fully vested and deliverable) is 19,100,000 shares, representing approximately 3.10% of the total number of shares in issue as at the Latest Practicable Date. Of this, the initial grant comprises 18,100,000 shares, representing approximately 2.94% of Huabao Flavours' total shares in issue as at the Latest Practicable Date, with reserved grant of 1,000,000 shares, representing approximately 0.16% of the total shares in issue.

The total number of shares that may be issued in respect of all Restricted Shares to be granted under the Share Incentive Scheme, together with shares that may be issued in respect of all awards and options to be granted under any other share schemes involving the issue of new shares adopted or to be adopted by Huabao Flavours from time to time, shall not exceed, in aggregate, 10% of the total number of shares of Huabao Flavours in issue (excluding any treasury shares) as at the date of approval of the Share Incentive Scheme (i.e. 61,588,000 shares), or, where applicable, as at the date of approval of the refreshed scheme mandate limit. For the avoidance of doubt, the Company does not intend to use treasury shares for the Share Incentive Scheme.

For the purposes of the Share Incentive Scheme, no participant is a service provider. Accordingly, no service provider sublimit is applicable under the Scheme Mandate Limit and no separate approval needs be sought from the Shareholders in respect of a service provider sublimit.

4. Individual Limit

Pursuant to the Scheme Rules, the aggregate number of shares to be issued in respect of all Restricted Shares that may be granted to any one Incentive Participant under the Share Incentive Scheme, together with all options and awards granted or to be granted to such Incentive Participant under all subsisting share schemes, if any, shall not exceed 1.00% of the total number of shares of Huabao Flavours in issue as at the date on which the Share Incentive Scheme was adopted.

Subject to the Scheme Rules and any waiver or ruling granted by the Stock Exchange, if the grant of all options (if any), awards (if any) and Restricted Shares (excluding any options, awards and Restricted Shares that have lapsed in accordance with the terms of the Relevant Schemes) to an Incentive Participant at the time of grant would result in the aggregate number of shares issued and to be issued in respect of such options, awards and Restricted Shares in the 12-month period up to and including the grant date exceeding 1% of the total number of issued shares (excluding treasury shares) as at the grant date (the "**1% Individual Limit**"), then such grant shall not be made to that Incentive Participant unless relevant requirements under Chapter 17 of the Hong Kong Listing Rules have been complied with.

5. Purchase Price and Basis of Determination

The Purchase Price of the Restricted Shares under the Share Incentive Scheme is RMB9.62 per share, which represents 50% of the average trading price of Huabao Flavours' shares of RMB19.23 per share on 25 August 2025, being the trading day immediately preceding the publication of the announcement of the Share Incentive Scheme, which was calculated by dividing the total transaction amount by the total trading volume on that day. In determining the Purchase Price, Huabao Flavours has taken into account, among other things, the requirements under the relevant Administrative Measures and the trading prices of its shares prior to the announcement of the draft Share Incentive Scheme.

Pursuant to Article 23 of the Administrative Measures applicable to the Share Incentive Scheme, the Purchase Price shall not be lower than the par value of the shares and, in principle, shall not be less than the higher of the following:

(a) 50% of the average trading price of the listed company's shares on the trading day immediately preceding the announcement of the draft Share Incentive Scheme; or

(b) 50% of the average trading price of the listed company's shares for the 20 trading days immediately preceding the announcement of the draft Share Incentive Scheme.

Accordingly, the Purchase Price of the Restricted Shares under the Share Incentive Scheme is set at RMB9.62 per share for the initial grant of 18,100,000 shares and RMB9.62 per share for the reserved grant of 1,000,000 shares, representing 50% of the average trading price of Huabao Flavours' shares of RMB19.23 per share on 25 August 2025, the trading day immediately preceding the announcement of the draft Share Incentive Scheme. For reference, 50% of the average trading price of Huabao Flavours' shares for the 20 trading days immediately preceding the announcement was RMB9.61 per share.

The determination of the Purchase Price complies with the requirements of the Administrative Measures. By setting the Purchase Price at 50% of the relevant average trading price, the scheme strikes an appropriate balance between offering meaningful incentives to the Incentive Participants and protecting the interests of the shareholders of Huabao Flavours. This pricing approach is designed to motivate and retain key personnel, align their interests with those of Huabao Flavours and its shareholders, and thereby support the overall purpose of the Share Incentive Scheme.

According to the terms of the Restricted Share Incentive Scheme, the Restricted Shares granted to Incentive Participants shall vest in tranches. Each tranche will only vest upon fulfilment of the vesting conditions prescribed by Huabao Flavours and completion of payment of the purchase price by the Incentive Participants.

For illustrative purposes, assuming 1 November 2025 as the initial grant date:

- **First vesting period:** from 1 November 2026 to 31 October 2027. During this period, the Incentive Participants must satisfy the vesting conditions set by Huabao Flavours for the financial year 2026. If Huabao Flavours publishes its audited financial results for the year ending 31 December 2026 on 30 March 2027 and confirms that such vesting conditions have been met, the Incentive Participants pay the Purchase Price by 31 October 2027,upon which the Restricted Shares for that tranche will vest.

- **Second vesting period:** from 1 November 2027 to 31 October 2028. During this period, the Incentive Participants must satisfy the vesting conditions set by Huabao Flavours for the financial year 2027. If Huabao Flavours publishes its audited financial results for the year ending 31 December 2027 on 30 March 2028 and confirms that such vesting conditions have been met, the Incentive Participants pay the Purchase Price by 31 October 2028, upon which the Restricted Shares for that tranche will vest.

- **Third vesting period:** from 1 November 2028 to 31 October 2029. During this period, the Incentive Participants must satisfy the vesting conditions set by Huabao Flavours for the financial year 2028. If Huabao Flavours publishes its audited financial results for the year ending 31 December 2028 on 30 March 2029 and confirms that such vesting conditions have been met, the Incentive Participants pay the Purchase Price by 31 October 2029, upon which the Restricted Shares for that tranche will vest.

The above payment windows are calculated based on the vesting schedule and subject to Huabao Flavours' internal procedures for confirming satisfaction of the vesting conditions. Huabao Flavours shall conduct the necessary review and approval process to determine whether the vesting conditions have been met and to confirm the final payment timeline. This arrangement ensures that Incentive Participants fulfil their payment obligations prior to receiving share entitlements, and aligns the vesting schedule with the timing of assessment of the vesting conditions.

6. Adjustment of Purchase Price and/or Number of Restricted Shares

In the event of any capitalisation of capital reserve, bonus issue, share subdivision or consolidation, rights issue, or distribution of dividends by Huabao Flavours during the period from the date of the announcement of the Share Incentive Scheme to the grant of Restricted Shares to the Incentive Participants, and from the grant of Restricted Shares to the Incentive Participants to the vesting of such Restricted Shares, the Purchase Price of the Restricted Shares will be adjusted accordingly pursuant to, and subject to the Scheme Rules. Except for the distribution of dividends, the number of Restricted Shares will also be adjusted in the event of any capitalisation of capital reserve, bonus issue, share subdivision or consolidation, or rights issue of Huabao Flavours. The manner in which such adjustments are made is set forth in the Appendix I to this circular.

