THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

曹操出行

CaoCao Inc.

曹 操 出 行 有 限 公 司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 02643)

DISCLOSEABLE AND CONNECTED TRANSACTION – ACQUISITION OF ENTIRE EQUITY INTEREST IN GEELY BUSINESS AND PROPOSED ADOPTION OF THE SHARE INCENTIVE SCHEME

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

第一上海
FIRST SHANGHAI GROUP

A letter from the Board is set out on pages 11 to 31 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 32 to 33 of this circular. A letter from First Shanghai, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 34 to 50 of this circular.

A notice convening the EGM to be held at Room Huanqiu, 2/F, Geely Technology Plaza, No. 868 Dongguan Road, Binjiang District, Hangzhou, Zhejiang Province, China on Friday, February 27, 2026 at 2:00 p.m. is set out on pages 84 to 87 of this circular. A form of proxy for use at the EGM is also enclosed, and published on the HKExnews website of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.caocao.com.cn).

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible, but in any event not less than 48 hours before the time appointed for holding the EGM (i.e. not later than 2:00 p.m. on Wednesday, February 25, 2026) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish. If you attend and vote at the EGM, the form of proxy that you have completed and returned will be revoked.

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

January 27, 2026

CONTENTS

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

"Acquisition"	the acquisition of the entire equity interest in Geely Business by Suzhou Youxing from Geely Holding pursuant to the SPA
"Adoption Date"	the date on which the Share Incentive Scheme is conditionally adopted by the Shareholders at the EGM
"Articles of Association"	the Articles of Association of the Company, as amended from time to time
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Award(s)"	an award of any Options or RSUs as determined by the Board or its delegate(s) and granted to an Eligible Participant pursuant to the Share Incentive Scheme
"Award Letter"	the award letter as set out and defined in the Share Incentive Scheme
"Board"	the board of Directors of the Company
"Board or its delegate(s)"	for the purpose of the Share Incentive Scheme, means the Board, or a committee of the Board, and/or person(s) to which the Board has delegated its authority
"Business Day"	any day (excluding Saturday) on which banks in Hong Kong are generally open for business and the Stock Exchange is open for business of dealing securities

"Cause"	for the purpose of the Share Incentive Scheme, means, with respect to a Grantee, the summary termination of employment or office on any one or more of the following grounds: the Grantee has been guilty of misconduct, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board or its delegate(s) in its absolute discretion) on any other grounds on which the relevant company in the Group would be entitled to terminate his employment or office summarily at common law or pursuant to any applicable laws or under the Grantee's service contract with the relevant company in the Group. Notwithstanding the foregoing, a resolution and/or decision of the Board or its delegate(s), or the board of directors of the relevant subsidiary or the Consolidated Affiliated Entity to the effect that the employment or office of a Grantee has or has not been terminated on one or more of the grounds specified in the Share Incentive Scheme shall be conclusive
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Companies Act"	the Companies Law of Cayman Islands (as amended from time to time)
"Company"	CaoCao Inc. (曹操出行有限公司), an exempted company with limited liability incorporated in the Cayman Islands on November 8, 2021
"Competitor"	for the purpose of the Share Incentive Scheme, means any governmental unit, corporation, partnership, joint venture, trust, individual proprietorship, firm or other enterprise, as the Board or its delegate(s) may at its absolute discretion identifies and determines, that carries on activities for profit, and shall be deemed to include any affiliates of the aforementioned, that is engaged in or about to become engaged in any activity of any nature that competes with a product, process, technique, procedure, device or service of the Company, any of its respective subsidiaries or Consolidated Affiliated Entities
"connected person(s)"	has the meaning ascribed to it under the Listing Rules

"Consolidated Affiliated Entities"	Hangzhou Youxing and its subsidiaries, the financial results of which have been consolidated and accounted for as subsidiaries of the Company by virtue of the contractual arrangements. Please refer to the "Contractual Arrangements" section in the prospectus of the Company dated June 17, 2025 for further details
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Li and Ugo Investment
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Disability"	for the purpose of the Share Incentive Scheme, means a disability, whether temporary or permanent, partial or total as determined by the Board or its delegate(s)
"EGM"	the Extraordinary General Meeting of the Company to be held at Room Huanqiu, 2/F, Geely Technology Plaza, No. 868 Dongguan Road, Binjiang District, Hangzhou, Zhejiang Province, China on Friday, February 27, 2026 at 2:00 p.m., or any adjournment thereof
"Eligible Participant(s)"	eligible participant(s) under the Share Incentive Scheme, including Employee Participant(s), Service Provider(s) and Related Entity Participant(s)
"Employee Participant(s)"	for the purpose of the Share Incentive Scheme, means Director(s) and employee(s) of any member of the Group (including persons who are granted Options and/or RSUs under the Share Incentive Scheme as an inducement to enter into employment contracts with the Group)
"Exercise Period"	for the purpose of the Share Incentive Scheme, means, in respect of any particular Option, the period to be determined and notified by the Board or its delegate(s) to each Grantee during which the Grantee may exercise such Option. Such period may commence on a day after the Grant Date and in any event shall end not later than 10 years from the Grant Date but subject to the provisions for early termination thereof contained in the Share Incentive Scheme

"Exercise Price"	for the purpose of the Share Incentive Scheme, means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in the Scheme Rules
"financial year"	a year or other period for which the Company's consolidated accounts are made up
"Further Shares"	for the purpose of the Share Incentive Scheme, means Shares purchased by the Trustee out of cash income or net proceeds of sale of non-cash or non-scrip distributions declared and distributed by the Company in respect of Shares held upon the Trust
"Geely Business"	Zhejiang Geely Business Service Co., Ltd. (浙江吉利商務服務有限公司), a limited liability company established under PRC laws on June 29, 2010
"Geely Group"	Geely Holding and its affiliates and subsidiaries
"Geely Holding"	Zhejiang Geely Holding Group Company Limited (浙江吉利控股集團有限公司), a limited liability company established under PRC laws on March 24, 2003, which is directly owned as to 82.23%, 9.71% and 8.06% by Mr. Li, Ningbo Yima Enterprise Management Partnership (Limited Partnership) (a company controlled by Mr. Li and his associates) and Mr. Xingxing Li (son of Mr. Li), respectively
"Grant"	the offer of the grant of an Award made in accordance with the Share Incentive Scheme
"Grant Date"	for the purpose of the Share Incentive Scheme, means the date on which the Grant is offered to an Eligible Participant, and shall be a Business Day if the Grant contains any Options
"Grantee(s)"	any Eligible Participant(s) who accept(s) or is/(are) deemed to have accepted a Grant in accordance with the terms of the Share Incentive Scheme (where applicable), or (where the context so permits) any person who is entitled to any Award in consequence of the death of the original Grantee

"Group"	the Company, its subsidiaries, and the Consolidated Affiliated Entities from time to time
"Hangzhou Youxing"	Hangzhou Youxing Technology Co., Ltd. (杭州優行科技有限公司), a limited liability company established under PRC laws on May 21, 2015, and a Consolidated Affiliated Entity
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board, which comprises all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders on the Acquisition
"Independent Financial Adviser" or "First Shanghai"	First Shanghai Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Acquisition
"Independent Shareholders"	Shareholders other than Ugo Investment and Oceanpine Marvel
"Industry Research Consultants"	persons who provide industry research and strategic consulting services to the Group in relation to product, professional technology, research and development, operations, marketing, capital market, experience and other professional areas, and in the opinion of the Directors, the continuity and frequency of those services are akin to those of employees of the Group
"Latest Practicable Date"	January 21, 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange (as amended, supplemented or otherwise modified from time to time)
"Mr. Li"	Mr. Shufu Li (李書福先生), founder of the Group and one of the Controlling Shareholders
"Oceanpine Marvel"	Oceanpine Marvel Inc, a company incorporated in the Cayman Islands with limited liability on July 6, 2021, a Shareholder who has entrusted Ugo Investment to exercise the voting rights attached to the Shares held by it, representing approximately 3.76% of the voting rights of the Company
"Option"	an option to subscribe for Shares granted pursuant to the terms of the Share Incentive Scheme
"Other Service Providers"	independent contractors, consultants and/or advisors who provide services to the Group in relation to research and development, product commercialization, marketing, innovation upgrading, strategic/commercial planning on corporate image, investor relations and other professional areas on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group
"PRC" or "China"	the People's Republic of China, but for the purposes of this circular only (unless otherwise indicated), excluding Hong Kong, the Macau Special Administrative Region and Taiwan
"Pre-IPO Share Incentive Plan"	the share incentive plan adopted by the Company in November 2022
"Purchase Price"	for the purpose of the Share Incentive Scheme, means the consideration, if any, payable by a Grantee to purchase an Award, which shall be determined at the sole and absolute discretion of the Board or its delegate(s)
"Related Entity Participant(s)"	for the purpose of the Share Incentive Scheme, includes director(s) and employee(s) of the holding companies, fellow subsidiaries or associated companies of the Company

"Related Income"	for the purpose of the Share Incentive Scheme, means all income derived from a Share held upon the Trust in the form of shares (including but not limited to, the Further Shares, and any bonus shares and scrip shares received in respect of the Share)
"Returned Shares"	for the purpose of the Share Incentive Scheme, means Shares underlying an Award and Related Income of the relevant Shares underlying an Award which are referable to a Grantee and which are not vested in accordance with the terms of the Share Incentive Scheme, or returned in accordance with the clawback mechanism of the Share Incentive Scheme, or such Shares that are deemed to be Returned Shares
"Ride-hailing Service Providers"	affiliated drivers to whom the Group provides its own vehicles, and who generally dedicate a greater amount of their time serving on the Group's platform than car-partner drivers
"RMB"	Renminbi, the lawful currency of the PRC
"RSU"	a restricted share unit conferring the Grantee a conditional right to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting, as determined by the Board or its delegate(s) in its absolute discretion, less any tax, fees, levies, stamp duty and other charges applicable pursuant to the terms of the Share Incentive Scheme
"Scheme Rules"	the rules of the Share Incentive Scheme
"Service Provider(s)"	for the purpose of the Share Incentive Scheme, means person(s) and/or corporate entity(ies) who provide(s) services to the Group on a continuing and recurring basis in its/their ordinary and usual course of business which are in the interests of the long term growth of the Group, namely (a) Strategic Consulting Consultants, (b) Industry Research Consultants, (c) Strategic Partners, (d) Ride-hailing Service Providers, and (e) Other Service Providers, but excluding (for the avoidance of doubt) (i) placing agents or financial advisers providing advisory services for fund-raising, mergers or acquisitions, and (ii) professional service providers (such as auditors or valuers) who provide assurance, or are required to perform their services with impartiality and objectivity

"SFO"	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary shares in the share capital of the Company with par value of US$0.00001 each
"Share Incentive Scheme" or "Scheme"	the new share incentive scheme of the Company proposed to be considered and adopted at the EGM, the principal terms of which are set out in Appendix II to this circular
"Share Scheme(s)"	collectively, the share option scheme(s) and share award scheme(s) involving the issue of new Shares adopted or to be adopted by the Company from time to time
"Shareholder(s)"	holder(s) of Share(s)
"SPA"	the share purchase agreement dated December 30, 2025 entered into among Suzhou Youxing, Geely Holding and Geely Business
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategic Consulting Consultants"	persons who provide strategic consulting services to the Group whose services will lead, collaborate with or optimize the businesses operated by the Group from time to time, and in the opinion of the Directors, the continuity and frequency of those services are akin to those of employees of the Group
"Strategic Partners"	individuals who have established long-term, stable cooperative relationships with the Group in areas such as market, channels, brand, technology, talent, and finance, and through resource sharing and complementary advantages, may create synergies that help both parties achieve their long-term strategic development goals and enhance their respective competitiveness
"subsidiary(ies)"	a company or companies which is/are for the time being and from time to time a subsidiary/subsidiaries (within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere

"Suzhou Youxing"	Suzhou Youxing Qianli Network Technology Co., Ltd. (蘇州優行千里網絡科技有限公司), a limited liability company established under PRC laws on December 31, 2021, and an indirect wholly owned subsidiary of the Company
"Treasury Share(s)"	has the meaning ascribed to it under the Listing Rules. For the purposes of the Share Incentive Scheme, new Shares include Treasury Shares and the issue/subscription of new Shares includes the transfer of Treasury Shares
"Trust"	the trust constituted by the Trust Deed to service the Share Incentive Scheme
"Trust Deed"	the trust deed to be entered into between the Company and the Trustee (as may be restated, supplemented and amended from time to time) in relation to the Share Incentive Scheme
"Trustee"	a trustee or trustees as shall be appointed pursuant to the terms of the Trust Deed, which is independent and not connected with the Group
"Ugo Investment"	Ugo Investment Limited, a limited liability company incorporated in the British Virgin Islands, which is wholly owned by Mr. Li
"US$"	United States dollars, the lawful currency of the United States of America
"Valuation"	the valuation by the Valuer of the fair value of 100% equity interest in Geely Business as of the Valuation Date
"Valuation Date"	October 31, 2025
"Valuer"	AVISTA Valuation Advisory Limited, an independent valuer appointed by the Company to assess the fair value of 100% equity interest in Geely Business
"vest"	for the purpose of the Share Incentive Scheme, means (a) in respect of Shares underlying an Option, the Grantee becoming entitled to exercise the Option to subscribe for or acquire such Shares, and (b) in respect of Shares underlying an RSU, the Grantee becoming entitled to receive such Shares or an equivalent value in cash

"Vesting Date"	for the purpose of the Share Incentive Scheme, means the date to be determined by the Board or its delegate(s) and notified to the relevant Grantee in the Award Letter on which the Shares underlying an Award shall vest
"vesting period"	for the purpose of the Share Incentive Scheme, means the period commencing on the Grant Date and ending on the Vesting Date
"%"	per cent

CaoCao Inc.
曹操出行有限公司
(A company incorporated in the Cayman Islands with limited liability)
(Stock Code: 02643)

Executive Director:
Mr. Xin Gong *(Chief Executive Officer)*

Non-executive Directors:
Mr. Jian Yang
Mr. Quan Zhang
Mr. Jinliang Liu
Mr. Yang Li
Ms. Xiaohong Zhou

Independent Non-executive Directors:
Ms. Xin Liu
Ms. Ning Liu
Mr. Qiang Fu

Registered Office:
P.O. Box 31119
Grand Pavilion
Hibiscus Way
802 West Bay Road
Grand Cayman
KY1-1205
Cayman Islands

Head Office and Principal Place of Business in the PRC:
Tower 1, Xinhuihu Building
66 Lugang Road, Gaotie Xincheng
Xiangcheng District,
Suzhou
Jiangsu, China

Principal Place of Business in Hong Kong:
46F, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

January 27, 2026

To the Shareholders

Dear Sir/Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION – ACQUISITION OF ENTIRE EQUITY INTEREST IN GEELY BUSINESS
AND
PROPOSED ADOPTION OF THE SHARE INCENTIVE SCHEME

1. INTRODUCTION

This circular is issued in relation to the EGM to be held at Room Huanqiu, 2/F, Geely Technology Plaza, No. 868 Dongguan Road, Binjiang District, Hangzhou, Zhejiang Province, China on Friday, February 27, 2026 at 2:00 p.m..

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

(a) the discloseable and connected transaction in relation to the Acquisition; and

(b) the proposed adoption of the Share Incentive Scheme.

2. DISCLOSEABLE AND CONNECTED TRANSACTION – ACQUISITION

Reference is made to the announcement of the Company dated December 30, 2025.

On December 30, 2025 (after trading hours), Suzhou Youxing, an indirect wholly owned subsidiary of the Company, entered into the SPA with Geely Holding and Geely Business, pursuant to which Suzhou Youxing agreed to acquire, and Geely Holding agreed to sell, the entire equity interest in Geely Business for a cash consideration of RMB65,000,000.

As at the Latest Practicable Date, Geely Business is a wholly owned subsidiary of Geely Holding. Upon completion of the Acquisition, Geely Business will become an indirect wholly owned subsidiary of the Company, and its financial results will be consolidated into the financial statements of the Group.

2.1 The Principal Terms of the SPA

Date

December 30, 2025

Parties

(i) Suzhou Youxing, an indirect wholly owned subsidiary of the Company, as purchaser;

(ii) Geely Holding, as vendor; and

(iii) Geely Business, as the target company

Subject Matter

Pursuant to the SPA, Suzhou Youxing agreed to acquire, and Geely Holding agreed to sell, the entire equity interest in Geely Business.

Consideration and Payment

The consideration is RMB65,000,000, which shall be paid by Suzhou Youxing to Geely Holding within ten business days after the completion of registration and filing in relation to the Acquisition with the relevant industrial and commercial administration authority. The consideration will be funded by the internal resources of the Group.

The consideration was determined after arm's length negotiations between the parties with reference to the fair value of 100% equity interest in Geely Business of RMB75,322,000 as of October 31, 2025 as valued by the Valuer (further details of the Valuation are set out in the section headed "Valuation of Geely Business" in the letter from the Board and Appendix I to this circular).

Conditions Precedent

Completion of the SPA is conditional upon the satisfaction of following conditions:

(a) the internal decision-making bodies of each of Geely Holding and Geely Business, such as the shareholders' meeting and the board of directors, having approved the Acquisition; and

(b) the Independent Shareholders having approved the Acquisition.

The above condition (a) has been fulfilled as at the Latest Practicable Date. Pursuant to the SPA, if the above condition (b) is not fulfilled within six months from the date of the SPA, each of Suzhou Youxing and Geely Holding may terminate the SPA.

Completion

The parties shall cooperate to complete the registration and filing in relation to the Acquisition with the relevant industrial and commercial administration authority within 15 business days from the date of approval by the Independent Shareholders.

Completion of the SPA shall take place on the date when the registration and filing with the relevant industrial and commercial administration authority is completed and the new business license of Geely Business is issued.

2.2 Valuation of Geely Business

Based on the valuation report prepared by the Valuer using market approach, the fair value of 100% equity interest in Geely Business as of the Valuation Date was RMB75,322,000.