7. Vesting and Performance Targets

The Restricted Shares granted pursuant to the initial and reserved grants under the Share Incentive Scheme shall vest in three tranches, in the respective proportion of 30%, 30% and 40%. Vesting of the first tranche shall commence on the first trading day after the elapse of 12 months from the relevant grant date till the last trading day within 24 months after the relevant grant date; vesting of the second tranche shall commence on the first trading day after the elapse of 24 months from the relevant grant date till the last trading day within 36 months after the relevant grant date; and the vesting of the third tranche shall commence from the first trading day after the elapse of 36 months from the relevant grant date till the last trading day within 48 months after the relevant grant date. For further details, please refer to Appendix I to this circular.

As disclosed above, all Restricted Shares will be subject to a minimum vesting period of 12 months. The vesting arrangements are in line with market practice, designed to ensure employee loyalty over the long term, and support the sustainable development of Huabao Flavours. Accordingly, vesting arrangements are in line with the purpose of the Share Incentive Scheme.

Vesting of the Restricted Shares under both the initial and reserved grants of the Share Incentive Scheme will be subject to the fulfillment of the uniformly applied pre-established performance targets, details of which are set out as follows:

Performance targets at Huabao Flavours' level

Vesting Period	Corresponding Assessment Year	Performance Target
First Vesting Period of Initial and Reserved Restricted Shares	2026	Revenue growth of 10% in 2026 as compared to that of 2025
Second Vesting Period of Initial and Reserved Restricted Shares	2027	Revenue growth of 25% in 2027 as compared to that of 2025
Third Vesting Period of Initial and Reserved Restricted Shares	2028	Revenue growth of 35% in 2028 as compared to that of 2025

Performance targets at individual level

Pursuant to the Huabao Flavours 2025 Restricted Share Incentive Scheme Implementation and Assessment Measures, the pro rata vesting of Restricted Shares to Incentive Participants, based on their individual performance assessment results, shall be contingent upon the attainment of the performance targets at Huabao Flavours' level in the relevant assessment year.

The formula for calculating an individual Incentive Participant's vesting percentage in a given year is as follows:

Actual number of Restricted Shares vested in the year = Standard Factor × Number of Restricted Shares scheduled to vest under the Scheme for the individual in the year

Assessment Result	Standard Factor
Pass or above	1.0
Below Pass	0

Restricted Shares scheduled to vest for an Incentive Participant in a given period that fail to vest as a result of any failure to attain the stipulated performance targets shall lapse forthwith and shall not be carried forward to subsequent years.

The performance targets, at both Huabao Flavours' level and individual levels, are designed to drive the Incentive Participants to achieve both Huabao Flavours' and their individual goals, and thus align with the objectives of the Share Incentive Scheme. By linking the vesting of Restricted Shares to revenue growth and individual performance, these targets incentivize participants to contribute to business expansion, key performance areas, and the long-term success of Huabao Flavours, thereby supporting the Scheme's purpose of retaining and motivating talent and aligning the interests of Huabao Flavours, its core team, and its shareholders.

8. Clawback

If an Incentive Participant violates the law, breaches professional ethics, discloses company secrets, engages in misconduct or malpractice that causes serious harm to the interests or reputation of Huabao Flavours, or breaches any Non-Competition Agreement with Huabao Flavours, Huabao Flavours, may, with the approval of the Huabao Flavours Board, cancel the vesting of any Restricted Shares granted but not yet vested. In serious cases, Huabao Flavours may also seek to recover any losses incurred in connection thereto in accordance with applicable laws.

If Huabao Flavours' disclosure documents are found to contain any false or misleading statement, or material omission, which results in the grant or vesting conditions of the Restricted Shares not being satisfied, the Incentive Participants shall, upon confirmation of such false or misleading statement or material omission in the relevant disclosure documents, return to Huabao Flavours all benefits received under the Incentive Scheme, and any Restricted Shares granted but not yet vested shall not vest.

An employee who is an Incentive Participant must, if they breach the Non-Competition Agreement entered into with Huabao Flavours after leaving Huabao Flavours, return to Huabao Flavours all benefits derived from the Restricted Shares under the Share Incentive Scheme.

The clawback mechanism described above serves the purpose of the Share Incentive Scheme. By enabling Huabao Flavours to cancel the vesting of Restricted Shares in the event of legal violations, breaches of professional ethics, disclosure of company secrets, misconduct, or breach of Non-Competition Agreement, the mechanism ensures that Incentive Participants act in the best

interests of Huabao Flavours and its shareholders. This not only reinforces the long-term incentive objectives of the Scheme but also aligns the interests of Huabao Flavours' core team members with those of Huabao Flavours and its shareholders, strengthens the integrity and effectiveness of the incentive framework, and supports the sustainable development of Huabao Flavours.

9. Lapse of the Restricted Shares

If, prior to or on the vesting date, any of the following events occurs, any Restricted Shares granted but not yet vested to an Incentive Participant shall lapse automatically:

1. The Incentive Participant fails to meet the Vesting Conditions; or

2. The Incentive Participant ceases to be eligible to participate in the Share Incentive Scheme for any of the following reasons:

   2.1 has been deemed an unsuitable candidate by a securities exchange within the past 12 months;

   2.2 has been deemed an unsuitable candidate by the CSRC or its dispatched agencies within the past 12 months;

   2.3 has been subject to administrative penalties or market prohibition measures by the CSRC or its dispatched agencies within the past 12 months due to major violations of laws or regulations;

   2.4 is subject to any circumstances under the Company Law that would prohibit them from serving as a director or senior management personnel of a company; or

   2.5 falls under other categories of persons who are legally or regulatorily prohibited from participating in a listed company's share incentive scheme.