Valuation Methodology

When selecting an appropriate valuation approach, the Valuer considered the applicability of the cost approach, income approach and market approach, and adopted the market approach in the Valuation due to the following reasons:

- Cost approach is not appropriate as it assumed that the assets and liabilities of Geely Business are separable and can be sold separately. This methodology is more appropriate for industries where assets are highly liquid, such as property development and financial institution. Thus, the cost approach was not adopted in the Valuation;

- Income approach is also considered inappropriate because it involves numerous assumptions in formulating the financial projections of Geely Business, and the assumptions may not reflect the uncertainties in the future performance of Geely Business. Given that improper assumptions can significantly impact the fair value, the income approach was not adopted in the Valuation; and

- The fair value derived from the market approach reflects market expectations for the corresponding industry as the price multiples of the comparable companies are arrived from market consensus. Since there are sufficient public companies with similar nature and business to Geely Business, their market values serve as good indicators for the industry of Geely Business. Therefore, the market approach was adopted in the Valuation.

The Valuer adopted the comparable companies method in performing the market approach. This method requires research of comparable companies' benchmark multiples and proper selection of a suitable multiple. In arriving at the fair value of 100% equity interest in Geely Business, the Valuer considered the following commonly used benchmark multiples, and selected the enterprise value/earnings before interests, taxes, depreciation and amortization ("EV/EBITDA") multiple due to the following reasons:

- Price-to-earnings ("P/E") multiple is considered not appropriate for the Valuation because (i) it does not take into account the capital structure of a company, and (ii) tax policies differ among companies, indicating that the effect of tax on the earnings of comparable companies should be eliminated. Thus, the P/E multiple is not a good measure of the fair value of 100% equity interest in Geely Business;

- Price-to-book ("P/B") multiple is considered not appropriate as it only accounts for tangible assets, and does not capture the intangible competencies and advantages that contribute to a company's market value, thus not accurately reflecting the fair value of 100% equity interest in Geely Business;

- Enterprise value-to-sales ("EV/S") multiple is commonly used in the valuation of start-up enterprises. However, this valuation multiple ignores a company's cost structure and, consequently, its profitability, which is critical in reflecting the fair value. Hence, the EV/S multiple is considered inappropriate for the Valuation; and

- EV/EBITDA multiple is considered the most appropriate indicator of the fair value of the comparable companies in the Valuation. It effectively measures the performance of Geely Business' core operations by removing the impact of the cost of capital, tax effect on earnings, and depreciation and amortization, which eliminates differences in capital structure among companies. Considering that Geely Business' EBITDA has been positive and stable for three consecutive years, the EV/EBITDA multiple was adopted in the Valuation.

Key Inputs

In determining the EV/EBITDA multiple, the Valuer selected comparable companies based on the following criteria:

(i) the primary industry of the comparable companies is classified as hotels, resorts and cruise lines;

(ii) the majority of total revenue (i.e. over 50%) is attributable to travel agency and ticket booking service;

(iii) the comparable companies are listed on the major stock exchange in Hong Kong, China or the United States;

(iv) the last twelve-month EBITDA is positive; and

(v) the main business of the comparable companies is operated in China, Hong Kong and Macau.

As sourced from Capital IQ, a reliable third-party database service provider designed by Standard & Poor's (S&P), an exhaustive list of comparable companies satisfying the above criteria was obtained on a best effort basis, and the key financial information and EV/EBITDA multiples of these comparable companies are shown below:

Company Name	Business Description	Currency	Market Capitalization as of October 31, 2025	Net Debt	Minority Interest	Preferred Equity	Enterprise Value	Last Twelve-month EBITDA	Enterprise Value/Last Twelve-month EBITDA
EGL Holdings Company Limited (SEHK: 6882)	EGL Holdings Company Limited provides package tours in Hong Kong, Macau, Japan, and internationally.	HK$ million	276	269	(2)	–	543	86	6.30x
Flydoo Technology Holding Limited (SEHK: 8069)	Flydoo Technology Holding Limited operates as a travel agent in Hong Kong and Macau.	HK$ million	30	(66)	(3)	–	(38)	10	N/A
Tongcheng Travel Holdings Limited (SEHK: 780)	Tongcheng Travel Holdings Limited provides travel related services in the PRC.	HK$ million	45,210	(8,533)	985	–	37,661	4,178	9.01x
Travel Expert (Asia) Enterprises Limited (SEHK: 1235)	Travel Expert (Asia) Enterprises Limited engages in the travel and travel related businesses in Hong Kong and the PRC.	RMB million	89	(80)	0	–	9	11	0.87x
Tu Yi Holding Company Limited (SEHK: 1701)	Tu Yi Holding Company Limited provides outbound travel products and service in the PRC and Japan.	HK$ million	123	14	2	–	139	26	5.26x

Company Name	Business Description	Currency	Market Capitalization as of October 31, 2025	Net Debt	Minority Interest	Preferred Equity	Enterprise Value	Last Twelve-month EBITDA	Enterprise Value/Last Twelve-month EBITDA
Tuniu Corporation (NasdaqCM: TOUR)	Tuniu Corporation operates as an online leisure travel company in the PRC and Hong Kong.	RMB million	696	(1,060)	(72)	–	(436)	57	N/A
Feiyang International Holdings Group Limited (SEHK: 1901)	Feiyang International Holdings Group Limited engages in the design, development, and sale of travel related products and services in the PRC and Hong Kong.	RMB million	306	182	(11)	–	477	3	Extreme Data[1]
Trip.com Group Limited (NasdaqGS: TCOM)	Trip.com Group Limited operates as a travel service provider for accommodation reservation, transportation ticketing, packaged tours, in-destination, corporate travel management, and other travel-related services in China and internationally.	RMB million	328,596	(40,335)	1,043	–	289,304	16,096	17.97x
Guangzhou Lingnan Group Holdings Company Limited (SZSE: 000524)	Guangzhou Lingnan Group Holdings Company Limited engages in the tourism business in China.	RMB million	9,852	(1,775)	23	–	8,100	192	Outlier[2]

Company Name	Business Description	Currency	Market Capitalization as of October 31, 2025	Net Debt	Minority Interest	Preferred Equity	Enterprise Value	Last Twelve-month EBITDA	Enterprise Value/Last Twelve-month EBITDA
Shanghai Jinjiang International Travel Co., Ltd. (SHSE: 900929)	Shanghai Jinjiang International Travel Co., Ltd. engages in the travel agency business.	RMB million	1,184	(87)	(4)	–	1,093	42	26.34x
UTour Group Co., Ltd. (SZSE: 002707)	UTour Group Co., Ltd. engages in wholesale, retail, integrated marketing, destination operations, and tourism industry chain services in China and internationally.	RMB million	6,889	(346)	(179)	–	6,364	75	Extreme Data[1]
								Maximum	26.34x
								Average	10.96x
								Median	**7.66x**
								Minimum	0.87x

Notes:

(1) The EV/EBITDA multiple of 167.72x for Feiyang International Holdings Group Limited and the EV/EBITDA multiple of 84.64x for UTour Group Co., Ltd. are considered not meaningful, as such an extreme value is unjustifiable from a valuation perspective.

(2) Guangzhou Lingnan Group Holdings Company Limited invested in a duty-free store in 2025. Its stock price increased by 52% from December 31, 2024, to October 31, 2025. As of the Valuation Date, Guangzhou Lingnan Group Holdings Company Limited had an EV/EBITDA multiple of 42.24x, which is considered an outlier and was not adopted in the analysis.

Calculation of Valuation Results

The calculation of the fair value of 100% equity interest in Geely Business as of the Valuation Date is as follows:

	RMB'000
Last Twelve-month EBITDA[1]	26,051
EV/EBITDA	7.66x
Enterprise Value	**199,549**
Add: Cash	131,161
Less: Declared but Unpaid Dividend	(68,820)
Less: Debt	(182,632)
Less: Minority Interest	–
Total Equity Value of Geely Business (Marketable and Non-Controlling Basis)	**79,258**
Less: Lack of Marketability Discount[2]	(12,364)
Total Equity Value of Geely Business (Non-Marketable and Non-Controlling Basis)	**66,893**
Add: Control Premium[3]	8,429
Fair Value of Total Equity Interest	**75,322**

Notes:

(1) Last Twelve-month EBITDA is based on the twelve-month trailing EBITDA as of the Valuation Date of Geely Business.

(2) Lack of Marketability Discount ("LOMD") reflects the fact that there is no ready market for shares in a closely held company. Ownership interests in closely held companies are typically not readily marketable compared to similar interests in publicly listed companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly listed company.

The EV/EBITDA multiples adopted in the Valuation were calculated from public listed companies, which represent marketable ownership interest. Fair values calculated using such EV/EBITDA multiples, therefore, represent the marketable interest. Thus, LOMD was adopted to adjust such marketable interest fair value to non-marketable interest fair value. LOMD was sourced from Stout Restricted Stock Study Companion Guide 2024.

(3) Control premium is the amount that a buyer is willing to pay over the minority interest of a company in order to acquire a controlling interest in that company. The EV/EBITDA multiple adopted in the Valuation was calculated from public listed companies, which represents minority ownership interest. Equity value calculated by such EV/EBITDA multiple, therefore, represents the minority interest. Thus, control premium was adopted to adjust such value on minority basis to a value on controlling basis.

Adjustment for control is made by the application of a control premium to the value of a company's shares. Control premium is determined with reference to the control premium implied from comparable transactions, sourced from Bloomberg based on the average control premium derived from the travel services industry over the past fifteen years.

Major Assumptions

The key assumptions adopted in the Valuation include:

- There will be no material changes in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of Geely Business;
- There are no material changes in the financial positions of Geely Business and the comparable companies between the respective financial reporting dates and the Valuation Date;
- Geely Business will not be constrained by the availability of finance;
- Geely Business will retain competent management, key personnel and technical staff to support its ongoing operations; and
- There are no hidden or unexpected conditions associated with Geely Business that might adversely affect the reported value.

For details, please refer to the Valuation Report in Appendix I to this circular.

Having considered (i) the rationale of the Valuer for selecting the market approach over the cost approach and income approach as the appropriate valuation approach; (ii) the adoption of the comparable companies method, followed by the compilation by the Valuer of an exhaustive list of comparable companies satisfying specified criteria; (iii) the reasons for selecting EV/EBITDA multiple over other commonly used benchmark multiples; (iv) the preparation of the Valuation by the Valuer in accordance with applicable requirements and standards; and (v) the fairness and reasonableness of the assumptions used in the Valuation, which align with industry practices, the Board is of the view that the methodology, inputs and assumptions used in the Valuation are fair, reasonable and appropriate.

2.3 Information about Geely Business

Geely Business was established by a number of management members of the Geely Group on June 29, 2010, with an initial registered capital of RMB10,000,000. In 2011, these individual shareholders transferred their respective equity interests in Geely Business to the Geely Group based on the amount of paid-in registered capital they had contributed. As at the Latest Practicable Date, Geely Business is a wholly owned subsidiary of Geely Holding, with a registered capital of RMB20,000,000. Upon completion of the Acquisition, Geely Business will become an indirect wholly owned subsidiary of the Company, and its financial results will be consolidated into the financial statements of the Group.

Geely Business is the business travel management service platform within the Geely Group and specializes in providing corporate travel solution services. Geely Business operates a one-stop travel platform which integrates a comprehensive suite of travel products and services offered by airlines, accommodation and transportation service providers.

Based on the financial statements of Geely Business prepared in accordance with the China Accounting Standards for Business Enterprises, the audited total assets and the audited net assets of Geely Business as at December 31, 2024 were approximately RMB316.5 million and RMB86.3 million, respectively. The audited profit of Geely Business for the two years ended December 31, 2024 was as follows:

	For the year ended December 31, 2023 *(approximately RMB million)*	**For the year ended December 31, 2024** *(approximately RMB million)*
Profit before taxation	56.4	30.1
Profit after taxation	44.7	23.3

2.4 Reasons for and Benefits of the Acquisition

Geely Business is the business travel management service platform, specializing in providing corporate travel solution services. The Acquisition strategically aligned with the Group's core mobility business and strengthens and expands its operational capabilities in key areas such as enterprise services, one-stop business travel service and data integration. Enterprise services are a vital component of the Group's business, characterized by stable demand, high average price, and high gross profit margin per order. Geely Business' extensive corporate customer resources present cross-selling opportunities, facilitating the Group to rapidly expand its corporate customer base, increase its market share, and improve data integration and long-term margins. Meanwhile, the synergy between corporate and individual customer groups can drive mutual traffic and value conversion, boosting customer loyalty. Geely Business can provide one-stop travel and conference services for the Group's corporate customers, and diversify the Group's corporate products, thereby enhancing the Group's enterprise service capabilities, and bringing stable profits to the Group.

The Directors (including the independent non-executive Directors) consider that although the Acquisition is not entered into in the ordinary and usual course of business of the Group, the terms of the SPA and the Acquisition contemplated thereunder are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

2.5 Information about the Parties

The Company

The Company is a ride hailing platform in China originally incubated by Geely Group. As at June 30, 2025, the Group has operations in 163 cities in China. The Company has ranked among the top three ride hailing platforms in China based on gross transaction value in the last three years.

Suzhou Youxing

Suzhou Youxing, a limited liability company established under PRC laws on December 31, 2021, is an indirect wholly owned subsidiary of the Company. To comply with PRC laws and regulations, the Group conducts its business in China mainly through Hangzhou Youxing and its subsidiaries, based on a series of contractual arrangements by, among others, Suzhou Youxing and Hangzhou Youxing and its shareholders. Through the contractual arrangements, Suzhou Youxing is able to exercise control over the operations of Hangzhou Youxing and its subsidiaries, and enjoys 100% of the economic benefits of all equity interests in Hangzhou Youxing and its subsidiaries.

Geely Holding

Geely Holding, a limited liability company established under PRC laws on March 24, 2003, is directly owned as to 82.23% by Mr. Li. It is principally engaged in the wholesale and retail of automobiles and related parts and components.

2.6 Listing Rules Implications

As at the Latest Practicable Date, Mr. Li indirectly holds approximately 72.94% of the issued Shares, and in aggregate, controls approximately 76.70% of the voting rights of the Company. Accordingly, Mr. Li is a Controlling Shareholder and a connected person of the Company. As Mr. Li directly owns 82.23% equity interest in Geely Holding, Geely Holding is an associate of Mr. Li and also a connected person of the Company. Therefore, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Acquisition are more than 5%, the Acquisition is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Acquisition are more than 5% but less than 25%, the Acquisition also constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Mr. Jian Yang, Mr. Quan Zhang and Mr. Jinliang Liu, all being Directors, hold positions within the Geely Group, and are considered to have a material interest in the Acquisition. Therefore, Mr. Jian Yang, Mr. Quan Zhang and Mr. Jinliang Liu have abstained from voting on the Board resolution approving the Acquisition. Save as disclosed above, none of the Directors is deemed to have a material interest in the Acquisition, and none of them had to abstain from voting in respect of the Acquisition at the Board meeting.

2.7 Additional Information

The Independent Board Committee comprising all three independent non-executive Directors has been appointed to advise the Independent Shareholders as to whether the SPA and the Acquisition contemplated thereunder are entered into by the Group in its ordinary and usual course of business, on normal commercial terms, in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. First Shanghai has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

Accordingly, your attention is drawn to the letter from the Independent Board Committee set out on pages 32 to 33 of this circular, which contains its advice to the Independent Shareholders, and the letter from First Shanghai set out on pages 34 to 50 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders. Your attention is also drawn to the General Information set out in Appendix III to this circular.

3. PROPOSED ADOPTION OF THE SHARE INCENTIVE SCHEME

3.1 Introduction

The Board proposes to adopt the Share Incentive Scheme in accordance with Chapter 17 of the Listing Rules to provide incentives or rewards to the Eligible Participants for their contribution or potential contribution to the growth and development of the Group.

The purpose of the Share Incentive Scheme is to recognize and reward the Eligible Participants for their contribution to the Group, to attract and retain best available personnel, and provide them with the opportunity to acquire proprietary interests in the Company. The Share Incentive Scheme will provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to the Eligible Participants.

3.2 Conditions

The Share Incentive Scheme is conditional on:

(a) the passing by the Shareholders of an ordinary resolution to approve the adoption of the Share Incentive Scheme, to authorize the Board or its delegate(s) to grant Awards under the Share Incentive Scheme, and to allot and issue Shares in respect of any Awards; and

(b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares to be allotted and issued in respect of any Awards which may be granted under the Share Incentive Scheme.

An application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be allotted and issued in respect of any Awards which may be granted under the Share Incentive Scheme.

3.3 Eligibility

The Eligible Participants who may be selected to become a Grantee of the Share Incentive Scheme are any individuals or corporate entities (where applicable) being an Employee Participant, a Related Entity Participant or a Service Provider.

The Directors (including the independent non-executive Directors) are of the view that the inclusion of Related Entity Participants and Service Providers as Eligible Participants under the Share Incentive Scheme is appropriate and in the long term interests of the Company and the Shareholders as a whole, given that the success of the Group requires the co-operation and contribution not only from Employee Participants, but also from:

(a) Related Entity Participants who have a sufficiently close relationship with the Group and would be in a position to influence the Group's business, reputation, operations and performance;

(b) Strategic Consulting Consultants, a category of Service Providers, who have extensive expertise and experience in providing strategic consulting services to the Group and whose services will lead, collaborate with or optimize the businesses operated by the Group;

(c) Industry Research Consultants, a category of Service Providers, who optimize the operation of the Group by providing high-quality industry research and strategic consulting services to the Group in relation to various professional fields in product, professional technology, research and development, operations, marketing, capital market, experience and other professional areas;

(d) Strategic Partners, a category of Service Providers, who have established long-term, stable cooperative relationships with the Group in areas such as market, channels, brand, technology, talent, and finance, and through resource sharing and complementary advantages, may create synergies that help both parties achieve their long-term strategic development goals and enhance their respective competitiveness;

(e) Ride-hailing Service Providers, a category of Service Providers, in the capacity of affiliated drivers to whom the Group provides its own vehicles, and who generally dedicate a greater amount of their time serving on the Group's platform than car-partner drivers; and

(f) Other Service Providers, a category of Service Providers, in the capacity of independent contractors, consultants and/or advisors who provide services to the Group in relation to research and development, product commercialization, marketing, innovation upgrading, strategic/commercial planning on corporate image, investor relations and other professional areas on a continuing and recurring basis in its ordinary and usual course of business.

In assessing the eligibility of any Service Provider and whether such Service Provider provides services on a continuing or recurring basis in its ordinary and usual course of business, the Board or its delegate(s) will take into account the following factors:

(1) For Strategic Consulting Consultants: (i) whether the term of the relevant service contract is not less than one year; (ii) whether continuous operational strategy optimization advice has been provided to the Group for six consecutive months before the proposed Grant Date; and/or (iii) whether the provided advice has effectively contributed to the achievement of the Group's important core operational indicators or performance targets;

(2) For Industry Research Consultants: (i) whether the term of the relevant service contract is not less than one year; and/or (ii) whether industry research data and consulting services related to products, professional technology, research and development, operations, capital markets, and other professional fields have been provided regularly and consistently to the Group for six consecutive months before the proposed Grant Date;

(3) For Strategic Partners: (i) whether a strategic cooperation agreement of not less than one year has been established with the Group in areas such as market, brand, channel, talent, technology, and finance; (ii) whether the strategic cooperation has been achieved through stable equity cooperation methods, such as equity participation or joint ventures; and/or (iii) whether there are not less than three specific projects for strategic cooperation, resource sharing, and complementary advantages;

(4) For Ride-hailing Service Providers: (i) whether a service cooperation agreement with the Group has been signed for not less than one year; (ii) whether the cumulative duration of providing services on the Group's ride-hailing platform is not less than one year; (iii) whether the average daily online order-taking time is not less than eight hours; and/or (iv) whether the service rating received within the six months prior to the proposed Grant Date ranks within the top 30% of the service ratings of all current drivers of the Group; and

(5) For Other Service Providers: (i) whether the cumulative duration of providing other services to the Group by itself and its affiliated companies is not less than one year prior to the proposed Grant Date; (ii) whether it provides services for the Group's important business projects; and/or (iii) whether the service-providing team has remained stable over the past six months.

The Directors (including the independent non-executive Directors) are of the view that the Related Entity Participants and Service Providers are valuable human resources to the Group as they often engage in matters or other business collaborations in connection with the Group's businesses, which have contributed to the development and growth of the Group's businesses. The grant of Awards to Related Entity Participants and Service Providers would strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in promoting the business of the Group, (ii) maintaining a stable and long-term relationship with the Group, and (iii) enabling the Group to preserve its cash resources, and instead, use share incentives to attract talents outside of the Group, whilst also aligning their interests with that of the Group and Shareholders through them owning a proprietary interest in the Company and becoming future Shareholders. Accordingly, the inclusion of these Eligible Participants in the Share Incentive Scheme aligns with the purpose of the Scheme and the long-term interests of the Company and its Shareholders as a whole.

Please refer to Appendix II to this circular for the basis of determining the eligibility of the Eligible Participants.

3.4 Vesting Period

The Board or its delegate(s) may from time to time while the Share Incentive Scheme is in force and subject to all applicable laws, determine such vesting period, vesting criteria and conditions or periods for the Award to be vested hereunder, provided however that the vesting period for Awards shall not be less than 12 months, unless the Board or its delegate(s) determines that the Awards granted to Employee Participants may be subject to a vesting period of less than 12 months pursuant to circumstances specified in the Scheme Rules. Please refer to Appendix II to this circular for the detailed circumstances allowed for a vesting period of less than 12 months.

The discretion of the Board or its delegate(s) on the vesting period will provide flexibility in imposing appropriate terms and conditions when granting Awards, which is in line with the market practice and is appropriate and aligns with the purpose of the Share Incentive Scheme, given that (i) there are certain instances where a strict minimum 12-month vesting period would not work or be fair to the Eligible Participants, such as those set out in paragraphs 10.1(a), (b) and (d) in Appendix II to this circular, (ii) there is a need for the Company to retain flexibility to reward exceptional Eligible Participants with accelerated vesting schedule in certain circumstances where justified, and (iii) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition.

3.5 Performance Targets and Clawback Mechanism

Unless otherwise determined by the Board or its delegate(s) and stated in the Award Letter, a Grantee is not required to achieve any performance target before the vesting of an Award granted to him/her nor be subject to any clawback mechanism.

The Board or its delegate(s) may, in its absolute discretion, specify in the Award Letter the performance targets attached to an Award, which will be imposed on a case-by-case basis. The performance targets mean any one or more performance measures, or derivations of such performance measures that may be related to the individual Grantee or the Group as a whole or to a subsidiary, division, department, region, function or business unit of the Company or the relevant Related Entity Participant or the relevant Service Provider. The following general factors will be taken into account when deciding the performance targets to be attached to an Award, including but not limited to (i) the financial results, operation performance, business growth or other indicators of the Group (or any of its segments), the relevant Related Entity Participant or the relevant Service Provider; and (ii) the contribution, work performance as well as other specific personal factors of the individual Grantee that the Board or its delegate(s) may consider relevant. The performance targets will be assessed periodically, on an absolute basis or a relative basis (such as relative to a pre-established target, to previous year's results or to a designated comparison group), in each case as specified by the Board or its delegate(s) in their sole discretion. It is currently anticipated that if performance targets are attached to an Award, they will primarily focus on the Group's market capitalization, revenue, and the number of Robotaxi operating on the Group's platform. These indicators will have milestone targets set at various levels, with higher milestone targets corresponding to a greater vesting proportion. The Award is expected to vest to the individual Grantee only when the relevant milestone target related to the Group's performance is achieved and the individual Grantee's performance meets the required standards.

The Board or its delegate(s) may, in its absolute discretion, specify in the Award Letter the clawback mechanism for the Company to recover or withhold an Award granted to an Eligible Participant, which will be imposed on a case-by-case basis in circumstances including but not limited to: (i) any Cause of a Grantee; (ii) any violation of a Grantee to obligations of confidentiality or non-competition to the Group, or any leakage by such Grantee of the Group's trade secrets, intellectual property or proprietary information within a specified period after such Grantee ceasing to be an Eligible Participant; (iii) any conduct of a Grantee that has materially adverse effect to the reputation or interests of any member of the Group within a specified period after such Grantee ceasing to be an Eligible Participant; or (iv) in respect of any Award which is performance linked, any material misstatement in the audited financial statements of the Company that requires a restatement, or any circumstances that show or lead to any of the prescribed performance targets having been assessed or calculated in a materially inaccurate manner.

The discretion of the Board or its delegate(s) on the performance targets and clawback mechanism will place the Group in a better position to assess the contribution of a Grantee in light of the particular circumstances of the relevant Grantee, and facilitate the achievement of the aim to offer meaningful incentives to attract and retain Eligible Participants that are valuable to the development of the Group, which is in line with the purpose of the Share Incentive Scheme.

3.6 Exercise Price and Purchase Price

The Exercise Price in respect of any Options shall be a price determined by the Board or its delegate(s) in its absolute discretion and notified to a Grantee (subject to any adjustments made pursuant to the Scheme Rules) which shall be at least the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Grant Date, which must be a Business Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the Grant Date; and (iii) the nominal value of a Share. Such basis will serve to preserve the value of the Company and align the interests of the Grantee with the continuous growth of the Company.

The Purchase Price of RSUs, if any, will be set out in the Award Letter and will be determined by the Board or its delegate(s) in its absolute discretion, taking into account the purpose of the Scheme, the interests of the Company and the individual circumstances of the Grantee. The discretion of the Board or its delegate(s) on stipulating the Purchase Price of RSUs will provide flexibility to impose appropriate terms and conditions in light of the particular circumstances of the relevant Grantee, which is in line with the purpose of the Share Incentive Scheme.

3.7 Scheme Limits

The total number of Shares which may be issued in respect of all Awards to be granted under the Share Incentive Scheme and all the share options and share awards to be granted under any other Share Schemes must not in aggregate exceed 10% of the total number of Shares in issue (excluding Treasury Shares) as at the Adoption Date (the "**Scheme Mandate Limit**"). As at the Latest Practicable Date, there were 568,942,286 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the maximum number of Shares which may be issued in respect of all the Awards to be granted under the Share Incentive Scheme and all the share options and share awards to be granted under any other Share Schemes (if any) in aggregate will be 56,894,228 Shares.

Subject to the above paragraph, the total number of Shares which may be issued in respect of all Awards to be granted under the Share Incentive Scheme and all the share options and share awards to be granted under any other Share Schemes to the Service Providers must not in aggregate exceed 1% of the total number of Shares in issue (excluding Treasury Shares) as at the Adoption Date (the "**Service Provider Sublimit**"). For the avoidance of doubt, the Service Provider Sublimit is set within the Scheme Mandate Limit. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the maximum number of Shares which may be issued in respect of all the Awards to be granted under the Share Incentive Scheme and all the share options and share awards to be granted under any other Share Schemes (if any) to the Service Providers in aggregate will be 5,689,422 Shares.

The Directors (including the independent non-executive Directors) are of the view that the Service Provider Sublimit of 1% is appropriate and reasonable given the nature of the industries in which the Group operates and the Group's current and future business needs, and take into account (i) the rationale behind the scope and eligibility criteria of Service Providers as detailed above and in the Appendix II to this circular, (ii) that this sublimit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or directors of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the Share Incentive Scheme, (iii) the fact that this sublimit represents a maximum limit and that the Company retains the flexibility to allocate Awards from this sublimit to satisfy Awards to other Eligible Participants depending on business growth and needs in the future as and when appropriate, and (iv) the minimal dilution effect arising from the potential grant of Awards to the Service Providers.

3.8 Appointment of Trustee

The Company, acting by the Board or its delegate(s), may appoint one or more Trustees to assist with the administration, exercise and vesting of Awards granted under the Share Incentive Scheme.

The Trustee shall abstain from voting or exercising any voting rights in respect of any Shares held, whether directly or indirectly, on matters that require approval of the Shareholders under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner's direction and such a direction is given.

As at the Latest Practicable Date, the Company has not appointed a Trustee under the Share Incentive Scheme. None of the Directors is and will be a Trustee of the Share Incentive Scheme or has any direct or indirect interest in the Trustee.

3.9 Others

As at the Latest Practicable Date, the Company had adopted one share incentive scheme, namely the Pre-IPO Share Incentive Plan. The Pre-IPO Share Incentive Plan does not involve the grant of any share options or awards after the listing of the Shares on the Stock Exchange and is not subject to the provisions of Chapter 17 of the Listing Rules.

The Company has sought legal advice in respect of the Share Incentive Scheme and understands that the adoption of the Share Incentive Scheme would not constitute an offer to public and therefore the prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) are not applicable.

A summary of the principal terms of the Share Incentive Scheme is set out in the Appendix II to this circular. A copy of the Scheme Rules will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the EGM and the Scheme Rules will be made available for inspection at the EGM.

An ordinary resolution in respect of the adoption of the Share Incentive Scheme will be proposed at the EGM for consideration and approval by the Shareholders.

4. EGM AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages 84 to 87 of this circular. At the EGM, ordinary resolutions will be proposed to approve (i) the discloseable and connected transaction in relation to the Acquisition; and (ii) the proposed adoption of the Share Incentive Scheme.

In view of Mr. Li's interests in the SPA and the Acquisition contemplated thereunder, Ugo Investment and Oceanpine Marvel are required to abstain and shall abstain from voting on the ordinary resolution to be proposed at the EGM to approve the SPA and the Acquisition contemplated thereunder. As at the Latest Practicable Date, Ugo Investment, a company wholly owned by Mr. Li, held 414,971,000 Shares, representing approximately 72.94% of the total number of issued Shares; and Oceanpine Marvel, a Shareholder who has entrusted Ugo Investment to exercise its voting rights, held 21,403,500 Shares, representing approximately 3.76% of the total number of issued Shares.

No Shareholder is required to abstain from voting on the ordinary resolution to be proposed at the EGM to approve the adoption of the Share Incentive Scheme.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, save as disclosed above, there is (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder as at the Latest Practicable Date, whereby it has or may have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis. Accordingly, to the best knowledge, information and belief of the Directors, save as disclosed above, there exists no discrepancy between any Shareholder's beneficial shareholding interest in the Company and the number of Shares in the Company in respect of which such Shareholder will control or will be entitled to exercise control over the voting right at the EGM.

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

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the HKExnews website of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.caocao.com.cn). Whether or not you are able to attend the EGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power of attorney or authority, to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM (i.e. not later than 2:00 p.m. on Wednesday, February 25, 2026) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish and in such event, your proxy form shall be deemed to be revoked.

Non-registered Shareholders whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) to assist them in the appointment of proxy.

5. RECOMMENDATION

The Directors are of the opinion that all the proposed resolutions set out in the notice of the EGM are in the interests of the Company and the Shareholders as a whole and so recommend the Shareholders to vote in favour of all the resolutions to be proposed at the EGM.

Yours faithfully,
By order of the Board
CaoCao Inc.
Jian Yang
Chairman of the Board

曹操出行

CaoCao Inc.

曹操出行有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 02643)

January 27, 2026

To: the Independent Shareholders

Dear Sir or Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION
– ACQUISITION OF ENTIRE EQUITY INTEREST IN GEELY BUSINESS

We refer to the circular of the Company dated January 27, 2026 (the "**Circular**") to the Shareholders, of which this letter forms part. Terms defined in the Circular have the same meanings in this letter unless the context otherwise requires.

In compliance with the Listing Rules, we have been appointed to advise the Independent Shareholders as to whether the SPA and the Acquisition contemplated thereunder are entered into by the Group in its ordinary and usual course of business, on normal commercial terms, in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. First Shanghai has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

We wish to draw your attention to the letter from the Board set out on pages 11 to 31 of the Circular, and the letter from First Shanghai to the Independent Board Committee and the Independent Shareholders set out on pages 34 to 50 of the Circular which contains details of its advice and the principal factors and reasons it has taken into consideration in giving such advice.

Having considered the terms of the SPA and the advice of First Shanghai and the principal factors and reasons taken into consideration by First Shanghai, we are of the view that, although the SPA is not entered into in the ordinary and usual course of business of the Group, the terms of the SPA and the Acquisition contemplated thereunder are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the SPA and the Acquisition contemplated thereunder.

Yours faithfully,
the Independent Board Committee of
CaoCao Inc.
Xin Liu
Ning Liu
Qiang Fu
Independent Non-executive Directors

The following is the full text of the letter to the Independent Board Committee and the Independent Shareholders from the Independent Financial Adviser setting out its opinion and recommendation in respect of the terms of the SPA and the Acquisition contemplated thereunder for the purpose of inclusion in this circular.

First Shanghai Capital Limited
19th Floor
Wing On House
71 Des Voeux Road Central
Hong Kong

January 27, 2026

To the Independent Board Committee and
the Independent Shareholders

CaoCao Inc.
Tower 1, Xinhuihu Building
66 Lugang Road, Gaotie Xincheng
Xiangcheng District
Suzhou
Jiangsu, China

Dear Sirs,

DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF ENTIRE EQUITY INTEREST IN GEELY BUSINESS

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the SPA and the Acquisition contemplated thereunder, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company dated January 27, 2026 (the "**Circular**"), of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as those defined in the Circular.

References are made to (i) the announcement of the Company dated December 30, 2025 in relation to, among other things, the Acquisition (the "**Announcement**"); and (ii) the Circular.

The Acquisition

On December 30, 2025 (after trading hours), Suzhou Youxing, an indirect wholly owned subsidiary of the Company, entered into the SPA with Geely Holding and Geely Business, pursuant to which Suzhou Youxing agreed to acquire, and Geely Holding agreed to sell, the entire equity interest in Geely Business for a cash consideration of RMB65.0 million. Upon completion of the Acquisition, Geely Business will become an indirect wholly owned subsidiary of the Company, and its financial results will be consolidated into the financial statements of the Group.

Listing Rules Implications

As at the Latest Practicable Date, Mr. Li indirectly holds approximately 72.94% of the issued Shares, and in aggregate, controls approximately 76.70% of the voting rights of the Company. Accordingly, Mr. Li is a Controlling Shareholder and a connected person of the Company. As Mr. Li directly owns 82.23% equity interest in Geely Holding, Geely Holding is an associate of Mr. Li and a connected person of the Company. Therefore, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules which is subject to, reporting, announcement, circular (including advice from independent financial adviser) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Acquisition are more than 5% but less than 25%, the Acquisition also constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Mr. Jian Yang, Mr. Quan Zhang and Mr. Jinliang Liu, all being Directors of the Company, hold positions within the Geely Group and are considered to have a material interest in the Acquisition. Therefore, Mr. Jian Yang, Mr. Quan Zhang and Mr. Jinliang Liu have abstained from voting on the Board resolution approving the Acquisition. Save as disclosed above, none of the Directors is deemed to have a material interest in the Acquisition, and none of them had to abstain from voting in respect of the Acquisition at the Board meeting.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising Ms. Xin Liu, Ms. Ning Liu and Mr. Qiang Fu, being all the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the terms of the SPA and the Acquisition contemplated thereunder. We, First Shanghai Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

Apart from normal professional fees paid or payable to us in connection with the current engagement and the transaction contemplated thereunder, we did not have any other relationships or interests with the Company within the past two years from the Latest Practicable Date and we consider ourselves independent pursuant to Rule 13.84 of the Listing Rules, to provide our advice and form our opinion in respect of the terms of the SPA and the Acquisition contemplated thereunder.

BASIS OF OUR ADVICE

In putting forth our opinion and recommendation, we have relied on the accuracy of the information and representations included in the Circular and provided to us by the management of the Company (the "**Management**"), and have assumed that all such information and representations made or referred to in the Circular and provided to us by the Management were true at the time they were made and continued to be true up to the Latest Practicable Date. Shareholders will be notified of material changes as soon as possible, if any, to the information and representations provided and made to us after the Latest Practicable Date and up to and including the date of the EGM. During the course of our due diligence, we have reviewed, among other documents, the SPA, the Prospectus of the Company dated June 17, 2025 (the "**Prospectus**"), the interim report of the Company for the six months ended June 30, 2025 (the "**2025 Interim Report**"), the independent valuation report by the Valuer (the "**Valuation Report**"), and relevant industry information as further elaborated in our letter. We have also assumed that all statements of belief, opinion and intention made in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations and opinions made to us untrue, inaccurate or misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular the omission of which would make any such statement contained in the Circular, including this letter, misleading. We consider that we have reviewed sufficient information and documents to reach an informed view and to justify reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Management nor have we conducted any form of investigation into the business, affairs or future prospects of the Company, the Group or the parties to the SPA or their respective core connected person (if applicable). We have not made any independent evaluation of the Geely Business, and we have not been furnished with any such evaluation, save as and except for the Valuation Report. Since we are not experts in the business valuation of companies, we have relied upon the Valuation Report for the fair value of the entire equity interest of Geely Business. We consider that we have taken sufficient and necessary steps to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Listing Rules.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have taken into consideration the following principal factors and reasons. Our conclusions are based on the results of all analyses taken as a whole.