10. Cancellation of Restricted Shares

If, prior to or on the vesting date, any of the following events occurs, any Restricted Shares granted but not yet vested to an Incentive Participant shall be canceled:

1. A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the financial accounting reporting for the latest accounting year;

2. A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the internal control on financial reporting for the latest accounting year;

3. Any profit distribution was made in violation of laws and regulations, the Articles and public undertakings within the past 36 months;

4. Huabao Flavours terminates the employment relationship with the Incentive Participant due to his/her inability to perform the job;

5. If any Incentive Participant has violated the law, breached professional ethics, disclosed company secrets, engaged in misconduct or malpractice causing serious damage to the interests or reputation of Huabao Flavours, or breached any Non-Competition Agreement entered into with Huabao Flavours, any Restricted Shares granted but not yet vested to the Incentive Participant shall, upon approval by the Huabao Flavours Board, not vest and shall be cancelled;

6. If any Incentive Participant shall cease to be employed due to loss of labour capacity unrelated to the performance of his/her duties, any Restricted Shares already vested shall be handled in accordance with the procedures stipulated in the Share Incentive Scheme, and Huabao Flavours shall have the discretion to decide that any Restricted Shares granted but not yet vested to the Incentive Participant shall not vest and shall be cancelled;

7. If the death of any Incentive Participant is not related to the performance of his/her duties, any Restricted Shares already vested shall be handled in accordance with the procedures stipulated in the Share Incentive Scheme, and Huabao Flavours shall have the discretion to decide that any Restricted Shares granted but not yet vested to the Incentive Participant shall not vest and shall be cancelled;

8. If any Incentive Participant shall cease to hold the relevant position in Huabao Flavours due to resignation or termination of employment by Huabao Flavours, any Restricted Shares granted but not yet vested to the Incentive Participant shall not vest and shall be cancelled as of the date of such occurrence; or

9. If, after the grant of Restricted Shares to the Incentive Participants, any relevant disclosure documents contain false or misleading statements, or material omissions, which result in the conditions for the grant or vesting of the Restricted Shares not being satisfied, any Restricted Shares that have been granted but not yet vested shall be cancelled and shall not vest.

11. Duration and Termination of the Share Incentive Scheme

The Share Incentive Scheme shall be valid for a maximum of 60 months from the date of initial grant of Restricted Shares to the date on which all Restricted Shares granted to the Incentive Participants have either vested or lapsed or canceled.

The Share Incentive Scheme shall be terminated before the end of its life if any of the following circumstances occur:

(a) A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the financial accounting reporting for the latest accounting year;

(b) A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the internal control on financial reporting for the latest accounting year;

(c) Any profit distribution was made in violation of laws and regulations, the articles of association and public undertakings within the past 36 months;

(d) Where the laws and regulations prohibit the implementation of equity incentives;

(e) Other circumstances as determined by the CSRC.

Upon the occurrence of any of the above circumstances, the Share Incentive Scheme shall be terminated, and any Restricted Shares granted to Incentive Participants but not yet vested shall not vest and shall be canceled.

12. General information

No amount is payable by the Incentive Participants on application for or acceptance of the Restricted Shares, and there is no arrangement for any payment, call or loan to be made or repaid in connection therewith.

Prior to vesting, the Restricted Shares granted to the Incentive Participants shall not be transferred or used as security or for the repayment of debt, nor shall the Incentive Participants be entitled to rights of shareholders, including that of voting, polling, dividends, bonuses, other distributions. Such rights will only accrue to the Incentive Participants upon completion of vesting and registration as shareholders of Huabao Flavours, in accordance with applicable laws and the Articles of Association of Huabao Flavours.

The Share Incentive Scheme shall be implemented and administered by the Huabao Flavours Board, and no trustees has been appointed in such regard.

No financial assistance shall be provided by Huabao Flavours to the Incentive Participants to facilitate the purchase of the Restricted Shares.

13. Hong Kong Listing Rules Implications

As Huabao Flavours is a principal subsidiary of the Company as defined under Rule 17.14 of the Hong Kong Listing Rules, the Share Incentive Scheme will be subject to the requirements under Chapter 17 of the Hong Kong Listing Rules, to the extent applicable to the share scheme of a principal subsidiary of a listed issuer.

To the best knowledge, belief and information of the Directors, having made all reasonable enquiries, none of the Incentive Participants will be a Director, chief executive or substantial shareholder of the Company or any of their respective associates as at the Latest Practicable Date.

In the event that any grant under the Share Incentive Scheme would result in:

(i) The aggregate number of shares issued and to be issued to an Incentive Participant exceeding the 1% Individual Limit; and/or

(ii) The aggregate number of shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the Relevant Schemes) to a Director (other than an independent non-executive Director) or Chief Executive of the Company, or any of their associates, in the 12-month period up to and including the date of such grant, representing in aggregate more than 0.1% of Huabao Flavours' total number of shares in issue (excluding treasury shares); and/or

(iii) The aggregate number of shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the Relevant Schemes) to an independent non-executive Director or substantial shareholder of the Company, or any of their associates, in the 12-month period up to and including the date of such grant, representing in aggregate more than 0.1% of Huabao Flavours' total number of shares in issue (excluding treasury shares),

the Company shall comply with the relevant requirements under Chapter 17 of the Hong Kong Listing Rules and obtain prior approval from its Shareholders.

Corporate actions entitling adjustment of the Purchase Price and/or number of Restricted Shares, as set out in Rule 17.03(13) of the Hong Kong Listing Rules, does not include distribution of dividends which is mandatorily required under the relevant PRC laws and regulations.

The Company has sought from the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 17.03(13) of the Hong Kong Listing Rules on the grounds as set forth below:

(1) The overriding principle of the Share Incentive Scheme is that no adjustments to the price payable by the Incentive Participants pursuant to the grant thereto should be made to the advantage of Incentive Participants in lieu of Shareholders' approval. The adjustment should have a neutral impact or worse from the perspective of the Incentive Participants.

(2) The Company and Huabao Flavours consider that adjustment(s) to the Purchase Price triggered by the distribution of dividends, as is mandatory under the relevant PRC laws and regulations, will not result in any dilution of the issued shares of Huabao Flavours, including the Restricted Shares granted prior thereto under the Share Incentive Scheme. For the avoidance of doubt, any adjustment(s) to the Purchase Price triggered by the distribution of dividends shall not result in any change in the number of Restricted Shares so granted, thus the Incentive Participants' entitlement under the grant would remain the same notwithstanding such adjustment(s) to the Purchase Price.

(3) The Company and Huabao Flavours consider that the adjustment(s) to the Purchase Price as triggered by the distribution of dividends (without corresponding changes to the Restricted Shares granted prior thereto) are fair and equitable, and will not adversely affect the Company and Huabao Flavours, nor will it harm the interests of all shareholders of the Company.

III. BOARD APPROVAL

The Share Incentive Scheme has been duly approved by the Huabao Flavours Board, at which meeting any Director of Huabao Flavours who is an Incentive Participant under the Scheme, including Ms. Yuan Xiaoqin, Ms. Li Xiaojun and Mr. Han Pengliang, abstained from voting. The Share Incentive Scheme has also been duly approved by the Board of the Company, at which meeting no Director abstained from voting on the relevant resolution, nor was any Director required to abstain.

IV. SPECIAL GENERAL MEETING

The resolution to be proposed at the forthcoming SGM is set out in full in the notice of SGM on pages SGM-1 to SGM-2 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. If you intend to appoint a proxy to attend the SGM, you are requested to complete the proxy form and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via designated URL (https://evoting.vistra.com) by using the username and password provided on the notification letter sent by the Company not less than 48 hours before the time appointed for holding the SGM or adjourned meeting (as the case may be). **Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournments thereof if you so wish. If you attend and vote at the SGM in person, the authority of your proxy will be deemed to have been revoked.**

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all resolutions set out in the notice of SGM will be decided by poll, the results of which will be announced after the SGM.

As at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the Share Incentive Scheme, and therefore no Shareholder is required to abstain from voting on the relevant resolution approving the proposed adoption of the Share Incentive Scheme at the SGM.

V. CLOSURE OF REGISTER OF MEMBERS FOR SPECIAL GENERAL MEETING

In order to determine the entitlement of Shareholders to attend and vote at the SGM, the register of members of the Company will be closed from 25 November 2025 to 28 November 2025, both days inclusive, during which no transfer of shares will be effected. All properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 24 November 2025. Shareholders whose names are recorded in the register of members of the Company on 28 November 2025 are entitled to attend and vote at the SGM.

VI. RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the adoption of the Share Incentive Scheme by Huabao Flavours is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the SGM.

VII. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Share Incentive Scheme will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.hbglobal.com) for a period of not less than 14 days before the date of the SGM and will be available for inspection at the SGM (and any adjournment thereof, as the case may be).

VIII. RESPONSIBILITY STATEMENT

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

IX. GENERAL INFORMATION

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

Yours faithfully,
By Order of the Board
Huabao International Holdings Limited
POON Chiu Kwok
Executive Director

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

1. Purposes of the Share Incentive Scheme

The Share Incentive Scheme is designed to further establish and improve Huabao Flavours' long-term incentive mechanism, to attract and retain outstanding talent, and to fully motivate the directors, senior management, key management, technical and business personnel of Huabao Flavours (including its controlling subsidiaries), as well as other personnel that the Board of Directors of Huabao Flavours deems necessary to incentivize (all of whom are directors or employees of Huabao Flavours and/or its controlling subsidiaries). The Share Incentive Scheme is intended to effectively align the interests of the shareholders of Huabao Flavours, Huabao Flavours itself, and its core team members, so that all parties focus on the long-term development of Huabao Flavours. Subject to full protection of the shareholders' interests, the Share Incentive Scheme is formulated based on the principle of linking overall returns to individual contributions, and complies with the Company Law, the Securities Law, the Implementation and Assessment Measures, the ChiNext Listing Rules, the regulatory guidelines, other applicable laws, regulations and normative documents, as well as the Articles of Association of the Company.

2. Administration of the Share Incentive Scheme

The general meeting, as the ultimate authority of Huabao Flavours, shall be responsible for considering and approving the implementation, amendment and termination of the Incentive Scheme.

The Huabao Flavours Board shall act as the executive and administrative body of the Incentive Scheme, while the Remuneration and Evaluation Committee established under the Huabao Flavours Board shall be responsible for formulating and revising the Incentive Scheme for approval at the general meeting of Huabao Flavours, and for handling matters related to the Incentive Scheme within its scope of authority as delegated by the general meeting.

The Share Incentive Scheme shall be implemented and administered by the Huabao Flavours Board, and no trustee has been appointed in such regard.

3. Incentive Method and Source of Shares under the Incentive Scheme

The incentive instrument adopted under the Incentive Scheme is Class II Restricted Shares, and the underlying shares to be allocated are A shares in the Huabao Flavours' ordinary share capital to the Incentive Participants.

4. Scheme Mandate Limit and Individual Limit

The total number of shares that may be issued in respect of all Restricted Shares under the Incentive Scheme (assuming all Restricted Shares are vested and are deliverable) is 19,100,000 shares, representing approximately 3.10% of the total number of shares in issue as at the Latest Practicable Date. Of this, the initial grant comprises 18,100,000 shares, representing approximately 2.94% of Huabao Flavours' total shares in issue as at the Latest Practicable Date, while 1,000,000 shares are reserved, representing approximately 0.16% of the total shares in issue.

The total number of shares that may be issued in respect of all options and awards to be granted under the Incentive Scheme, together with any other share schemes involving the issue of new shares adopted or to be adopted by Huabao Flavours from time to time, shall not, in aggregate, exceed 10% of the total number of shares of Huabao Flavours in issue (excluding any treasury shares) as at the date of approval of the Incentive Scheme (i.e. 61,588,000 shares), or, where applicable, as at the date of approval of the refreshed Scheme Mandate.

The aggregate number of shares to be issued in respect of all Restricted Shares that may be granted to any one Incentive Participant under the Share Incentive Scheme, together with all options and awards granted or to be granted to such Incentive Participant under all subsisting share schemes, if any, shall not exceed 1.00% of the total number of shares of Huabao Flavours in issue as at the date on which the Share Incentive Scheme was adopted.

5. Basis for and Scope of Incentive Participants

(a) Scope of Incentive Participants

The Incentive Participants of the Incentive Scheme are primarily directors, senior management, core management, and technical and business personnel of Huabao Flavours (including its controlled subsidiaries), as well as other personnel (all of whom are directors or employees of Huabao Flavours and/or its controlled subsidiaries) that the Huabao Flavours Board may deem necessary to incentivize. The Incentive Participants of the Incentive Scheme are nominated by the Remuneration and Evaluation Committee under the Huabao Flavours Board and reviewed and confirmed by the supervisory committee of Huabao Flavours.

(b) Basis of Determination

The Incentive Participants are those who are critical to the achievement of Huabao Flavours' performance objectives, having significant influence and irreplaceability, or who play a key role in the achievement of the Huabao Flavours' strategy, possessing professional expertise or greater influence.

All Incentive Participants must have worked for Huabao Flavours or its controlled subsidiaries during the assessment period of the Incentive Scheme and must have entered into employment or engagement contracts with Huabao Flavours or its controlled subsidiaries.

(1) In principle, the Incentive Participants are limited to the currently serving directors, senior management, core management, technical and business personnel and those who play an important role in the operation and development of Huabao Flavours .

(2) Supervisors and independent directors of Huabao Flavours shall not participate in the Scheme;

(3) Pursuant to the Administrative Measures, the following persons shall not participate in the Scheme:

(i) those who have been determined by a stock exchange as inappropriate candidates within the most recent 12 months;

(ii) those who have been determined by the CSRC and its delegated institutions as inappropriate candidates within the most recent 12 months;

(iii) those who, due to material violations of laws and regulations, have been subject to administrative penalties or market ban measures imposed by the CSRC and its delegated institutions within the most recent 12 months;

(iv) those who fall within the circumstances stipulated under the Company Law where they are prohibited from serving as directors or senior management members of a company;

(v) those who fall within the circumstances stipulated under laws and regulations where they are prohibited from participating in equity incentives of listed companies; or

(vi) such other circumstances as determined by the CSRC.

6. Conditions for the Grant of Restricted Shares

Huabao Flavours shall grant Restricted Shares to the Incentive Participants only when all of the following grant conditions are satisfied. If any of the grant conditions is not fulfilled, the Restricted Shares shall not be granted to the Incentive Participants.

1. None of the following has occurred on the part of Huabao Flavours:

a) a certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the financial accounting reporting for the latest accounting year;

b) a certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the internal control on financial reporting for the latest accounting year;

c) any profit distribution was made in violation of laws and regulations, the Articles and public undertakings within the past 36 months;

d) where the laws and regulations prohibit the implementation of equity incentives;

e) other circumstances as determined by the CSRC.