1. Background information on the Company, the Group and Suzhou Youxing

As stated in the Letter from the Board, the Company is a ride-hailing platform in China originally incubated by Geely Group. As at June 30, 2025, the Group has operations in 163 cities in China. The Company has ranked among the top three ride-hailing platforms in China based on gross transaction value in the last three years.

Suzhou Youxing, a limited liability company established under PRC laws on December 31, 2021, is an indirect wholly owned subsidiary of the Company. To comply with PRC laws and regulations, the Group conducts its business in China mainly through Hangzhou Youxing and its subsidiaries, based on a series of contractual arrangements by, among others, Suzhou Youxing and Hangzhou Youxing and its shareholders. Through the contractual arrangements, Suzhou Youxing is able to exercise control over the operations of Hangzhou Youxing and its subsidiaries, and enjoys 100% of the economic benefits of all equity interests in Hangzhou Youxing and its subsidiaries.

Financial performance of the Group

The following is a summary of the key financial information of the Group for the years ended December 31, 2023 and 2024 and the six months ended June 30, 2024 and 2025, as extracted from the Prospectus and the 2025 Interim Report:

	For the year ended December 31,		**For the six months ended June 30,**	
	2023	**2024**	**2024**	**2025**
	RMB'million	*RMB'million*	*RMB'million*	*RMB'million*
	(Audited)	*(Audited)*	*(Unaudited)*	*(Unaudited)*
Revenue	10,668	14,657	6,160	9,456
Gross profit	615	1,186	428	796
Loss for the year/period	(1,981)	(1,246)	(778)	(468)
Loss for the year/period attributable to owners of the Company	(1,916)	(1,251)	(767)	(495)

Financial performance for the years ended December 31, 2024 and 2023

As set out in the Prospectus, the Group recorded revenue of approximately RMB14,657 million for the year ended December 31, 2024 ("**FY2024**"), representing an increase of approximately 37.4% from approximately RMB10,668 million for the year ended December 31, 2023 ("**FY2023**"), primarily because (i) the Group's mobility service revenue increased by approximately 32.0% from approximately RMB10,300 million in FY2023 to approximately RMB13,567 million in FY2024, which was mainly attributable to the growth in the Company's order volume from 447.8 million in FY2023 to 598.1 million in FY2024 as the Group gained more user traffic from aggregation platforms and expanded the services geographically, and (ii) an increase in vehicle sales revenue from approximately RMB115 million in FY2023 to approximately RMB867 million in FY2024, as the Group sold more purpose-built vehicles, primarily to local car partners in the new cities that the Group entered under an asset-light model. Gross profit was approximately RMB1,186 million in FY2024, compared to gross profit of approximately RMB615 million in FY2023, which implied gross profit margin increased from approximately 5.8% in FY2023 to approximately 8.1% in FY2024.

Financial performance for the six months ended June 30, 2025 and 2024

As set out in 2025 Interim Report, the Group's revenue increased by approximately 53.5% from approximately RMB6,160 million in the six months ended June 30, 2024 to RMB9,456 million in the six months ended June 30, 2025, mainly due to (i) the increase in the Group's mobility service revenue by approximately 49.8% from approximately RMB5,742 million for the six months ended June 30, 2024 to approximately RMB8,600 million for the six months ended June 30, 2025 as the Group continued to expand its services geographically and gain more user traffic from aggregation platforms; and (ii) an increase in vehicle sales revenue by approximately 137.3% from approximately RMB313 million for the six months ended June 30, 2024 to approximately RMB744 million for the six months ended June 30, 2025, which was a result of the gradual establishment and increased efficiency of the Group's sales system as well as strategic expansion into new cities, that is aligned with vehicle sales initiatives. The number of vehicle sales grew significantly from 2,826 in the six months ended June 30, 2024 to 7,993 in the six months ended June 30, 2025.

Financial position of the Group

	As at December 31, 2024	**As at June 30, 2025**
	RMB'million	*RMB'million*
	(Audited)	*(Unaudited)*
Non-current assets	2,543	2,464
Current assets	1,535	3,695
Total assets	**4,078**	**6,159**

	As at December 31, 2024 *RMB'million* *(Audited)*	As at June 30, 2025 *RMB'million* *(Unaudited)*
Current liabilities	9,682	8,549
Non-current liabilities	1,602	1,568
Total liabilities	**11,284**	**10,117**
Deficit attributable to owners of the Company	(6,970)	(3,766)
Non-controlling interest	(236)	(192)
Total deficit	**(7,206)**	**(3,958)**

As at June 30, 2025, (i) the principal assets of the Group were property, plant and equipment and right-of-use assets which amounted to approximately RMB2,185 million, prepayments, other receivables and other current assets which amounted to approximately RMB768 million, and cash and cash equivalents which amounted to approximately RMB2,198 million; and (ii) the principal liabilities of the Group were borrowings which amounted to approximately RMB7,689 million (including both current and non-current portions), accruals and other payables which amounted to approximately RMB1,032 million and trade and notes payables which amounted to approximately RMB807 million. Deficit attributable to owners of the Company amounted to approximately RMB3,766 million as at June 30, 2025.

For further details of the financial information of the Group, please refer to the financial reports and results published by the Company.

2. Background information of Geely Holding (as the vendor) and Geely Business (as the target company)

Geely Holding, a limited liability company established under PRC laws on March 24, 2003, is directly owned as to 82.23% by Mr. Li, the founder of the Group and a Controlling Shareholder of the Company. It is principally engaged in the wholesale and retail of automobiles and related parts and components.

Geely Business was established by a number of management members of the Geely Group on June 29, 2010, with an initial registered capital of RMB10,000,000. In 2011, these individual shareholders transferred their respective equity interests in Geely Business to the Geely Group based on the amount of paid-in registered capital they had contributed. As at the Latest Practicable Date, Geely Business is a wholly owned subsidiary of Geely Holding, with a registered capital of RMB20,000,000. Geely Business is a business travel management service platform within the Geely Group and specializes in providing corporate travel solution services. Geely Business operates a one-stop travel platform which integrates a comprehensive suite of travel products and services offered by airlines, accommodation and transportation service providers.

Set out below is a table summarising certain key financial information of Geely Business for each of the years ended December 31, 2023 and 2024 respectively, based on the financial statements of Geely Business prepared in accordance with the China Accounting Standards for Business Enterprises and audited by the PRC auditor.

	For the year ended December 31, 2023	**For the year ended December 31, 2024**
	RMB'million	*RMB'million*
	(Audited)	*(Audited)*
Revenue	1,010.2	934.8
Profit before taxation	56.4	30.1
Profit after taxation	**44.7**	**23.3**

As at December 31, 2024, the audited total assets and the audited net assets of Geely Business amounted to approximately RMB316.5 million and RMB86.3 million, respectively. Upon completion of the Acquisition, Geely Business will become an indirect wholly owned subsidiary of the Company, and its financial results will be consolidated into the financial statements of the Group.

3. Reasons for and benefits of the Acquisition

With reference to the Letter from the Board, the Group is a ride-hailing platform in China with operations in 163 cities in China. The Company has ranked among the top three ride-hailing platforms in China based on gross transaction value in the last three years. Geely Business is a business travel management service platform, specializing in providing corporate travel solution services. The Management considers the Acquisition aligned the Group's core mobility business and strengthens and expands its operational capabilities in key areas such as enterprise services, one-stop business travel service and data integration. Specifically, the Management considered that enterprise services are vital to the Group's business, characterized by stable demand, high average price, and high gross profit margin per order. By leveraging Geely Business's established group and extensive corporate customer resources, the Group can rapidly expand its corporate customer base and strengthen its presence and market share in the corporate mobility sector in the PRC. Meanwhile, the synergy between corporate and individual customer groups can drive mutual traffic and value conversion, boosting customer loyalty. Geely Business can also provide one-stop travel and conference services for the Group's corporate customers, and diversify the Group's corporate products, thereby enhancing the Group's corporate service capabilities and bringing stable profit to the Group.

Upon completion of the Acquisition, Geely Business will become a wholly-owned subsidiary of the Company and the financial results of Geely Business will be consolidated into the financial statements of the Group. By adhering to the Group's diversified development strategy, the Acquisition will enable the Group to expand its service scopes, customer base and broaden the Group's income sources. For the years ended December 31, 2023 and 2024, the revenue generated by Geely Business amounted to approximately RMB1,010.2 million and RMB934.8 million, representing approximately 9.5% and 6.4% of the Group's total revenue, respectively.

According to the International Monetary Fund, China's gross domestic product per capita is projected to rise from US$13,313 in 2024 to US$18,617 by 2030, reflecting a compound annual growth rate ("**CAGR**") of 5.7%. In 2024, the market scale of travel management company market in China has reached RMB406 billion and it is forecasted to be RMB450 billion in 2025 and RMB500 billion in 2027, reflecting a CAGR of 9%.

In light of the above, the Directors (excluding the independent non-executive Directors whose views will be contained in the Circular after considering the advice from the Independent Financial Adviser) consider that although the Acquisition is not entered into in the ordinary and usual course of business of the Group, the terms of the SPA and the Acquisition contemplated thereunder are fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders.

Taking into account (i) the Acquisition represents an opportunity for the Group to expand its business portfolio and customer base and further strengthen its presence in the corporate mobility sector; (ii) the stable revenue stream contributed by Geely Business as seen from its historical financial performance; and (iii) the potential growth of travel management service industry in the PRC as mentioned above, we are of the view that although the Acquisition is not conducted in the ordinary and usual course of business of the Group, it is in the interests of the Company and Shareholders as a whole.

4. Principal terms of the SPA

The principal terms of the SPA are set out as follows.

Date: December 30, 2025.

Parties:

(i) Suzhou Youxing, an indirect wholly owned subsidiary of the Company, as purchaser;

(ii) Geely Holding, as vendor; and

(iii) Geely Business, as the target company.

Subject matter:	Pursuant to the SPA, Suzhou Youxing agreed to acquire, and Geely Holding agreed to sell, the entire equity interest in Geely Business.
Consideration and payment:	RMB65,000,000, which shall be paid by Suzhou Youxing to Geely Holding within ten business days after the completion of registration and filing in relation to the Acquisition with the relevant industrial and commercial administration authority. The consideration will be funded by the internal resources of the Group. The consideration was determined after arm's length negotiations between the parties with reference to fair value of 100% equity interest of Geely Business as valued by an independent valuer using market approach, which amounted to approximately RMB75,322,000, as at October 31, 2025.
Conditions Precedent:	Completion of the SPA is conditional upon the satisfaction of following conditions: • the internal decision-making bodies of each of Geely Holding and Geely Business, such as the shareholders' meeting and the board of directors, having approved the Acquisition; and • the Independent Shareholders having approved the Acquisition. With reference to the Letter from the Board, the above condition (a) has been fulfilled as at the Latest Practicable Date. Pursuant to the SPA, if the above condition (b) is not fulfilled within the six months from the date of the SPA, each of Suzhou Youxing and Geely Holding may terminate the SPA.

5. Assessment of the consideration of the Acquisition

As set out in the Letter from the Board, the consideration for the acquisition of the 100% equity interest (the "**Equity Interest**") of Geely Business was based on the valuation results in the valuation report (the "**Valuation Report**") issued by AVISTA Valuation Advisory Limited ("**Valuer**"), with October 31, 2025 as the valuation date (the "**Valuation Date**"). According to the Valuation Report, the fair value of Equity Interest of Geely Business as at the Valuation Date, amounted to approximately RMB75.3 million. Please refer to Appendix I to the Circular for detail information of the Valuation Report.

When assessing the fairness and reasonableness of the valuation of Equity Interest of Geely Business, we have in particular considered and reviewed the Valuation Report prepared by the Valuer and have discussed with the Valuer regarding the valuation of Equity Interest of Geely Business with details set out below. In the course of our review, we have discussed with the Valuer its scope of work and expertise, and the methodologies, bases and assumptions adopted in the Valuation Report.

(a) Scope of work and qualifications of the Valuer

The Valuer was engaged to prepare the Valuation Report, which sets out an independent valuation on Equity Interest of Geely Business as at the Valuation Date (the "**Valuation**"). We have discussed with the Valuer regarding the expertise of the Valuer and the relevant engagement team members. The responsible signing person of the Valuation Report has over 20 years' industry experience in conducting valuation exercises. We note that the valuation of the Valuer was quoted in the circulars of various companies listed in Hong Kong. We are satisfied that the Valuer has the requisite qualifications, expertise and experience to perform its professional asset appraisal work. We understand that the Valuer conducted the Valuation in accordance with International Valuation Standards issued by International Valuation Standards Council ("**IVSC**"); and conducted its valuation procedures through its own research and has relied on public information obtained through its own research as well as the financial information provided by the Management.

We have also enquired with the Valuer as to their independence. Based on our discussion with the Valuer and also with the Management, (i) we understand that, apart from independent valuation engagements, the Valuer has no other current or prior relationships with the Company, other parties to the SPA or any of their core connected persons; (ii) the Valuer has confirmed that it is an independent third party to the parties of the Acquisition and their respective core connected person; and (iii) we are not aware that the Company or other parties to the SPA has made any formal or informal representation to the Valuer which is not in accordance with our knowledge. Further, we have reviewed the terms of the Valuer's engagement letter and noted that the purpose of the valuation is to perform a valuation of the fair value of the Equity Interest of Geely Business. The Valuer's engagement letter contains standard valuation scopes that are typical of company valuations carried out by independent valuers.

Based on the above, we are not aware of any matters that would cause us to question the Valuer's competence and independence, and we consider the Valuer has sufficient expertise required to perform the Valuation.

(b) Valuation methodologies

We have discussed with the Valuer on the methodology adopted in valuing Geely Business as at the Valuation Date and noted they had considered the three generally accepted valuation approaches, namely the income approach, the cost approach and the market approach.

"Income approach"	*"The income approach provides an indication of value based on the principle that an informed buyer would pay no more than the present value of anticipated future economic benefits generated by the subject asset.* *The fundamental method for income approach is the discounted cash flow ("**DCF**") method. Under the DCF method, the value depends on the present value of future economic benefits to be derived from ownership of the enterprise. Thus, an indication of the enterprise value is calculated as the present value of the future free cash flow of a Company less outstanding interest-bearing debt, if any. The future cash flow is discounted at the market-derived rate of return appropriate for the risks and hazards of investing in a similar business."*
"Cost approach"	*"The cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation arising from condition, utility, age, wear and tear, or obsolescence (physical, functional or economical) present, taking into consideration past and present maintenance policy and rebuilding history."*
"Market approach"	*"The market approach provides an indication of value by comparing the subject asset to similar assets that have been sold in the market, with appropriate adjustments for the differences between the subject asset and the assets that are considered to be comparable to the subject asset.* *Under the market approach, the comparable company method computes a price multiple for publicly listed companies that are considered to be comparable to the subject asset and then applies the result to a base of the subject asset. The comparable transaction method computes a price multiple using recent sales and purchase transactions of assets that are considered to be comparable to the subject asset and then applies the result to a base of the subject asset."*

According to the Valuer, they have adopted the market approach due to the following reasons: (i) cost approach is not appropriate in current appraisal as it assumed the assets and liabilities of the target company (i.e. Geely Business) are separable and can be sold separately. This methodology is more appropriate for the industries that their assets are highly liquid, like property development and financial institution; and (ii) income approach is also considered inappropriate as plenty of assumptions were involved in formulating the financial projections of the target company, and the assumptions might not be able to reflect the uncertainties in the future performance of the target company. Given that improper assumptions will impose significant impact on the fair value, income approach is not adopted in this Valuation. Fair value arrived from market approach reflects the market expectations over the corresponding industry as the price multiples of the comparable companies were arrived from market consensus. Since there are sufficient public companies in similar nature and business to that of Geely Business, their market values are good indicators of the industry of Geely Business. Therefore, market approach has been adopted in this Valuation.

Having considered that (i) the cost approach does not directly incorporate information about the economic benefits and future earning potential of Geely Business; (ii) the income approach requires to adopt more subjective assumptions than the market approach for compiling its long term financial projection and the valuation result would be greatly sensitive to any changes in assumptions; and (iii) market approach is a commonly used approach in the open market which requires few assumptions and allows the Valuer to apply publicly available comparables to enhance the objectivity of the valuation, we concur with the Valuer that the adoption of market approach for the Valuation is reasonable.

As advised by the Valuer, we are made aware that under the market approach, the comparable companies method and the comparable transactions method are the two common valuation methods. Due to the lack of public information on recent comparable transactions in the market, the comparable transactions method was considered not appropriate. The Valuer has therefore adopted the comparable companies method, which involves the use of the valuation multiples applicable to the subject companies, to assess the fair value of the Equity Interest of Geely Business.

In this regard, we have reviewed the report of screening of the comparable transactions with the input of the selection criteria conducted by the Valuer. Based on the selection criteria of (i) at least one of the acquirer, acquiree/issuer or seller should be a public company listed on the major stock exchange in Hong Kong, Mainland China or the United States; (ii) the primary industry of the acquiree/issuer is being in industry of hotels, resorts and cruise lines with majority of its total revenue (i.e. over 50%) is attributable to travel agency and ticket booking services; (iii) the financial information of the acquiree is available to the public; (iv) the transaction type should be merger/acquisition; and (v) the transaction announcement date was between October 2024 and October 2025, no comparable transaction with the acquiree engaging in similar business as Geely Business during the selected period is identified. For our due diligence purpose, we have also attempted to search for transactions based on the above selection criteria and in relation to the acquisition of controlling interests in entities that are engaged in business similar to Geely Business, that were announced by companies publicly listed and searchable on Bloomberg equity screen tool. However, we are unable to identify any comparable transactions. Hence, we concur with the Valuer that the comparable transactions method was not applicable in the Valuation due to the lack of recent comparable transactions in the market. Accordingly, we are of the view that the adoption of the comparable companies method is fair and reasonable.