2. None of the following has occurred on the part of the Incentive Participants:

a) being identified as an unsuitable candidate by any securities exchange within the past 12 months;

b) being identified as an unsuitable candidate by the CSRC or its delegated offices within the past 12 months;

c) being subject to administrative penalties or market prohibition measures by the CSRC or its local offices within the past 12 months due to material violations of laws or regulations;

d) having circumstances that, under the Company Law, would disqualify them from serving as a director or senior management of Huabao Flavours ;

e) being prohibited by laws or regulations from participating in an equity incentive plan of a listed company;

f) Other circumstances as determined by the CSRC.

If Huabao Flavours experiences any of the events set out in Article 1 above, all Restricted Shares granted but not yet vested under the Incentive Scheme to all Incentive Participants shall be cancelled and shall not vest.

If any Incentive Participant falls under any of the circumstances set out in Article 2 above that would disqualify them from being granted Restricted Shares, the Restricted Shares granted to such Incentive Participant but not yet vested shall lapse and shall not vest.

7. Duration, Grant Date, Vesting Arrangement and Lock-up Period

(i) Duration

The Share Incentive Scheme shall be valid for a maximum of 60 months from the date of initial grant of Restricted Shares to the date on which all Restricted Shares granted to the Incentive Participants have either vested or lapsed or canceled.

(ii) Grant Date

Upon approval of the Incentive Scheme by the general meeting of Huabao Flavours, Huabao Flavours shall, within 60 days (or, if subject to grant conditions, within 60 days from the date on which such conditions are satisfied), convene a board meeting to complete the initial grant of the Restricted Shares to the Incentive Participants in accordance with the relevant requirements and complete the announcement and other related procedures. If Huabao Flavours fails to complete the foregoing initial grant within 60 days, it shall promptly disclose the reasons for such failure and announce the termination of the implementation of the Incentive Scheme. Any period during which the grant of Restricted Shares is prohibited under the Administrative Measures shall not be counted within such 60-day period. The Grant Date for the initial grant shall be determined by the Huabao Flavours Board after the Incentive Scheme is approved and must fall on a trading day.

In respect of the reserved portion under the Incentive Scheme, the Incentive Participants shall be identified within 12 months after the approval of the Incentive Scheme by the general meeting of Huabao Flavours. If no Incentive Participants are identified within such 12-month period, the Restricted Shares corresponding to the reserved portion shall lapse. The Grant Date for the reserved portion shall be determined by the Huabao Flavours Board and must fall on a trading day.

(iii) Vesting Arrangement

The Restricted Shares granted pursuant to the initial and reserved grants under the Share Incentive Scheme shall vest in three tranches, in the respective proportion of 30%, 30% and 40%. Vesting of the first tranche shall commence on the first trading day after the elapse of 12 months from the relevant grant date till the last trading day within 24 months after the relevant grant date; vesting of the second tranche shall commence on the first trading day after the elapse of 24 months from the relevant grant date till the last trading day within 36 months after the relevant grant date; and vesting of the third tranche shall commence on the first trading day after the elapse of 36 months from the relevant grant date till the last trading day within 48 months after the relevant grant date. The vesting period and vesting arrangements for the initial and reserved grants of Restricted Shares under the Incentive Scheme are set out as follows:

Vesting Schedule	**Vesting Period**	**Proportion of Granted Shares to be Vested**
First Vesting Period	From the first trading day after the elapse of 12 months from the date of grant of the corresponding portion of Restricted Shares till the last trading day within 24 months after the relevant grant date	30%
Second Vesting Period	From the first trading day after the elapse of 24 months from the date of grant of the corresponding portion of Restricted Shares till the last trading day within 36 months after the relevant grant date	30%
Third Vesting Period	From the first trading day after the elapse of 36 months from the date of grant of the corresponding portion of Restricted Shares till the last trading day within 48 months after the relevant grant date	40%

The Restricted Shares granted under the Incentive Scheme shall vest according to the above vesting arrangement upon the satisfaction of the corresponding vesting conditions by the Incentive Participants. The vesting date must fall on a trading day within the validity period of the Incentive Scheme, but shall not fall within any of the following periods:

1. The 15-day period prior to the announcement of Huabao Flavour's annual report or interim report, or, in the event that the announcement is postponed for special reasons, the 15-day period prior to the originally scheduled announcement date;

2. The 5-day period prior to the disclosure of Huabao Flavours' quarterly report, results forecast, or preliminary financial results;

3. From the date on which a material event that may have a significant impact on the trading price of Huabao Flavours' shares or their derivatives occurs, or from the date on which the decision-making process for such material event commences, up to and including the date of its disclosure in accordance with applicable laws;

4. Any other periods as required by the CSRC, SZSE, or HKEX (if applicable).

For the purposes of the foregoing, "material events" (including inside information) refer to transactions or other significant matters that Huabao Flavours is required to disclose in accordance with the ChiNext Listing Rules.

Restricted Shares that do not vest due to the vesting conditions not being satisfied during the foregoing specified periods shall not vest or be carried forward to the next year, and shall lapse in accordance with the provisions of the Incentive Scheme.

(iv) Lock-up

Restricted Shares granted to the Incentive Participants under the Incentive Scheme shall not be transferred prior to vesting. Upon vesting, no additional lock-up period shall be imposed on such Restricted Shares. Any transfer of vested Restricted Shares shall be subject to the applicable laws, administrative regulations, normative documents, and the articles of association of Huabao Flavours.

8. Performance Targets

Vesting of the Restricted Shares under both the initial and reserved grants of the Share Incentive Scheme will be subject to the fulfillment of the same pre-established performance targets, details of which are set out as follows:

Performance targets at Huabao Flavours' level

Vesting Period	Corresponding Assessment Year	Performance Target
First Vesting Period of Initial and Reserved Restricted Shares	2026	Revenue growth of 10% in 2026 as compared to that of 2025
Second Vesting Period of Initial and Reserved Restricted Shares	2027	Revenue growth of 25% in 2027 as compared to that of 2025
Third Vesting Period of Initial and Reserved Restricted Shares	2028	Revenue growth of 35% in 2028 as compared to that of 2025

Performance targets at Incentive Participant level

Pursuant to the Huabao Flavours 2025 Restricted Share Incentive Scheme Implementation and Assessment Measures, the pro rata vesting of Restricted Shares to Incentive Participants, based on their individual performance assessment results, shall be contingent upon the achievement of the performance targets at Huabao Flavours' level in the relevant assessment year.

The formula for calculating an individual Incentive Participant's vesting percentage in a given year is as follows:

Actual number of Restricted Shares vested in the year = Standard Factor × Number of Restricted Shares scheduled to vest under the Scheme for the individual in the year

Assessment Result	Standard Factor
Pass or above	1.0
Below Pass	0

Restricted Shares scheduled to vest for an Incentive Participant in a given period that fail to vest due to performance assessment shall lapse and shall not be carried forward to subsequent years.

9. Purchase Price and Basis of Determination

The Purchase Price of the Restricted Shares under the Share Incentive Scheme is RMB9.62 per share, which represents 50% of the average trading price of Huabao Flavours' shares of RMB19.23 per share on 25 August 2025, being the trading day immediately preceding the publication of the announcement of the Share Incentive Scheme, which was calculated by dividing the total transaction amount by the total trading volume on that day.

Pursuant to Article 23 of the Administrative Measures applicable to the Share Incentive Scheme, the Purchase Price shall not be lower than the par value of the shares and, in principle, shall not be less than the higher of the following:

(a) 50% of the average trading price of the listed company's shares on the trading day immediately preceding the announcement of the draft Share Incentive Scheme; or

(b) 50% of the average trading price of the listed company's shares for the 20 trading days immediately preceding the announcement of the draft Share Incentive Scheme.

Accordingly, the Purchase Price of the Restricted Shares under the Share Incentive Scheme has been determined as RMB9.62 per share for the initial grant of 18,100,000 shares and RMB9.62 per share for the reserved grant of 1,000,000 shares, representing 50% of the average trading price of Huabao Flavours' shares of RMB19.23 per share on 25 August 2025, the trading day immediately preceding the announcement of the draft Share Incentive Scheme. For reference, 50% of the average trading price of Huabao Flavours' shares for the 20 trading days immediately preceding the announcement was RMB9.61 per share.

10. Adjustment of Purchase Price and/or Number of Restricted Shares

In the event of any capitalisation of capital reserve, bonus issue, share subdivision or consolidation, rights issue, or distribution of dividends by Huabao Flavours during the period from the date of the announcement of the Share Incentive Scheme to the grant of Restricted Shares to the Incentive Participants, and from the grant of Restricted Shares to the Incentive Participants to the vesting of such Restricted Shares, the Purchase Price of the Restricted Shares will be adjusted accordingly in accordance with the Scheme Rules. Except for the distribution of dividends, the number of Restricted Shares will also be adjusted in the event of any capitalisation of capital reserve, bonus issue, share subdivision or consolidation, or rights issue of Huabao Flavours. The specific method for such adjustments is set out as follows:

(i) Method for Adjusting the Number of Restricted Shares

If, between the date of the announcement of the Incentive Scheme and the granting of Restricted Shares to the Incentive Participants, and/or between the granting of Restricted Shares and their vesting, Huabao Flavours conducts capitalisation of capital reserve, distribution of stock dividends, share subdivision or consolidation, or rights issues, the number of Restricted Shares shall be adjusted accordingly. The adjustment method is as follows:

1. Capitalisation of capital reserve, bonus issues and share sub-division

$$Q = Q_0 \times (1 + n)$$

where: Q_0 represents the number of Restricted Shares before adjustment; n represents the ratio of increase per share resulting from capitalisation of capital reserve, bonus issues and share sub-division (i.e. the number of the shares increased per share upon capitalisation of capital reserve, bonus issues and share sub-division); Q represents the number of Restricted Shares after adjustment.

2. Share consolidation

$$Q = Q_0 \times n$$

where: Q_0 represents the number of the Restricted Shares before adjustment; n represents the ratio of consolidation of shares (i.e. one share of Huabao Flavours is consolidated into n share); Q represents the number of the Restricted Shares after adjustment.

3. Rights issues

$$Q = Q_0 \times P_1 \times (1 + n) / (P_1 + P_2 \times n)$$

where: Q_0 represents the number of Restricted Shares before adjustment; P_1 represents the closing price as at the record date; P_2 represents the subscription price for the rights issue; n represents the ratio of the rights issues (i.e. the number of shares offered in the rights issue as a proportion of the total share capital of Huabao Flavours before the rights issue); Q represents the number of Restricted Shares after adjustment.

4. Issue of new shares

In the event of issue of new Shares by Huabao Flavours, no adjustment shall be made to the number of Restricted Shares.

5. Distribution of dividends

In the event of distribution of dividends by Huabao Flavours, no adjustment shall be made to the number of Restricted Shares.

(ii) Method for Adjusting the Purchase Price of the Restricted Shares

If, between the date of the announcement of the Incentive Scheme and the granting of Restricted Shares to the Incentive Participants, and/or between the granting of Restricted Shares and their vesting, Huabao Flavours conducts capitalisation of capital reserve, distribution of stock dividends, share subdivision, share consolidation, cash dividends, or rights issues, the Purchase Price of the Restricted Shares shall be adjusted accordingly. The adjustment method is as follows:

1. Capitalisation of capital reserve, bonus issues and share sub-division

   $P = P_0 \div (1 + n)$

   where P_0 represents the Purchase Price before adjustment, n represents the ratio for capitalisation of capital reserve, bonus issues and share subdivision per share, and P represents the Purchase Price after adjustment.

2. Share consolidation

   $P = P_0 \div n$

   where: P_0 represents the Purchase Price before adjustment; n represents the share consolidation ratio; P represents the Purchase Price after the adjustment.

3. Distribution of dividends

   $P = P_0 - V$

   where: P_0 represents the Purchase Price before the adjustment; V represents the dividend per share; P represents the Purchase Price after the adjustment.

4. Rights issues

   $P = P_0 \times (P_1 + P_2 \times n) / [P_1 \times (1 + n)]$

   where: P_0 represents the Purchase Price before the adjustment; P_1 represents the closing price as at the record date; P_2 represents the subscription price for the rights issue; n represents the ratio of the rights issue (i.e., the number of shares offered in the rights issue as a proportion of the total share capital of Huabao Flavours before the rights issue); P represents the Purchase Price after the adjustment.

5. Issue of new shares

   In the event of issue of new shares by Huabao Flavours, no adjustment will be made to the Purchase Price of the Restricted Shares.

(iii) Procedures for Adjustments

Huabao Flavours Board will be authorized to adjust the number and Purchase Price of the Restricted Shares in accordance with the reasons set out in the Incentive Scheme and the relevant regulations of the CSRC, SZSE, or HKEX.

Any adjustments to the number of Restricted Shares, Purchase Price, or other terms for other reasons shall be resolved by the Huabao Flavours Board and approved by the general meeting of Huabao Flavours.

11. Restrictions Prior to Vesting

Prior to vesting, the Restricted Shares granted to the Incentive Participants shall not be transferred or used as security or for the repayment of debt, nor shall the Incentive Participants be entitled to rights of shareholders, including polling, dividends, bonuses, other distributions, and shall not have any rights in respect of Huabao Flavours. Such rights will only accrue to the Incentive Participants upon completion of vesting and registration as shareholders of Huabao Flavours, in accordance with applicable laws and the Articles of Association of Huabao Flavours.