(c) Selection of valuation multiples

In carrying out the Valuation, the valuation multiple adopted by the Valuer was enterprise value-to-earnings before interest, tax, depreciation and amortization ("**EV/EBITDA**") multiple. The EV/EBITDA multiple captures the earning abilities of a company and removes interest, tax, depreciation and amortization effect on earnings. We have discussed with the Valuer on adopting the EV/EBITDA multiple in the Valuation and understand that it was considered more appropriate than enterprise value-to-sales ("**EV/S**") multiple since EV/S multiple is commonly used in the valuation of early stage of start-up enterprises and does not take into account the cost structure and profitability of a company and only focuses on the amount of sales. We understand from the Valuer that (i) price-to-book ("**P/B**") multiple is not adopted because the book value only captures the tangible assets of a company which, if a company creates any added market value (as reflected by a P/B multiple of larger than one), should have its own intangible competencies and advantages. These intangible company-specific competencies and advantages are not captured in the P/B multiple; and (ii) price-to-earning ("**P/E**") multiple is also considered to be inappropriate as it ignores the cost of debt capital of the company or its tax effect. As Geely Business had material outstanding loans from related parties and dividend payables as at the Valuation Date, the capital structure of Geely Business differs from those of the comparable companies (as mentioned in below) and thus the price multiples were not adopted in the Valuation.

We agreed with such points and taking into account that (i) the EV/EBITDA multiple is a commonly adopted valuation multiple for the determination of enterprise value and are commonly used for companies which are continuously profitable; (ii) EV/EBITDA multiple captures the profitability and performance of the company's operation by removing the impact of cost of capital, tax effect on earning, depreciation and amortisation which eliminates the difference in capital structure (net cash/(debt)) among companies; and (iii) based on our review on the financial information of Geely Business, Geely Business recorded positive earnings before interest, tax, depreciation and amortization ("**EBITDA**") for the consecutive three years, we concur with the Valuer that the EV/EBITDA multiple is a suitable and appropriate valuation multiple for the Valuation as of the Valuation Date.

(d) Analysis of the Comparable Companies

From the discussion with the Valuer, in carrying out the Valuation, we understand that the Valuer has exhaustively identified 11 comparable companies (the "**Comparable Companies**") from S&P Capital IQ (a market intelligence tool designed by Standard & Poor's) based on the following selection criteria (the "**Selection Criteria**"): (1) the primary industry of the comparable company is classified as hotels, resorts and cruise lines; (2) majority of total revenue (i.e. over 50%) is attributable to travel agency and ticket booking service; (3) the comparable company is publicly listed on the major stock exchange in Hong Kong, Mainland China or the United States; (4) the last-twelve-month EBITDA is positive; and (5) the main business is operated in Mainland China, Hong Kong and Macau. Details of the Comparable Companies are listed in the Valuation Report set out in Appendix I to the Circular.

We noted from the Valuation Report and are aware that the EV/EBITDA multiple of Feiyang International Holdings Group Limited (1901.HK), UTour Group Co., Ltd. (002707.SZ) and Guangzhou Lingnan Group Holdings Company Limited (000524.SZ) are particularly high. Thus, we have made enquiries to the Valuer and understood that the Valuer considered the EV/EBITDA multiple of Feiyang International Holdings Group Limited and UTour Group Co., Ltd. to be not meaningful, as such an extreme value is unjustifiable from a valuation perspective. The Valuer has looked into historical price (from December 31, 2024 to October 31, 2025) and announcements published in 2025 by Guangzhou Lingnan Group Holdings Company Limited and is aware that its share price recorded considerable volatility and there is a change to its business operations (such as investing in a duty-free store in 2025). Thus, due to the significant share price volatility and the business shift, the EV/EBITDA multiple of Guangzhou Lingnan Group Holdings Company Limited was considered as an outliner and was not adopted in the analysis.

Given that the above Selection Criteria would allow the Valuer to identify sufficient companies that operate within the same industry as Geely Business with sufficient information for the purpose of conducting the Valuation, we consider the Selection Criteria adopted by the Valuer to be fair and reasonable. For our due diligence purpose, we have employed Bloomberg equity screen tool and applied the Selection Criteria and consider that no other suitable comparable company is omitted as our independent research results are identical to those identified by the Valuer. We have reviewed the relevant information of all Comparable Companies, including their respective principal businesses, principal operating locations and operating histories as disclosed in their respective published financial reports and announcements and we are of the view that the list of Comparable Companies fit the Selection Criteria and are fair and reasonable. In light of the above, the Valuer is of the view and we concur that the list of Comparable Companies for the purpose of determining the Valuation are representative and exhaustive on a best-effort basis.

Having derived the EV/EBIDTA multiple of each of the Comparable Companies, which range from approximately 0.87 times to 26.34 times with an average of approximately 10.96 times and a median of 7.66 times, the Valuer applied the median EV/EBITDA of 7.66 times of which to Geely Business's trailing twelve months EBITDA to arrive at the enterprise value of the Geely Business, which was then converted to equity value by adding the Geely Business's cash and deducting declared but unpaid dividend and debts. We understand from the Valuer that median is preferred over the mean as it could minimize the impact of outliers. Having arrived at the equity value of Geely Business, the Valuer applied control premium and discount on lack of marketability to reflect (i) the premium which buyers typically pay for the ability to direct operational, managerial and financial decision of the acquisition target; and (ii) the discount of privately-held companies with no established market of readily-available buyers and sellers.

Given that the acquisition represents obtaining the controlling interests of Geely Business, being a privately-held company with no established market for its ordinary shares, we consider the application of control premium and discount on lack of marketability are reasonable.

We noted from the Valuation Report that the control premium was determined by the Valuer with reference to the exhaustive list of acquisitions of majority control in the travel services industry over the past fifteen years. We have reviewed the list of relevant transactions and note that the average control premium of the relevant transactions in the travel services industry over the past fifteen years was approximately 12.6%. Given the statistics on acquisition of majority control, we concur with the view of the Valuer that the average control premium of the relevant transactions is a valid reference for determining the control premium for the Valuation and the control premium of approximately 12.6% applied by the Valuer to be reasonable.

The discount on lack of marketability was applied with reference to the Stout Restricted Stock Study Companion Guide 2024 issued by Stout Risius Ross, LLC (the "**Stout Study**"). For our due diligence purpose, we obtained the Stout Study from the Valuer. We noted that the Stout Study examined the discount of transaction price of 779 transaction of privately-held shares and the discount on lack of marketability of 15.6% adopted by the Valuer represents the median discount as set out in the Stout Study. We independently searched of the credential of Stout Risius Ross, LLC and noted that Stout Risius Ross, LLC is a global advisory firm specialising in corporate finance, accounting and transaction advisory, valuation, financial disputes, claims and investigations. Stout Risius Ross, LLC serves a range of clients, from public corporations to privately held companies in numerous industries. We also noted that Stout Study is a widely used reference for the discount on lack of marketability. Based on the above, we consider it is reasonable to apply discount on lack of marketability using data published by Stout Risius Ross, LLC and the median discount rate of 15.6% is fair and reasonable.

We noted from the Valuation Report that the major assumptions made to the Valuation include (1) the use of the trailing twelve months ended October 31, 2025 as the financial period of Geely Business for the purpose of the Valuation; (2) no material change in the existing political, legal, technological, fiscal or economic conditions which may adversely affect the business of Geely Business; (3) Geely Business will not be constrained by the availability of finance; (4) financial and operational information of the Geely Business are assumed to be accurate, there are no material changes in financial positions of comparable companies and Geely Business between the respective financial reporting dates and the Valuation Date; and (5) there are no hidden or unexpected conditions associated with the Geely Business that might adversely affect the Valuation of the Geely Business. We consider the major assumptions made by the Valuer to the Valuation are those commonly used in valuations of equity interests in companies.

Based on the above and having considered (i) the qualification and experience of the Valuer; and (ii) our due diligence on the methodology and each of the parameters and assumptions used in the Valuation, in particular (1) the basis for using market approach, the comparable company method and the EV/EBITDA multiple; (2) the Selection Criteria adopted to identify the Comparable Companies; (3) the use of control premium and discount on lack of marketability; (4) the reliability of the source of data used by the Valuer; and (5) the major assumptions made to the Valuation are commonly used for the valuation of equity interests in companies, and during our discussion with the Valuer, we did not identify any factor which caused us to doubt the fairness and reasonableness of the Valuation. We concur with the views of the Directors that the Valuation Report is an appropriate reference in determining the consideration of the Acquisition of approximately RMB65.0 million, which made reference to and is at a discount of approximately 13.7% to the fair value of Equity Interest of Geely Business of RMB75.3 million as at the Valuation Date, is fair and reasonable and in the interest of Independent Shareholders as a whole.

Having considered that the consideration of RMB65.0 million represents a discount of approximately 13.7% to the fair value of Equity Interest of Geely Business of RMB75.3 million as at the Valuation Date as set out in the Valuation Report, which is favourable to the Company, we are of the view that the consideration of the Acquisition is fair and reasonable.

6. Possible financial implications of the SPA and the Acquisition

Upon Completion, Geely Business will become a wholly-owned subsidiary of the Company and its financial results will be consolidated into the financial results of the Group.

As disclosed in the section headed "2. Background information of Geely Holding (as the vendor) and Geely Business (as the target company)" above, Geely Business recorded profit after taxation of approximately RMB44.7 million and RMB23.3 million for the years ended December 31, 2023 and 2024, respectively. Considering the profit-making performance of Geely Business for the years ended December 31, 2023 and 2024, the Acquisition is expected to bring positive effect on earnings upon Completion.

As at June 30, 2025, the Group had cash and cash equivalents of approximately RMB2,198.4 million. Upon Completion, the cash and cash equivalents of the Group is expected to decrease for approximately RMB65.0 million upon settlement of the consideration of the Acquisition.

It should be noted that the aforementioned analyses are for illustrative purpose only and do not purport to represent how the financial performance and position of the Group will be upon Completion.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the opinion that (i) although the entering into of the SPA and the Acquisition is not in the ordinary and usual course of business of the Group, it is in the interest of the Company and the Shareholders as a whole; and (ii) the terms of the SPA and the Acquisition are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves advise, the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM to approve the SPA and the Acquisition.

Yours faithfully,
For and on behalf of
First Shanghai Capital Limited

Edmond Kwan
Managing Director

Kenneth Yam
Executive Director

Note: Mr. Edmond Kwan and Mr. Kenneth Yam are Responsible Officers of Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Mr. Edmond Kwan and Mr. Kenneth Yam have more than 18 and 13 years of experience in the corporate finance industry, respectively. Both of them have participated in the provision of independent financial advisory services for numerous connected transactions involving listed companies in Hong Kong.

January 27, 2026

The Board of Directors

Hangzhou Youxing Technology Co., Ltd.

Dear Sirs/Madams,

Re: Valuation of Total Equity Interest of Geely Business

In accordance with your instructions, we understand that Hangzhou Youxing Technology Co., Ltd. (the "**Company**" or "**Hangzhou Youxing**") intends to acquire total equity interest (the "**Total Equity Interest**") of Zhejiang Geely Business Service Co., Ltd. (the "**Geely Business**", or the "**Target**"). AVISTA Valuation Advisory Limited ("**AVISTA**" or "**we**") has conducted fair value valuation in connection with the Total Equity Interest of Geely Business as of 31 October 2025 (the "**Valuation Date**").

It is our understanding that this report (the "**Report**") will have the opportunity to be forwarded to the management of the Company (the "**Management**"), board of directors of the Company (the "**Directors**"), and other professional teams related to this project, including financial advisors and legal advisors of the Company for review, as well as regulatory personnel from The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission. We assure that our valuation results are supported by appropriate evidence, the report will be submitted on time, and the results will meet the purposes of the Company.

We accept no responsibility for the realisation and completeness of any estimated data, or estimates furnished by or sourced from any third parties which we have used in connection with this Report. We assumed that financial and other information provided to us are accurate and complete.

This Report presents the summary of the business appraised, describes the basis of analysis and assumptions and explains the analysis methodology adopted in this appraisal process to calculate the value.

BASIS OF ANALYSIS

We have appraised the fair value of the Total Equity Interest of the Target.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

COMPANY AND TRANSACTION BACKGROUND

CaoCao Inc. (曹操出行有限公司, SEHK:2643), an exempted company with limited liability incorporated in the Cayman Islands on November 8, 2021. Hangzhou Youxing is the onshore operating entity of CaoCao Inc.

Geely Business is a limited liability company established under PRC laws on June 29, 2010. Geely Business is the business travel management service platform within the Geely Group and specializes in providing corporate travel solution services. Geely Business operates a one-stop travel platform which integrates a comprehensive suite of travel products and services offered by airlines, accommodation and transportation service providers.

We understand that the Company proposed to acquire 100% equity interest of Geely Business (the "**Proposed Transaction**").

SCOPE OF WORK

In conducting this valuation exercise, we have

- Coordinated with the Company's representatives to obtain the required information and documents for our valuation;
- Gathered the relevant information of the Target, including the legal documents, financial statements, etc. made available to us;
- Discussed with the Company to understand the history, business model, operations, business development plan, etc. of the Target for valuation purpose;
- Carried out research in the sectors concerned and collected relevant market data from reliable sources for analysis;
- Studied the information of the Target made available to us and considered the bases and assumptions of our valuation conclusion;
- Selected an appropriate valuation method to analyze the market data and derived the estimated fair value of the Target; and
- Compiled this Report on the valuation, which outlines our findings, valuation methodologies and assumptions, and valuation conclusion.

When performing our valuation, all relevant information, documents, and other pertinent data concerning the assets, liabilities and contingent liabilities should have been provided to us. We relied on such data, records and documents in arriving at our valuation opinions and had no reason to doubt the truth and accuracy of the information provided to us by the Company, the Target and their authorized representatives.

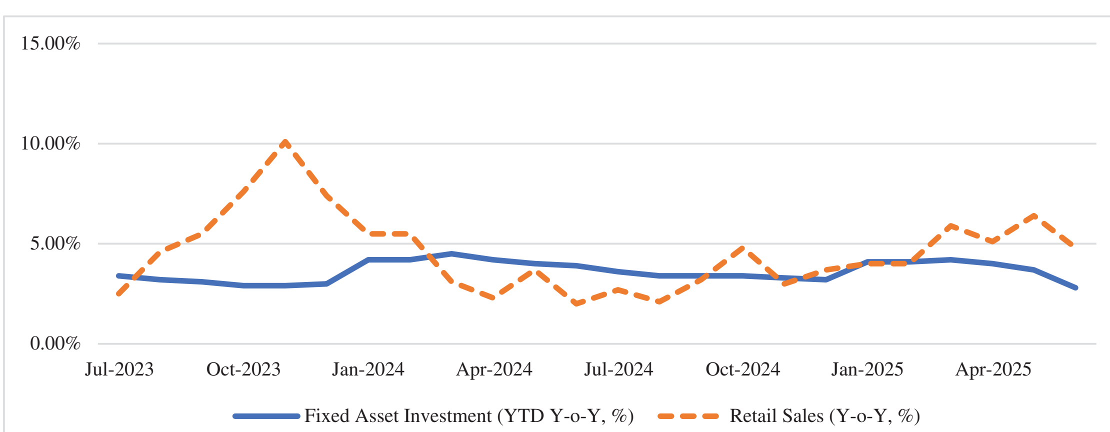
ECONOMIC OVERVIEW

In 2025Q2, China's economy registered a 5.2% year-over-year ("**y-o-y**") increase in Gross Domestic Product ("**GDP**"), a slight moderation from Q1's 5.4% growth but still exceeding economists' forecasts. This performance brought GDP growth for the first half of the year to 5.3%, as reported by the National Bureau of Statistics ("**NBS**"). Domestic consumption remained a key economic pillar, with total retail sales of consumer goods expanding by 5.0% in the first half of the year. However, momentum has slowed at the quarter's end, with June retail sales growth decreasing to 4.8% from 6.4% in May.

Industrial production and external trade continue providing significant support to the economy. Industrial output grew by 6.4% y-o-y in the first six months, ending strong with a 6.8% raise in June. A notable driver of this growth was the equipment manufacturing and high-tech manufacturing sector, whose value-added output surged by 10.2% and 9.5% in the first half of the year respectively, signaling the acceleration of industrial transformation and upgrading. On the external front, resilient export performance also played a key role, although partially attributable to business behaviors of front-loading shipments ahead of anticipated tariff increases.

Despite the solid headline growth, investment figures revealed underlying weaknesses, particularly in the real estate sector. Overall fixed-asset investment rose by 2.8% in the first half of the year, falling short of expectations. The primary concern was the real estate market, where investment contracted by 11.2% y-o-y in the first half of 2025, following the 9.9% drop seen in Q1. The significant decline was further underscored by a 20% reduction in the floor space of newly started construction projects, highlighting the property sector as the predominant drag on China's economic performance.

Figure 1: Y-o-Y Growth in YTD Fixed Asset Investment and Monthly Retail Sales



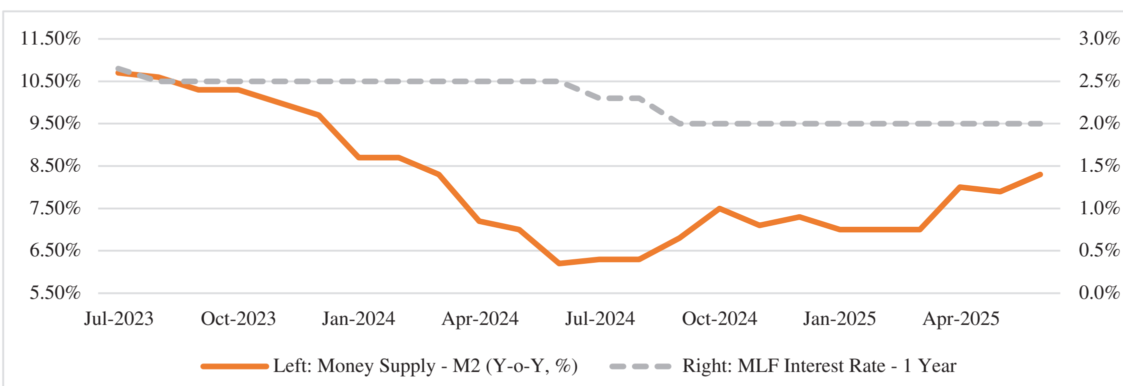
Source: NBS

According to the NBS, the consumer price index ("**CPI**") rose slightly by 0.1% y-o-y in June 2025, although food prices fell 0.3% y-o-y amid seasonal pressures from high temperatures and rainfall. Meanwhile, the producer price index ("**PPI**") declined by 3.6% y-o-y, driven by seasonal downturns in raw materials manufacturing, increased green energy supply, and external pressures on export-oriented sectors.