12. Clawback

If an Incentive Participant violates the law, breaches professional ethics, discloses company secrets, engages in misconduct or malpractice that causes serious harm to the interests or reputation of Huabao Flavours, or breaches any Non-Competition Agreement with Huabao Flavours, Huabao Flavours, may, with the approval of its board of directors, cancel the vesting of any Restricted Shares granted but not yet vested. In serious cases, Huabao Flavours may also seek to recover any losses it has suffered in accordance with applicable laws.

If Huabao Flavours' disclosure documents are found to contain any false or misleading statement, or material omission, which results in the grant or vesting conditions of the Restricted Shares not being satisfied, the Incentive Participants shall, upon confirmation of such false or misleading statement or material omission in the relevant disclosure documents, return to Huabao Flavours all benefits received under the Incentive Scheme, and any Restricted Shares granted but not yet vested shall not vest.

An employee who is an Incentive Participant must, if they breach the Non-Competition Agreement entered into with Huabao Flavours after leaving Huabao Flavours, return to Huabao Flavours all benefits derived from the Restricted Shares under the Incentive Scheme.

13. Lapse of the Restricted Shares

If, prior to or on the vesting date, any of the following events occurs, any Restricted Shares granted but not yet vested to an Incentive Participant shall lapse automatically:

1. The Incentive Participant fails to meet the Vesting Conditions; or

2. The Incentive Participant ceases to be eligible to participate in the Share Incentive Scheme for any of the following reasons:

   2.1 has been deemed an unsuitable candidate by a securities exchange within the past 12 months;

   2.2 has been deemed an unsuitable candidate by the CSRC or its dispatched agencies within the past 12 months;

   2.3 has been subject to administrative penalties or market prohibition measures by the CSRC or its dispatched agencies within the past 12 months due to major violations of laws or regulations;

   2.4 is subject to any circumstances under the Company Law that would prohibit them from serving as a director or senior management personnel of a company; or

   2.5 falls under other categories of persons who are legally or regulatorily prohibited from participating in a listed company's share incentive scheme.

14. Cancellation of Restricted Shares

If, prior to or on the vesting date, any of the following events occurs, any Restricted Shares granted but not yet vested to an Incentive Participant shall be canceled:

1. A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the financial accounting reporting for the latest accounting year;

2. A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the internal control on financial reporting for the latest accounting year;

3. Any profit distribution was made in violation of laws and regulations, the Articles and public undertakings within the past 36 months;

4. Huabao Flavours terminates the employment relationship with the Incentive Participant due to his/her inability to perform the job;

5. If any Incentive Participant has violated the law, breached professional ethics, disclosed company secrets, engaged in misconduct or malpractice causing serious damage to the interests or reputation of Huabao Flavours, or breached any Non-Competition Agreement entered into with Huabao Flavours, any Restricted Shares granted but not yet vested to the Incentive Participant shall, upon approval by the Huabao Flavours Board, not vest and shall be cancelled;

6. If any Incentive Participant cease to be employed due to loss of labour capacity unrelated to the performance of his/her duties, any Restricted Shares already vested shall be handled in accordance with the procedures stipulated in the Share Incentive Scheme, and Huabao Flavours shall have the discretion to decide that any Restricted Shares granted but not yet vested to the Incentive Participant shall not vest and shall be cancelled;

7. If the death of any Incentive Participant is not related to the performance of his/her duties, any Restricted Shares already vested shall be handled in accordance with the procedures stipulated in the Share Incentive Scheme, and Huabao Flavours shall have the discretion to decide that any Restricted Shares granted but not yet vested to the Incentive Participant shall not vest and shall be cancelled;

8. If any Incentive Participant ceases to hold the relevant position in Huabao Flavours due to resignation or termination of employment by Huabao Flavours, any Restricted Shares granted but not yet vested to the Incentive Participant shall not vest and shall be cancelled as of the date of such occurrence; or

9. If Huabao Flavours' disclosure documents are found to contain any false or misleading statement, or material omission, which results in the grant or vesting conditions of the Restricted Shares not being satisfied, the Incentive Participants shall, upon confirmation of such false or misleading statement or material omission in the relevant disclosure documents, return to Huabao Flavours all benefits received under the Incentive Scheme, and any Restricted Shares granted but not yet vested shall not vest.

15. Termination of the Share Incentive Scheme

The Share Incentive Scheme shall be valid for a maximum of 60 months from the date of initial grant of Restricted Shares to the date on which all Restricted Shares granted to the Incentive Participants have either vested or lapsed or canceled.

The Share Incentive Scheme shall be terminated before the end of its life if any of the following circumstances occur:

(a) A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the financial accounting reporting for the latest accounting year;

(b) A certified public accountant has issued an audit report with adverse opinion or disclaimer of opinion in relation to the internal control on financial reporting for the latest accounting year;

(c) Any profit distribution was made in violation of laws and regulations, the articles of association and public undertakings within the past 36 months;

(d) Where the laws and regulations prohibit the implementation of equity incentives;

(e) Other circumstances as determined by the CSRC.

Upon the occurrence of any of the above circumstances, the Share Incentive Scheme shall be terminated, and any Restricted Shares granted to Incentive Participants but not yet vested shall not vest and shall be canceled.

16. Payment and Financial Assistance

No amount is payable by the Incentive Participants on application for or acceptance of the Restricted Shares, and there is no arrangement for any payment, call or loan to be made or repaid in connection therewith.

No financial assistance shall be provided by Huabao Flavours to the Incentive Participants to facilitate the purchase of the Restricted Shares.

17. Amendment to the Incentive Scheme

If Huabao Flavours makes any amendments to an Incentive Scheme, such amendments shall be promptly announced and submitted to the shareholders' general meeting for approval, except for adjustments to the number or price of Restricted Shares in accordance with the reasons specified in the Incentive Scheme and the relevant regulations of the CSRC, the SZSE, or the Hong Kong Stock Exchange. Such amendments shall not include the following:

1. Any circumstances resulting in accelerated vesting;

2. Any circumstances reducing the Purchase Price (except where the reduction arises from capitalisation of capital reserves, distribution of stock dividends, dividend payments, or rights issues).

During the period when Huabao Flavours is a principal subsidiary of a company listed on the Hong Kong Stock Exchange, except for those who have obtained waiver from the Hong Kong Stock Exchange (if applicable), Huabao Flavours must also comply with the following requirements if any changes to the Incentive Scheme are to be made:

(1) Any alterations to the terms and conditions of the Incentive 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 Hong Kong Listing Rules to the advantage of Incentive Participants must be approved by the general meeting of Huabao International and/or approved by Huabao Flavours (if applicable).

(2) Any change to the terms of Restricted Shares granted to an Incentive Participant must be approved by the Huabao Flavours Board, the Remuneration and Evaluation committee and the shareholders of both Huabao International and Huabao Flavours (where applicable) if the initial grant of the Restricted Shares was approved by the board, the Remuneration and Evaluation committee and the shareholders of both Huabao International and Huabao Flavours (where applicable). This requirement does not apply where the alterations take effect automatically under the existing terms of the Incentive Scheme.

(3) The amended terms of the Incentive Scheme must still comply with the relevant requirements of Chapter 17 of the Hong Kong Listing Rules.

(4) Any change to the authority of the directors to alter the terms of the Incentive Scheme must be approved by shareholders of Huabao International and/or Huabao Flavours in general meeting.

In the event of any of the following circumstances, the Incentive Scheme shall not be changed and shall continue to be implemented as it was before such circumstances occurred:

(i) Change of control of Huabao Flavours;

(ii) Merger or demerger of Huabao Flavours.

18. Grant of Restricted Shares under the Incentive Scheme

(a) Scope of Incentive Participants for the initial grant

The initial grant under the Incentive Scheme includes a total of 135 Incentive Participants.

All Incentive Participants are key management personnel and core technical or business talents who directly influence the Huabao Flavours' future performance and development, forming the core driving force behind the implementation of the Huabao Flavours' strategy and its business growth.

The Incentive Participants under the Incentive Scheme do not include Huabao Flavours' independent directors or supervisors, nor do they include any shareholder or de facto controller who individually or collectively holds more than 5% of the Huabao Flavours' shares, or their spouses, parents, or children.

(b) List of Incentive Participants and the allocation

Name	Position	Number of Restricted Shares Granted (10,000 shares)	Restricted Shares Granted as % of Total Grants	Restricted Shares Granted as % of Current Total Share Capital
I. Directors and Senior Management				
YUAN Xiaoqin	Director, President	150	7.85%	0.24%
LI Xiaojun	Director, Vice President	80	4.19%	0.13%
HAN Pengliang	Director, Vice President	80	4.19%	0.13%
HOU Xiaoqin	Vice President and Secretary of the Huabao Flavours' Board	65	3.40%	0.11%
YUN Qiudong	Vice President	80	4.19%	0.13%
REN Yujin	Chief Financial Officer	50	2.62%	0.08%
II. Core Management, Technical and Business Personnel of Huabao Flavours (including its controlled subsidiaries) and other personnel deemed necessary by the **Huabao Flavours** Board (total of 129)		1,305	68.32%	2.12%
III. Total of the Initial Grant		1,810	94.76%	2.94%
IV. Reserved Restricted Shares		100	5.24%	0.16%
Total		1,910	100.00%	3.10%

1. None of the above-mentioned Incentive Participants will be granted Restricted Shares such that the total number of Shares to be issued to any one Incentive Participant under the Share

Incentive Scheme, together with all options and awards granted or to be granted to such Incentive Participant under all other subsisting share schemes, if any, would exceed 1.00% of the total number of Shares of Huabao Flavours in issue as at the date on which the Incentive Scheme was adopted.

2. None of the Incentive Participants under this Incentive Scheme has participated in two or more equity incentive plans of listed companies.

3. The Incentive Participants under this Incentive Scheme do not include independent directors or supervisors, nor shareholders or actual controllers who, individually or together, hold 5% or more of the Huabao Flavours' shares, or their spouse, parents, or children.

The Incentive Participants for the reserved portion shall be determined within 12 months after the approval of this Incentive Scheme by the shareholders' general meeting of Huabao Flavours.

HUABAO INTERNATIONAL HOLDINGS LIMITED
華寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00336)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the "**Meeting**") of Huabao International Holdings Limited (the "**Company**") will be held at Room 3 - 4, United Conference Centre, 10/F., United Centre, 95 Queensway, Admiralty, Hong Kong on Friday, 28 November 2025 at 10:00 a.m. (if there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above or the extreme conditions as announced by the Hong Kong Special Administrative Government in force on 28 November 2025, the provisions contained in Note 8 below shall be applicable) for the purpose of considering and, if though fit, passing with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

"THAT:

1. the rules of the proposed share incentive scheme of Huabao Flavours & Fragrances Co., Ltd. ("**Huabao Flavours**") be and are hereby approved and adopted; and the directors of the Company be and are hereby authorised to execute such documents and take such actions as they deem appropriate to implement and give effect to such scheme of Huabao Flavours."

By Order of the Board
Huabao International Holdings Limited
POON Chiu Kwok
Executive Director

Hong Kong, 10 November 2025

* *For identification purpose only*

Notes:

1. A shareholder of the Company (the "**Shareholder(s)**") entitled to attend and vote at the Meeting (or at any adjournment thereof) is entitled to appoint another person as his/her/its proxy to attend and vote in his/her/its stead in accordance with the bye-laws of the Company. A proxy need not be the Shareholder. Completion and return of the form of proxy will not preclude a member from attending the Meeting and voting in person. In such event, his/her form of proxy will be deemed to have been revoked.

2. A form of proxy for use at the Meeting is enclosed.

3. To be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified true copy thereof must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via designated URL (https://evoting.vistra.com) by using the username and password provided on the notification letter sent by the Company not less than 48 hours before the time appointed for holding the Meeting (or any adjourned meeting thereof) and in default the form of proxy shall not be treated as valid. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the Meeting (or any adjourned meeting thereof) should they so wish.

4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of joint holding.

5. Further details regarding the above resolution are set out in a circular to the Shareholders dated 10 November 2025 ("**Circular**") sent together with this notice.

6. In order to determine the entitlement of Shareholders to attend and vote at the Meeting, the register of members of the Company will be closed from 25 November 2025 to 28 November 2025, both days inclusive, during which no transfer of shares will be effected. All properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on 24 November 2025. Shareholders whose names are recorded in the register of members of the Company on 28 November 2025 are entitled to attend and vote at the Meeting.

7. Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, the resolution set out in this notice will be decided by poll at the Meeting.

8. If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above in force at or after 8:00 a.m. on 28 November 2025 and/or if the Hong Kong Observatory announces at or before 8:00 a.m. on 28 November 2025 that either of the above mentioned warnings is to be issued within the next two hours, or the extreme conditions as announced by the Hong Kong Special Administrative Government persist two hours prior to 10:00 a.m. on 28 November 2025, the Meeting shall automatically be postponed to the next Business Day on which no "black" rainstorm warning or tropical cyclone warning signal number 8 or above or the extreme conditions as announced by the Hong Kong Special Administrative Government is hoisted between the hours from 8:00 a.m. to 10:00 a.m. and in such case the Meeting shall be held at 10:00 a.m. on that Business Day at Suite 3008, 30th Floor, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. "Business Day", in this context, shall mean a day (not being a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are open for general banking business.

9. **No refreshment will be served and no gift will be distributed at the Meeting.**

As at the date of this notice, the Board comprises six executive directors, namely Ms. CHU Lam Yiu, Messrs. LAM Ka Yu, XIA Liqun, POON Chiu Kwok, Ms. LAM Ka Yan and Ms. CHOY Man Har and three independent non-executive directors, namely Mr. LEE Luk Shiu, Mr. Jonathan Jun YAN and Mr. HOU Haitao.