Monetary policy remained supportive during the quarter. In June 2025, the People's Bank of China (the "**PBoC**") injected RMB300 billion into the market through medium-term lending facilities ("**MLF**"), maintaining the interest rate at 2.0%. Additionally, broad money supply ("**M2**") reached RMB330 trillion, marking an 8.3% y-o-y increase. These measures have helped maintain ample liquidity in the banking sector and ease borrowing costs.

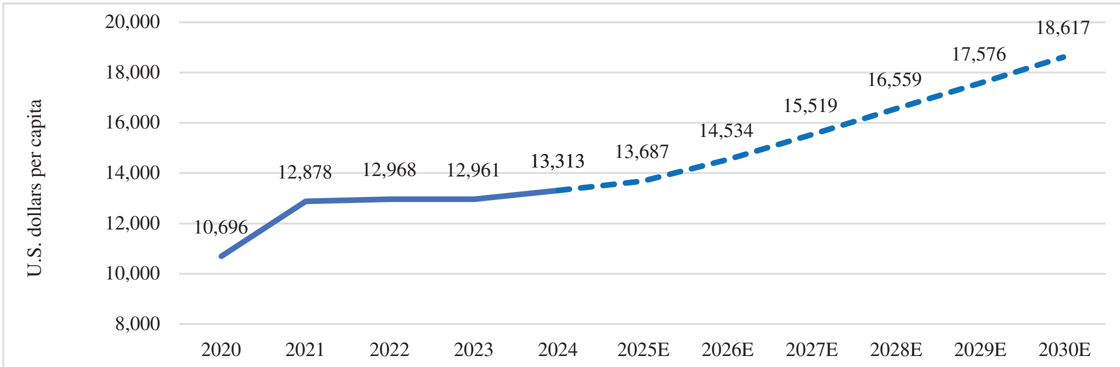
Looking ahead, strengthening domestic consumption is anticipated to overcome persistent challenges in the real estate sector and bolster broader economic expansion. Moreover, emerging policy measures focused on boosting investment and spending are expected to promote greater economic resilience. According to the International Monetary Fund ("**IMF**"), China's GDP per capita is projected to rise from US$13,313 in 2024 to US$18,617 by 2030, reflecting a compound annual growth rate ("**CAGR**") of 5.7%.

Figure 2: Y-o-Y Growth in M2 and 1-Year MLF Interest Rate in China



Source: NBS, the PBoC

Figure 3: GDP per capita of China



Source: IMF

INDUSTRY OVERVIEW

In 2024, The market scale of TMC market in China has reached RMB406 billion. And it is forecast to be RMB450 billion in 2025 and RMB500 billion in 2027, reflecting a 9% CAGR.

Compliance demand, cost-saving pressure, travel recovery are elevating the demand on TMC platform. The nationwide rollout of Golden Tax IV and fully digitalized e-invoices in 2025 makes every single business trip traceable from booking to VAT refund. A TMC is therefore treated as "infrastructure for fiscal compliance" rather than a simple travel agency. And as air-ticket and hotel list prices have flattened, TMCs can still deliver 5-8% savings versus OTA street prices through aggregated corporate rates. Besides, Mainland China's corporate travel spend rebounded to US$420 billion in 2024, 108% of 2019 level, and is projected to reach US$490 billion by 2027 (5% CAGR). Travel frequency per employee has recovered to 3.8 trips/year, but average trip length shortened 0.6 nights, indicating a structural shift toward higher-frequency, shorter-stay patterns that favor TMC automation.

Regarding supply side, TMC platforms have directly connected with both domestic and overseas hotel, air and rail services. Some of them have plugged into 1 million overseas hotels with system-level rates of IHG, Accor and Marriott, etc. And API standardization, the application of new energy technologies and seamless payment innovation are accelerating platform interoperability, improving customer experience, and driving provider revenue diversification. Deepening Digital & AI Integration is benefiting the industry with intelligent price comparison, dynamic itinerary alerts to enhance experience. The market is experiencing a "flight to quality," with industry benefits increasingly concentrating among leading players. This consolidation favors TMCs with strong supply-chain management and standardized procurement capabilities, as they are better positioned to secure superior pricing agreements with these more resilient brands.

Overall, the industry is shifting toward a more integrated ecosystem where travel booking, expense management, payments, and compliance converge into a unified digital infrastructure. Key trends include the deep integration of AI and digital tools for smarter booking, expense management, and predictive analytics; a growing corporate emphasis on sustainable travel policies and adaptation to hybrid work models; and a diverging landscape between a competitive yet steady domestic market and a complex but high-potential outbound market. Despite ongoing challenges like margin pressure and cross-border operational complexities, the industry is expanding quickly due to the tailwind of policy, technology development and demand.

LIMITATIONS OF THE REPORT

The Report is addressed strictly to the Directors for their internal reference only. Accordingly, the Report may not be used nor relied upon in any other connection by, and are not intended to confer any benefit on, any person (including without limitation the respective shareholders of the Company and the Target).

The Report does not constitute an opinion on the commercial merits and structure of the Proposed Transaction. The Report does not purport to contain all the information that may be necessary or desirable to fully evaluate the Proposed Transaction. We are not required to and have not conducted a comprehensive review of the business, technical, operational, strategic or other commercial risks and merits of the Proposed Transaction and such remain the sole responsibility of the Directors and the management.

We have assumed and relied upon, and have not independently verified the accuracy, completeness and adequacy of the information provided or otherwise made available to us or relied upon by us in the Report, especially for the historical financial information of the Target provided by the Management, whether written or verbal, and no representation or warrant, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of all such information.

Moreover, our valuation has also relied upon other information obtained from public sources which we believe to be reliable. We accept no responsibility for accuracy and reliability of any information obtained from public sources.

VALUATION ASSUMPTIONS OF BUSINESS ENTERPRISE VALUE ANALYSIS

In arriving at our opinion of value, we have considered the following principal factors:

- the economic outlook for the region operated by the Target and specific competitive environments affecting the industry;
- the business risks of the Target;
- the selected comparable companies are engaging in business operations similar to the Target;

- the experience of the management team of the Target and support from their shareholders; and

- the legal and regulatory issues of the industry in general.

A number of general assumptions have to be made in arriving at our valuation conclusion. The key assumptions adopted in this valuation include:

- There will be no material changes in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of the Target;

- There are no material changes in the financial positions of the Target and the comparable companies between the respective financial reporting dates and the Valuation Date;

- The Target will not be constrained by the availability of finance;

- The Target will retain competent management, key personnel and technical staff to support their ongoing operations; and

- There are no hidden or unexpected conditions associated with the business entity valued that might adversely affect the reported value.

VALUATION APPROACH

General Valuation Approaches

There are three generally accepted approaches to appraise the fair value of the Equity Interest of the Target, namely Income Approach, Cost Approach and Market Approach. All three of them have been considered regarding the valuations of the Target.

Income Approach

The income approach provides an indication of value based on the principle that an informed buyer would pay no more than the present value of anticipated future economic benefits generated by the subject asset.

The fundamental method for income approach is the discounted cash flow ("**DCF**") method. Under the DCF method, the value depends on the present value of future economic benefits to be derived from ownership of the enterprise. Thus, an indication of the enterprise value is calculated as the present value of the future free cash flow of a Company less outstanding interest-bearing debt, if any. The future cash flow is discounted at the market-derived rate of return appropriate for the risks and hazards of investing in a similar business.

Cost Approach	The cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation arising from condition, utility, age, wear and tear, or obsolescence (physical, functional or economical) present, taking into consideration past and present maintenance policy and rebuilding history.
Market Approach	The market approach provides an indication of value by comparing the subject asset to similar assets that have been sold in the market, with appropriate adjustments for the differences between the subject asset and the assets that are considered to be comparable to the subject asset. Under the market approach, the comparable Company method computes a price multiple for publicly listed companies that are considered to be comparable to the subject asset and then applies the result to a base of the subject asset. The comparable transaction method computes a price multiple using recent sales and purchase transactions of assets that are considered to be comparable to the subject asset and then applies the result to a base of the subject asset.

Selected Valuation Approach

Each of the abovementioned approaches is appropriate in one or more circumstances, and sometimes, two or more approaches may be used together. Whether to adopt a particular approach will be determined by the most commonly adopted practice in valuing business entities that are similar in nature. In this appraisal regarding the fair value of the Equity Interest, we applied the Market Approach due to the following reasons:

- Cost Approach is not appropriate in current appraisal as it assumed the assets and liabilities of the Target are separable and can be sold separately. This methodology is more appropriate for the industries that their assets are highly liquid, like property development and financial institution. Thus, Cost Approach is not adopted in this valuation.

- Income Approach is also considered inappropriate as plenty of assumptions were involved in formulating the financial projections of the Target, and the assumptions might not be able to reflect the uncertainties in the future performance of the Target. Given that improper assumptions will impose significant impact on the fair value, Income Approach is not adopted in this valuation.

- Fair value arrived from Market Approach reflects the market expectations over the corresponding industry as the price multiples of the comparable companies were arrived from market consensus. Since there are sufficient public companies in similar nature and business to that of the Target, their market values are good indicators of the industry of the Target. Therefore, Market Approach has been adopted in this valuation.

There are two methods commonly used in performing market approach, namely comparable transactions method and comparable companies method.

Comparable Transactions Method

The comparable transactions are selected with reference to the following selection criteria:

- At least one of the acquirer, acquiree/issuer or seller should be a public company listed on the major stock exchange in mainland China, Hong Kong or the United States;

- The primary industry of the acquiree/issuer is being in industry of Hotels, Resorts and Cruise Lines;

- The transaction type should be Merger/Acquisition;

- The transaction announcement date was between October 2024 and October 2025;

- Majority of total revenue of the acquiree/issuer (i.e. over 50%) is attributable to travel agency and ticket booking service;

- The financial information of the acquiree is available to the public.

Based on the above selection criteria, there was no comparable transaction with the acquiree engaging in similar businesses as the Target during the selected period. Given the fact that no recent comparable transaction can be identified, we consider that the comparable transactions method is not appropriate for this valuation exercise.

Comparable Companies Method

Comparable companies method is therefore selected as the method for the valuation of the total equity interest of the Target. By adopting comparable companies method, we have to select the appropriate comparable public companies. The selection of the comparable companies was based on the comparability of the overall industry sector. Although no two companies are ever exactly alike, behind the differences there are certain business universals such as required capital investment and overall perceived risks and uncertainties that guided the market in reaching the expected returns for companies with certain similar attributes.

The comparable public companies are selected with reference to the following selection criteria:

- The primary industry of the comparable companies is classified as Hotels, Resorts and Cruise Lines;
- Majority of total revenue (i.e. over 50%) is attributable to travel agency and ticket booking service;
- The comparable companies are listed on the major stock exchange in mainland China, Hong Kong or the United States;
- The LTM EBITDA is positive;
- The main business is operated in mainland China, Hong Kong and Macau;

During our research process, as obtained on the best effort basis, we have identified an exhaustive list of eleven comparable companies that engaged in travel agency and ticket booking service. As mentioned above, since no two companies are ever exactly alike, the differences should not overshadow the similarities of the business nature of the companies. We consider that the selected companies are fair and representative comparable companies to the Target.

Details of the selected comparable companies are listed as follows:

No.	Company Name	Stock Code	Listing Location	Business Description[1]
1	EGL Holdings Company Limited	SEHK:6882	Hong Kong, China	EGL Holdings Company Limited, an investment holding company, provides package tours in Hong Kong, Macau, Japan, and internationally.
2	Flydoo Technology Holding Limited	SEHK:8069	Hong Kong, China	Flydoo Technology Holding Limited, an investment holding company, operates as a travel agent in Hong Kong and Macau.
3	Tongcheng Travel Holdings Limited	SEHK:780	Hong Kong, China	Tongcheng Travel Holdings Limited, an investment holding company, provides travel related services in the People's Republic of China.
4	Travel Expert (Asia) Enterprises Limited	SEHK:1235	Hong Kong, China	Travel Expert (Asia) Enterprises Limited, an investment holding company, engages in the travel and travel related businesses in Hong Kong and the People's Republic of China.
5	Tu Yi Holding Company Limited	SEHK:1701	Hong Kong, China	Tu Yi Holding Company Limited, an investment holding company, provides outbound travel products and service in the People's Republic of China and Japan.

No.	Company Name	Stock Code	Listing Location	Business Description[1]
6	Tuniu Corporation	Nasdaq CM:TOUR	United States	Tuniu Corporation, together with its subsidiaries, operates as an online leisure travel company in the People's Republic of China and Hong Kong.
7	Feiyang International Holdings Group Limited	SEHK:1901	Hong Kong, China	Feiyang International Holdings Group Limited, an investment holding company, engages in the design, development, and sale of travel related products and services in the People's Republic of China and Hong Kong.
8	Trip.com Group Limited	Nasdaq GS:TCOM	United States	Trip.com Group Limited, through its subsidiaries, operates as a travel service provider for accommodation reservation, transportation ticketing, packaged tours, in-destination, corporate travel management, and other travel-related services in China and internationally.
9	Guangzhou Lingnan Group Holdings Company Limited	SZSE:000524	Shenzhen, China	Guangzhou Lingnan Group Holdings Company Limited engages in the tourism business in China.
10	Shanghai Jinjiang International Travel Co., Ltd.	SHSE:900929	Shanghai, China	Shanghai Jinjiang International Travel Co., Ltd. engages in the travel agency business.
11	UTour Group Co., Ltd.	SZSE:002707	Shenzhen, China	UTour Group Co., Ltd. engages in wholesale, retail, integrated marketing, destination operations, and tourism industry chain services in China and internationally.

Note:

1. Business Description of the comparable companies was sourced from S&P Capital IQ.

Source: S&P Capital IQ

As majority of revenue of the above comparable companies are generated from travel agency and ticket booking service, these comparable companies, together with the Target, are similarly subject to fluctuations in the economy and performance of travel agency and ticket booking service, among other factors. Thus, we consider they are confronted with similar industry risks and rewards.

Adopted Valuation Multiple

After selecting the abovementioned comparable companies, we have to determine the appropriate valuation multiples for the valuation of the Target, in which we have considered price-to-earnings ("**P/E**"), price-to-book ("**P/B**"), enterprise value/sales ("**EV/S**") and enterprise value/earnings before interests, taxes, depreciation and amortization ("**EV/EBITDA**") multiples.

P/E multiple is considered not appropriate for the valuation since (i) P/E multiple is unable to consider the capital structure of the company; and (ii) tax policies differ in different companies where the effect of tax on earnings of comparable companies should be eliminated. Thus, the P/E multiple is not a good measurement of the fair value of the Target.

P/B multiple is considered not appropriate for the valuation of the Target because book value captures only the tangible assets of a company which, if a company creates any added market value (as reflected by a P/B multiple of larger than one), should have its own intangible competencies and advantages. These intangible company-specific competencies and advantages are not captured in the P/B multiple and so in general, the equity's book value has little bearing with its fair value. Thus, the P/B multiple is not a good measurement of the fair value of a company.

EV/S multiple is commonly used in the valuation of start-up enterprises. However, this valuation multiple ignores the cost structure of a company and hence the profitability of a company, which is critical in reflecting the fair value. Hence, we are of the view that it is not appropriate to adopt the EV/S multiple to assess the fair value of the Target.

EV/EBITDA multiple is the most appropriate indicator of the fair value of the comparable companies, effectively measures the performance of the subject entity's core operation by removing the impact of cost of capital, tax effect on earning, depreciation and amortisation which eliminates the difference in capital structure among companies. Considering the consecutive three years' EBITDA of the Target is positive and stable, EV/EBITDA multiple has been adopted in valuation.

The EV/EBITDA multiples of comparable companies are as follows:

No.	Company Name	Currency	Market Cap[1]	Net Debt	Minority Interest	Preferred Equity	EV	LTM EBITDA[2]	EV/LTM EBITDA
1	EGL Holdings Company Limited	HKD million	276	269	(2)	–	543	86	6.30x
2	Flydoo Technology Holding Limited	HKD million	30	(66)	(3)	–	(38)	10	N/A
3	Tongcheng Travel Holdings Limited	HKD million	45,210	(8,533)	985	–	37,661	4,178	9.01x
4	Travel Expert (Asia) Enterprises Limited	CNY million	89	(80)	0	–	9	11	0.87x
5	Tu Yi Holding Company Limited	HKD million	123	14	2	–	139	26	5.26x
6	Tuniu Corporation	CNY million	696	(1,060)	(72)	–	(436)	57	N/A
7	Feiyang International Holdings Group Limited	CNY million	306	182	(11)	–	477	3	Extreme Data[3]
8	Trip.com Group Limited	CNY million	328,596	(40,335)	1,043	–	289,304	16,096	17.97x
9	Guangzhou Lingnan Group Holdings Company Limited	CNY million	9,852	(1,775)	23	–	8,100	192	Outlier[4]
10	Shanghai Jinjiang International Travel Co., Ltd.	CNY million	1,184	(87)	(4)	1,093	42	26.34x	
11	UTour Group Co., Ltd.	CNY million	6,889	(346)	(179)	–	6,364	75	Extreme Data[3]
								Maximum	26.34x
								Average	10.96x
								Median	7.66x
								Minimum	0.87x

Notes:

(1) The market capitalization, net debt and minority interest of the comparable companies as of 31 October 2025 are sourced from S&P Capital IQ.

(2) The LTM EBITDA of the comparable companies as of 31 October 2025 are sourced from S&P Capital IQ.

(3) Among the trailing EV/EBITDA multiples of the comparable companies, Feiyang International Holdings Group Limited with a EV/EBITDA multiple of 167.72x and UTour Group Co., Ltd. with a EV/EBITDA of 84.64x are considered to be not meaningful as such extreme value is unjustifiable in valuation perspective.

(4) Guangzhou Lingnan Group Holdings Company Limited invested in a duty-free store in 2025. Its stock price increased by 52% from December 31, 2024, to October 31, 2025. As of the Valuation Date, Guangzhou Lingnan Group Holdings Company Limited had an EV/EBITDA multiple of 42.24x, which is considered an outlier and was not adopted in the analysis.

Valuation Results	CNY'000
LTM EBITDA[1]	26,051
EV/EBITDA	7.66x
Enterprise Value	199,549
Add: Cash	131,161
Less: Declared but Unpaid Dividend	(68,820)
Less: Debt	(182,632)
Less: Minority Interest	–
Total Equity Value of the Target (Marketable and Non-Controlling Basis)	**79,258**
Less: Lack of Marketability Discount[2]	(12,364)
Total Equity Value of the Target (Non-Marketable and Non-Controlling Basis)	**66,893**
Add: Control Premium[3]	8,429
Fair Value of Total Equity Interest	**75,322**

Notes:

(1) LTM EBITDA is based on the twelve-month trailing EBITDA as of Valuation Date of the Target, provided by Management.

(2) Lack of Marketability Discount ("LOMD") reflects the fact that there is no ready market for shares in a closely held company. Ownership interests in closely held companies are typically not readily marketable compared to similar interests in publicly listed companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly listed company.

The EV/EBITDA multiples adopted in the valuation were calculated from public listed companies, which represent marketable ownership interest. Fair values calculated using such EV/EBITDA multiples, therefore, represent the marketable interest. Thus, LOMD was adopted to adjust such marketable interest fair value to non-marketable interest fair value. LOMD sourced from <Stout Restricted Stock Study Companion Guide 2024>.

(3) Control premium ("Control Premium") is the amount that a buyer is willing to pay over the minority interest of the company in order to acquire a controlling interest in that company. The EV/EBITDA multiple adopted in the valuation was calculated from public listed companies, which represents minority ownership interest. Equity value calculated by such EV/EBITDA multiple, therefore, represents the minority interest. Thus, control premium was adopted to adjust such value on minority basis to a value on controlling basis.

Adjustment for control is made by the application of a control premium to the value of the Target's shares. Control Premium is determined with reference to the control premium implied from comparable transactions, sourced from Bloomberg based on the average Control Premium derived from the Travel Services industry over the past fifteen years.

CONCLUSION OF VALUES

Based on our investigation and analysis method employed, it is our opinion that as of the Valuation Date, the fair value of the Total Equity Interest is CNY 75,322 thousand.

Our valuation is prepared in compliance with the requirements of International Valuation Standards published by the International Valuation Standards Council, with the conclusion of the fair value relying extensively on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained.

We hereby certify that we have neither present nor prospective interests in the values reported.

Yours faithfully,
For and on behalf of
AVISTA Valuation Advisory Limited

Vincent C B Pang
CFA, FCPA (HK), FCPA (Aus.), MRICS, RICS Registered Valuer
Managing Partner

Analysed and Reported by:
Schneider Shen
CPA
Senior Manager

Rocky Cao
CFA, FRM
Manager

Note: Mr. Vincent Pang is a member of CFA Institute and CPA Australia, a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of Royal Institution of Chartered Surveyors (RICS) and a registered valuer of RICS. Vincent has over 20-year experience in financial valuation and business consulting in the PRC, Hong Kong, United States, Canada, Netherlands, Germany, Italy, Sweden, United Kingdom, Australia, Japan, Indonesia, Singapore, South Korea and Thailand.

APPENDIX – GENERAL LIMITATIONS AND CONDITIONS

This Report was prepared based on the following general assumptions and limiting conditions:

- All data, including historical financial data, which we relied upon in reaching opinions and conclusions or set forth in the Report are true and accurate to our best knowledge. Whilst reasonable care has been taken to ensure that the information contained in the Report is accurate, we cannot guarantee its accuracy and we assume no liability for the truth or accuracy of any data, opinions, or estimates furnished by or sourced from any third parties which we have used in connection with the Report.

- We also assume no responsibilities in the accuracy of any legal matters. In particular, we have not carried out any investigation on the title of or any encumbrances or any interest claimed or claimable against the total enterprise value of the Target appraised. Unless otherwise stated in the Report, we have assumed that the owner's interest is valid, the titles are good and marketable, and there are no encumbrances that cannot be identified through normal processes.

- The value opinion presented in this Report is based on the prevailing or then prevailing economic conditions and on the purchasing power of the currency stated in the Report as of the date of analysis. The date of value on which the conclusions and opinions expressed apply is stated in this Report.

- This Report has been prepared solely for the use or uses stated. Except for extraction of or reference to the Report by the Company, its financial adviser and/or its independent financial adviser for their respective work in relation to the Proposed Transaction, it is not intended for any other use or purpose or use by any third parties. We hereby disclaim that we are not liable for any damages and/or loss arisen in connection with any such unintended use.

- Prior written consent must be obtained from AVISTA Valuation Advisory Limited for publication of this Report. Except for disclosure in the Announcement and/or the Circular in relation to the Proposed Transaction, no part of this Report (including without limitation any conclusion, the identity of any individuals signing or associated with this Report or the firms/companies with which they are connected, or any reference to the professional associations or organisations with which they are affiliated or the designations awarded by those organisations) shall be disclosed, disseminated or divulged to third parties by any means of publications such as prospectus, advertising materials, public relations, news.

- We assume all applicable laws and governmental regulations are being complied with unless otherwise stated in this Report. We have also assumed responsible ownership and that all necessary licenses, consents, or other approval from the relevant authority or private organisations have been or to be obtained or renewed for any use that is relevant to value analysis in this Report.

The following is a summary of the rules of the Share Incentive Scheme to be adopted at the EGM. It does not form part of, nor is it intended to be part of the Share Incentive Scheme. The Directors reserve the right at any time prior to the EGM to make such amendments to the Share Incentive Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects of the summary in this Appendix II.

1. PURPOSE

1.1 The purpose of the Share Incentive Scheme includes:

(a) recognize and reward Eligible Participants for their contribution to the Group;

(b) attract and retain best available personnel, and provide them with the opportunity to acquire proprietary interests in the Company; and

(c) encourage Eligible Participants to work towards enhancing the value of the Company and its shares, align the interests of these Eligible Participants with those of the Group and further promote the success of the Group's business.

1.2 The Scheme will provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to Eligible Participants.

2. DURATION

2.1 Subject to any early termination as may be determined by the Board or its delegate(s) pursuant to the Scheme Rules, the Scheme shall be valid and effective for a period of 10 years commencing the Adoption Date, after which no further Awards will be granted, but the provisions of the Scheme shall in all other respects remain in full force and effect and the Awards granted during the term of the Scheme may continue to be valid and exercisable in accordance with their terms of grant.

3. APPOINTMENT OF TRUSTEE

3.1 The Company, acting by the Board or its delegate(s) may appoint one or more Trustees to assist with the administration, exercise and vesting of Awards granted under the Scheme. The Company, acting by the Board or its delegate(s) (if so authorized by the Shareholders), may, to the extent permitted by the Companies Act and the Listing Rules, (a) subject to the Scheme Mandate Limit and Service Provider Sublimit, allot and issue new Shares to the Trustee, and direct and procure the Trustee to transfer the same to the Grantees; and/or (b) direct and procure the Trustee to transfer existing Shares to the Grantees, either by utilizing Returned Shares or Further Shares, or by making on-market purchases of existing Shares at the prevailing market price, in either case to satisfy the Awards upon vesting or exercise. The Company, acting by the Board or its delegate(s) shall, to the extent permitted by the Companies Act, provide sufficient funds to the Trustee by whatever means as the Board or its delegate(s) may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration, vesting and exercise of Awards. For the purposes of the Scheme, new Shares include Treasury Shares and the issue/subscription of new Shares includes the transfer of Treasury Shares.

4. ELIGIBLE PARTICIPANTS

4.1 The Eligible Participants who may be selected to become a Grantee of the Scheme are any individuals or corporate entities (where applicable) being an Employee Participant, a Related Entity Participant or a Service Provider.

4.2 The eligibility of any of the Eligible Participants shall be determined by the Board or its delegate(s) from time to time on the basis of the Board's or its delegate(s)' opinion as to the Eligible Participants' contribution to the development and growth of the Group. In assessing whether Awards are to be granted to any Eligible Participants, the Board or its delegate(s) shall take into account various factors, including but not limited to, the nature and extent of contributions provided by such Eligible Participants to the Group, the special skills or technical knowledge possessed by such Eligible Participants which is beneficial to the continuing development of the Group, the positive impacts which such Eligible Participant has brought to the Group's business and development and whether granting Award to such Eligible Participant is an appropriate incentive to motivate, retain and attract such Eligible Participants to continue to contribute towards the betterment of the Group.

4.3 In assessing the eligibility of Employee Participant(s), the Board or its delegate(s) will consider all relevant factors as appropriate, including the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the individual contribution or potential contribution the Employee Participant(s) made or is likely to make to the development and growth of the Group.

4.4 In assessing the eligibility of Related Entity Participant(s), the Board or its delegate(s) will consider all relevant factors as appropriate, including the experience of the Related Entity Participant(s) on the Group's business, the actual degree of involvement in and/or cooperation with the Group, the length of engagement with the Group, the amount of support, assistance, guidance, advice, efforts and contributions the Related Entity Participant(s) gave or is likely to give or make towards the success of the Group in the future.

4.5 In assessing the eligibility of Service Provider(s), the Board or its delegate(s) will consider all relevant factors as appropriate, including the individual performance of relevant Service Provider(s), the length of business relationship with the Group, the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties), track record in the quality of services provided to and/or cooperation with the Group and the scale of business dealings with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider(s).

5. SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT

5.1 The total number of Shares which may be issued in respect of all Awards to be granted under the Scheme and all the share options and share awards to be granted under any other Share Schemes must not in aggregate exceed 10% of the total number of Shares in issue (excluding Treasury Shares) as at the Adoption Date (the "**Scheme Mandate Limit**") unless the Company obtains an approval from the Shareholders pursuant to paragraph 5.4 below.

5.2 Subject to paragraph 5.1, the total number of Shares which may be issued in respect of all Awards to be granted to under the Scheme and all the share options and share awards to be granted under any other Share Schemes to the Service Providers must not in aggregate exceed 1% of the total number of Shares in issue (excluding Treasury Shares) as at the Adoption Date (the "**Service Provider Sublimit**") unless the Company obtains an approval from the Shareholders pursuant to paragraph 5.4 below. For the avoidance of doubt, the Service Provider Sublimit is set within the Scheme Mandate Limit.

5.3 For the avoidance of doubt, the Shares underlying any Awards granted under the Scheme or any other Share Schemes which have been cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and Service Provider Sublimit. Where the Company has reissued such cancelled Awards, the Shares underlying both the cancelled Awards and the re-issued Awards will be counted as part of the total number of Shares subject to paragraphs 5.1 and 5.2 above. However, (i) the Awards lapsed (including those clawed back) in accordance with the terms of the Scheme or (as the case may be) any other Share Schemes, and (ii) the Shares underlying any Awards granted under the Scheme or any other share schemes of the Company which involve existing Shares (including Returned Shares and/or Further Shares), will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and Service Provider Sublimit.

5.4 The Company may seek separate Shareholders' approval in general meeting to grant Awards under the Scheme or any other Share Schemes beyond the Scheme Mandate Limit (or the Service Provider Sublimit), provided the Awards in excess of the Scheme Mandate Limit (or the Service Provider Sublimit) are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Eligible Participant who may be granted such Awards, the number and terms of the Awards to be granted to each Eligible Participant, and the purpose of granting Awards to the specified Eligible Participants with an explanation as to how the terms of the Awards serve such purpose. The number and terms of Awards to be granted to such Eligible Participant must be fixed before Shareholders' approval.

6. GRANT OF AWARDS

6.1 On and subject to the terms of the Scheme and the terms and conditions that the Board or its delegate(s) imposes pursuant to the Scheme, the Board or its delegate(s) shall be entitled at any time during the term of the Scheme to make a Grant to any Eligible Participant, as the Board or its delegate(s) may in its absolute discretion determine.

6.2 An Award shall be made to an Eligible Participant by an award letter in such form as the Board or its delegate(s) may from time to time determine requiring the Eligible Participant to undertake to hold the Award on the terms on which it is to be granted and to be bound by the terms of the Scheme (the "**Award Letter**"). The Award Letter shall specify the terms on which the Award is to be granted, including: (a) whether the Award is in the form of an Option and/or an RSU; (b) the number of Shares underlying the Award; (c) the Vesting Date and any conditions, restrictions or limitations that must be satisfied in order for the Award to vest in whole or in part (including, without limitation, as to the performance targets and clawback mechanism attached to the Award); (d) in the case of an Award of an Option, the Exercise Price and the Exercise Period, and in the case of an Award of an RSU, the Purchase Price (if any); and (e) any other terms which may be imposed either on a specific Award or generally, provided such terms shall not be inconsistent with any other terms and conditions of the Scheme.

6.3 Unless otherwise determined by the Board or its delegate(s) and stated in the Award Letter, a Grantee is not required to pay any amount on application or acceptance of an Award. Unless the Board or its delegate(s) determines otherwise, the Award shall remain open for acceptance by the Eligible Participant for a period of 20 Business Days after (i) the Grant Date, or (ii) the date on which the conditions (if any) for the Grant are satisfied, whichever is later, provided that no such Award shall be open for acceptance after the expiry of the term of the Scheme or after the Eligible Participant to whom the Award is made has ceased to be an Eligible Participant. To the extent that the Award is not accepted within the time period and in the manner specified in the Award Letter, the Award will be deemed to have been irrevocably declined and will lapse.

6.4 An Award shall be deemed to have been accepted and to have taken effect when the Company receives a written notice (in electronic or hard copy form or such other form as the Board or its delegate(s) may accept) of the Eligible Participant's acceptance of the Award.

6.5 The Exercise Price in respect of any Options shall be a price determined by the Board or its delegate(s) in its absolute discretion and notified to a Grantee (subject to any adjustments made pursuant to the Scheme) which shall be at least the highest of:

(a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Grant Date, which must be a Business Day;

(b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the Grant Date; and

(c) the nominal value of a Share.

6.6 The Exercise Period during which the Grantee may exercise an Option shall be determined and notified by the Board or its delegate(s) to each Grantee. Such period may commence on a day after the Grant Date and in any event shall end not later than 10 years from the Grant Date but subject to the provisions for early termination thereof contained herein.

6.7 The Purchase Price, if any, will be set out in the Award Letter and will be determined by the Board or its delegate(s) in its absolute discretion, taking into account the purpose of the Scheme, the interests of the Company and the individual circumstances of the Grantee.

7. RESTRICTIONS ON TIME OF GRANT

7.1 No Grant shall be made to, nor shall any Grant be capable of acceptance by, any Eligible Participant, and no directions or recommendation shall be given to the Trustee under the Scheme at a time when the Eligible Participant would or might be prohibited from dealing in the Shares by the Listing Rules (where applicable) or by any other applicable rules, regulations or laws.

7.2 For as long as the Shares are listed on the Stock Exchange, a Grant must not be made after inside information has come to the knowledge of the Company until such inside information has been announced in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:

(a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

(b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement,

no Award may be granted. Such period will cover any period of delay in the publication of a results announcement.

7.3 For as long as the Shares are listed on the Stock Exchange, where any Award is proposed to be granted to a Director, it shall not be granted on any day on which the financial results of the Company are published and during the period of:

(a) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(b) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

8. LIMIT ON GRANTING AWARDS TO INDIVIDUALS

8.1 Where any grant of Awards to an Eligible Participant would result in the Shares issued and to be issued in respect of all Awards granted to such person (excluding any Awards lapsed or clawed back in accordance with the terms of the Scheme) in the 12-month period up to and including the Grant Date representing in aggregate over 1% of the total number of Shares in issue (excluding Treasury Shares), such grant must be separately approved by the Shareholders in general meeting in accordance with the Listing Rules, with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

9. GRANTING AWARDS TO CONNECTED PERSONS

9.1 Any grant of Awards to a Director, chief executive of the Company or substantial Shareholder (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Awards) and shall otherwise be subject to compliance with the requirements of the Listing Rules.

9.2 Where any grant of RSUs to a Director (other than an independent non-executive Director) or chief executive (or any of their respective associates) would result in the Shares issued and to be issued in respect of all RSUs granted (excluding any RSUs lapsed or clawed back in accordance with the terms of the Scheme) to such person in the 12 month period up to and including the Grant Date representing in aggregate over 0.1% of the total number of Shares in issue (excluding Treasury Shares), such further grant of RSUs must be separately approved by the Shareholders in general meeting in accordance with the Listing Rules, with such Grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.

9.3 Where any grant of Awards to an independent non-executive Director or a substantial Shareholder (or any of their respective associates) would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed or clawed back in accordance with the terms of the Scheme) to such person in the 12-month period up to and including the Grant Date representing in aggregate over 0.1% of the total number of Shares in issue (excluding Treasury Shares), such further grant of Awards must be separately approved by the Shareholders in general meeting in accordance with the Listing Rules, with such Grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.

10. VESTING OF AWARDS

10.1 The Board or its delegate(s) may from time to time while the Scheme is in force and subject to all applicable laws, determine such vesting period, vesting criteria and conditions or periods for the Award to be vested hereunder, provided however that the vesting period for Awards shall not be less than 12 months, unless the Board or its delegate(s) determines that the Awards granted to Employee Participants may be subject to a vesting period of less than 12 months in the following circumstances:

(a) grants of "make whole" Awards to new employees to replace the awards such employees forfeited when leaving their previous employers;

(b) grants to an Employee Participant whose employment is terminated due to death or Disability or occurrence of any out of control event;

(c) grants of Awards with performance-based vesting conditions in lieu of time-based vesting criteria;

(d) grants of Awards that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier but had to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;

(e) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months; or

(f) grants of Awards with a total vesting and holding period of more than 12 months.

10.2 Subject to paragraph 10.1 above, the Board or its delegate(s) may, in its sole discretion and subject to whatever terms and conditions it selects, accelerate the period during which an Award vests, to the extent set forth in the terms of the Award Letter or otherwise.

11. PERFORMANCE TARGETS AND CLAWBACK MECHANISM

11.1 Unless otherwise determined by the Board or its delegate(s) and stated in the Award Letter, a Grantee is not required to achieve any performance target before the vesting of an Award granted to him/her nor be subject to any clawback mechanism.

11.2 The Board or its delegate(s) may, in its absolute discretion, specify in the Award Letter the performance targets attached to an Award, which will be imposed on a case-by-case basis. The performance targets mean any one or more performance measures, or derivations of such performance measures that may be related to the individual Grantee or the Group as a whole or to a subsidiary, division, department, region, function or business unit of the Company or the relevant Related Entity Participant or the relevant Service Provider, and assessed periodically, on an absolute basis or a relative basis (such as relative to a pre-established target, to previous year's results or to a designated comparison group), in each case as specified by the Board or its delegate(s) in their sole discretion.

11.3 The Board or its delegate(s) may, in its absolute discretion, specify in the Award Letter the clawback mechanism for the Company to recover or withhold an Award granted to a Grantee, which will be imposed on a case-by-case basis in circumstances including but not limited to:

(a) any Cause of a Grantee; or

(b) any violation of a Grantee to obligations of confidentiality or non-competition to the Group, or any leakage by such Grantee of the Group's trade secrets, intellectual property or proprietary information within a specified period after such Grantee ceasing to be an Eligible Participant; or

(c) any conduct of a Grantee that has materially adverse effect to the reputation or interests of any member of the Group within a specified period after such Grantee ceasing to be an Eligible Participant; or

(d) in respect of any Award which is performance linked, any material misstatement in the audited financial statements of the Company that requires a restatement, or any circumstances that show or lead to any of the prescribed performance targets having been assessed or calculated in a materially inaccurate manner.

11.4 The Awards that are clawed back pursuant to paragraph 11.3 will be regarded as lapsed and the Awards so lapsed will be regarded as unutilized for the purpose of calculating the Scheme Mandate Limit and Service Provider Sublimit. The Shares underlying the Awards that are clawed back pursuant to paragraph 11.3 shall become Returned Shares for the purpose of the Scheme.

12. TRANSFERABILITY

12.1 Subject to paragraph 12.2 below, an Award shall be personal to the Grantee and shall not be transferable or assignable.

12.2 Where (i) the Board or its delegate(s) gives their express consent in writing (which consent may or may not be given by the Board or its delegate(s) at their absolute discretion), and (ii) the Stock Exchange gives any express waiver, the Awards held by a Grantee may be allowed to be transferred to a vehicle (such as a trust or a private company, "**Participant Vehicle**") for the benefit of the Grantee and any family members of such Grantee (for the purposes of estate planning or tax planning or such other reasons as the Board or its delegate(s) and the Stock Exchange consider to be justifiable) that would continue to meet the purpose of the Scheme and comply with the requirements of Chapter 17 of the Listing Rules. The Participant Vehicle shall comply with paragraph 12.1 above and other provisions of the Scheme shall apply, *mutatis mutandis*, to the Participant Vehicle.

12.3 The Awards transferred to the Participant Vehicle shall lapse automatically on the date the Participant Vehicle ceases to be wholly-owned by the relevant individual Grantee (or, where the Participant Vehicle is originally a trust of which the relevant individual Grantee is a beneficiary or discretionary object, on the date the relevant individual Grantee ceases to be a beneficiary or discretionary object) provided that, subject to the Scheme Rules and the applicable rules and regulations, the Board or its delegate(s) may in their absolute discretion decide that such Awards or any part thereof shall not so lapse or determine that such Awards are subject to such conditions or limitations as they may impose.

13. LAPSE OF AWARDS

13.1 An Award or any part thereof which has not yet vested or which, in the case of an Option, has vested but not yet been exercised shall lapse automatically and not be exercisable on the earliest of:

(a) in the case of an Option, the expiry of the Exercise Period (subject to the Scheme Rules);

(b) subject to paragraph 13.2, the date of the termination of a Grantee's employment or service by the Company, any member of the Group, the holding companies, fellow subsidiaries or associated companies of the Company;

(c) the date on which the Grantee ceases to be an Eligible Participant due to any Cause;

(d) the date on which the Grantee:

(i) becomes an officer, director, employee, consultant, adviser, partner of, or a shareholder or other proprietor owning an interest of 5% or more in, any Competitor; or

(ii) knowingly performs any act that may confer any competitive benefit or advantage upon any Competitor;

(e) the date of the commencement of the winding-up of the Company;

(f) the date on which the Grantee (whether intentionally or otherwise) commits a breach of paragraph 12 above;

(g) the date on which the Grantee is declared bankrupt or enters into any arrangement or compromise with his/her creditors generally;

(h) in respect of Shares underlying an Award which are subject to performance or other vesting condition(s), the date on which the condition(s) to vesting are not or no longer possible to be satisfied; or

(i) the date on which the Board or its delegate(s) has decided that the unvested Award shall not be vested for the Grantee in accordance with the Scheme Rules and the terms and conditions as set out in the Award Letter.

13.2 If the Grantee's employment or service with the Company, any member of the Group, the holding companies, fellow subsidiaries or associated companies of the Company is terminated for any reason other than for Cause (including by reason of resignation, retirement, death, Disability, redundancy, non-renewal of the employment or service agreement upon its expiration for any reason other than for Cause), the Board or its delegate(s) shall determine at its sole and absolute discretion and shall notify the Grantee (i) whether any unvested Award granted to such Grantee shall vest and the period within which such Award shall vest, and (ii) in the case of an Option which has vested but not yet been exercised, whether any part thereof is entitled to extended period for exercise. If the Board or its delegate(s) determines that such Award shall not vest or not be entitled to extended exercise period, such Award shall automatically lapse with effect from the date on which the Grantee's employment or service is terminated.

13.3 The Board or its delegate(s) shall have the sole and absolute discretion to interpret and implement upon the occurrence of events specified in paragraph 13.1, including but not limited to determining whether the Grantee's employment or service has been terminated for Cause, the effective date of such termination for Cause and the identity of a Competitor, and such determination by the Board or its delegate(s) shall be final and conclusive.

13.4 Notwithstanding any other provisions of the Scheme, the Board or its delegate(s) may in its sole and absolute discretion decide any Award shall not lapse or shall be subject to such conditions or limitations as the Board or its delegate(s) may decide.

13.5 The Awards lapsed in accordance with paragraph 13.1 will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit. In the case of RSU, the Shares underlying the Awards referred to in paragraph 13.1 shall become Returned Shares for the purpose of the Scheme.

14. CANCELLATION

14.1 The Board or its delegate(s) may at its discretion cancel an Award granted, provided that:

(a) the Company, any member of the Group, the holding companies, fellow subsidiaries or associated companies of the Company, pay to the Grantee an amount equal to the Purchase Price (if any); or

(b) the Board or its delegate(s) makes any arrangement as the Board or its delegate(s) and Grantee may mutually agree in order to compensate him/her for the cancellation of the Awards.

14.2 Notwithstanding the provisions of paragraph 14.1, in order to comply with the laws and regulations in the jurisdictions in which the Group operates or have Eligible Participants, or in order to comply with the requirements of any securities exchange, the Board or its delegate(s), in its sole discretion, shall have the power and authority to cancel Awards that has not vested or lapsed.

14.3 No new Awards may be granted to an Eligible Participant in place of his/her cancelled Awards unless there are available Scheme Mandate Limit and Service Provider Sublimit (if applicable) from time to time.

14.4 For the purpose of paragraph 14, the Awards cancelled will be regarded as utilized in calculating the Scheme Mandate Limit and the Service Provider Sublimit.

15. CHANGE OF CONTROL, REORGANIZATION OF CAPITAL STRUCTURE

15.1 If there is an event of change of control, a privatization of the Company by way of a scheme or by way of an offer, subject to paragraph 10.1, the Board or its delegate(s) shall at their sole discretion determine whether the Vesting Dates of any Awards will be accelerated. If the Vesting Dates of any Awards are accelerated, the procedures as set out in the Scheme Rules shall apply. Where applicable, the Trustee shall transfer the Shares in respect of the Awards or pay the consideration receivable under the related scheme or offer in cash, as the case may be, to the Grantee in accordance with the instruction provided by the Board or its delegate(s).

15.2 In the event of an alteration in the capital structure of the Company by way of a capitalization issue, rights issue, subdivision or consolidation of shares or reduction of the share capital of the Company in accordance with applicable laws and the Listing Rules (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which any member of the Group is a party or in connection with any Share Schemes of the Company) during the term of the Scheme, such corresponding adjustments (if any) shall be made to:

(a) the Scheme Mandate Limit and the Service Provider Sublimit;

(b) the number and/or nominal value of Shares underlying any RSU or part thereof which has not yet vested and/or been satisfied;

(c) the number and/or nominal value of underlying Shares and the Exercise Price of any Option which has not yet vested or has vested but not yet been exercised and/or satisfied; and/or

(d) the Purchase Price in respect of any Awards, if any,

or any combination thereof, as the auditors of the Company or an independent financial adviser shall confirm in writing to the Board or its delegate(s) that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules or otherwise comply with the Listing Rules or other rules, practices or directions of the Stock Exchange in effect from time to time (other than any adjustment made on a capitalization issue, in which case such adjustment shall be made as the Board or its delegate(s) shall consider to be in its opinion fair and reasonable). The capacity of the auditors or the independent financial adviser (as the case may be) in this paragraph 15.2 is that of experts and not of arbitrators and their certification shall be final and conclusive and binding on the Company and the Grantees. The costs of the auditors or the independent financial adviser shall be borne by the Company.

15.3 Any adjustment required under paragraph 15.2 shall be made on the basis that the Grantee shall have the same proportion of the issued share capital of the Company, rounded to the nearest Share, for which any Grantee would have been entitled to immediately prior to such adjustments, but no such adjustment shall be made the effect of which would be to enable any Shares to be issued at less than its nominal value.

16. RIGHTS ATTACHED TO THE AWARDS AND SHARES

16.1 Neither the Grantees nor the Trustee may exercise any of the voting rights in respect of any Awards that have not yet vested or has vested but not yet been exercised and/or satisfied. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award pursuant to the Scheme, unless and until such Shares underlying the Award are actually allotted and issued or transferred (as the case may be) to the Grantee upon the vesting of the Award. Unless otherwise specified by the Board or its delegate(s) in its entire discretion in the Award Letter, the Grantees do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Shares underlying an Award.

16.2 Subject to paragraph 16.1, the Shares to be allotted and issued or transferred upon the vesting of the Awards shall be subject to all the provisions of the Articles of Association of the Company for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a winding-up of the Company) as the existing fully paid Shares in issue on the date on which those Shares are allotted and issued or transferred pursuant to the vesting of the Awards and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which Shares are allotted and issued or transferred, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Shares are allotted and issued or transferred.

17. ALTERATION OF THE SCHEME

17.1 Save as provided in paragraphs 17.2 to 17.4, the Board may alter any of the terms of the Scheme to benefit the administration of the Scheme at any time.

17.2 Any alterations to the terms and conditions of the Scheme which are of a material nature, or any alterations to the specific provisions of the Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Eligible Participants, or any changes to the authority of the Directors or the Board in relation to any alteration of the terms of the Scheme, in each case, must be approved by the Shareholders in general meeting.

17.3 Any changes to the terms of the Awards granted must be approved by the Board or its delegate(s), the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) if the initial grant of such Awards was approved by the Board or its delegate(s), the independent non-executive Directors and/or Shareholders in general meeting (as the case may be), except where the alterations or changes take effect automatically under the existing terms of the Scheme. The Board's determination as to whether any proposed alteration to the terms and conditions of the Scheme is material shall be conclusive.

17.4 The Scheme so altered must comply with the requirements of Companies Act and the Listing Rules.

18. TERMINATION

18.1 The Shareholders in general meeting by ordinary resolution or the Board may at any time terminate the Scheme and, in such event, no further Awards may be offered or granted but in all other respects the terms of the Scheme shall remain in full force and effect in respect of Awards which are granted during the term of the Scheme and which remain unvested or which have vested but have not yet been exercised and/or satisfied immediately prior to the termination of the Scheme.

1. RESPONSIBILITY STATEMENT

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

2. DISCLOSURE OF INTERESTS

2.1 Directors' interests

Save as disclosed below, to the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which would be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

Name of Director	Capacity/nature of interest	Number of Shares held(1)	Approximate percentage of interest in the Company
Xin Gong	Beneficial owner(2)	14,599,698 (L)	2.57%
Jinliang Liu	Beneficial owner(2)	5,555,556 (L)	0.98%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) The beneficial ownership of the Directors listed here represents the Shares underlying the options granted to them under the Pre-IPO Share Incentive Plan, subject to the conditions (including vesting conditions) of those options.

2.2 Substantial shareholders' interests

Save as disclosed below, to the best knowledge of the Directors, as at the Latest Practicable Date, there was no other person (other than the Directors and chief executive of the Company) who had any interest or short position in the Shares or underlying Shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or were required, pursuant to section 336 of the SFO, to be recorded in the register of the Company referred to therein, or had already been notified to the Company and the Stock Exchange:

Name of substantial shareholder	Capacity/nature of interests	No. of Shares Held(1)	Approximate percentage of interest in the Company
Mr. Li(2)	Interest in controlled corporations	414,971,000 (L)	72.94%
	Interest through voting rights entrustment arrangement(3)	21,403,500 (L)	3.76%
Ugo Investment(2)	Beneficial interest	414,971,000 (L)	72.94%
	Interest through voting rights entrustment arrangement(3)	21,403,500 (L)	3.76%
Suzhou Xiangcheng District Xiangxing Venture Capital Center (Limited Partnership) ("Xiangcheng Xiangxing VC")(4)	Beneficial interest	38,777,600 (L)	6.82%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) Ugo Investment is wholly owned by Mr. Li.

(3) Pursuant to a voting rights entrustment agreement, Oceanpine Marvel has entrusted Ugo Investment to exercise the voting rights attached to the Shares held by it.

(4) The general partner of Xiangcheng Xiangxing VC is Suzhou Xiangcheng Venture Capital Co., Ltd. ("Xiangcheng VC"), which is wholly owned by Suzhou Xiangcheng Financial Holdings (Group) Co., Ltd., which is wholly owned by Suzhou Xiangcheng State-owned Capital Investment Co., Ltd., a state-owned enterprise controlled by Suzhou Xiangcheng District People's Government State-owned Assets Supervision and Administration Office. More than one-third of the limited partnership interest is held by (i) Suzhou Huanxiuhu No. 1 Investment Co., Ltd., which is wholly owned by Suzhou Gaotie Xincheng Innovation and Venture Capital Co., Ltd., which in turn is wholly owned by Suzhou Gaotie Xincheng State-owned Assets Holding (Group) Co., Ltd., a state-owned enterprise controlled by Suzhou Gaotie Xincheng Management Committee, and (ii) Suzhou Xiangcheng District People's Government State-owned Assets Supervision and Administration Office through its two indirect wholly owned subsidiaries, namely Xiangcheng VC and Suzhou Xiangcheng Industry Investment Co., Ltd. Each of Xiangcheng VC, Suzhou Xiangcheng Financial Holdings (Group) Co., Ltd., Suzhou Xiangcheng State-owned Capital Investment Co., Ltd., Suzhou Huanxiuhu No. 1 Investment Co., Ltd., Suzhou Gaotie Xincheng Innovation and Venture Capital Co., Ltd., Suzhou Gaotie Xincheng State-owned Assets Holding (Group) Co., Ltd. is deemed to be interested in the Shares held by Xiangcheng Xiangxing VC under the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS

Ms. Xiaohong Zhou, a non-executive Director of the Company, has served as a director and general manager of Xiandao (Suzhou) Digital Industry Investment Co., Ltd. since February 2022, and is currently serving as its president. In addition, Mr. Qiang Fu, an independent non-executive Director of the Company, joined Mogo.ai Information and Technology Co., Ltd. in October 2025, serving as its president. The businesses of these companies include, among others, autonomous driving related business, which may compete with the business of the Group.

Ms. Xiaohong Zhou and Mr. Qiang Fu are not involved in the daily management and operation of the Company. As such, the positions held by Ms. Xiaohong Zhou and Mr. Qiang Fu in the above companies would not give rise to any material competition issue under Rule 8.10 of the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective close associates were interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with the business of the Group.

5. OTHER ARRANGEMENTS INVOLVING DIRECTORS

(a) None of the Directors is materially interested in any contract or arrangement entered into by any member of the Group subsisting at the date of this circular and which is significant in relation to the business of the Group; and

(b) As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2024 (the date to which the latest published audited consolidated financial statements of the Company were made up), (i) acquired or disposed of by; (ii) leased to; or (iii) were proposed to be acquired or disposed of by; or (iv) were proposed to be leased to any member of the Group.

6. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors confirmed that there had been no material adverse change in the financial or trading position of the Company since 31 December 2024, being the date to which the latest published audited consolidated financial statements of the Company were made up.

7. EXPERTS

The following are the qualifications of the experts who have given opinions or advice, which are contained or referred to in this circular:

Name	Qualification
First Shanghai Capital Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO
AVISTA Valuation Advisory Limited	independent professional valuer

As at the Latest Practicable Date, each of the above experts:

(a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name, in the form and context in which it appears;

(b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and

(c) did not have any direct or indirect interest in any assets which had been since 31 December 2024 (the date to which the latest published audited consolidated financial statements of the Company were made up), acquired, disposed of by, or leased to any member of the Group or were proposed to be acquired or disposed of by, or leased to any member of the Group.

8. GENERAL

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

9. DOCUMENTS ON DISPLAY

Copies of the following documents are available on the HKExnews website of the Hong Kong Exchanges and Clearing Limited (https://www.hkexnews.hk) and the website of the Company (https://www.caocao.com.cn) from the date of this circular up to and including the date of the EGM:

(a) the SPA; and

(b) the Scheme Rules of the Share Incentive Scheme.

CaoCao Inc.
曹操出行有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 02643)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of CaoCao Inc. (曹操出行有限公司) (the "**Company**") will be held at Room Huanqiu, 2/F, Geely Technology Plaza, No. 868 Dongguan Road, Binjiang District, Hangzhou, Zhejiang Province, China on Friday, February 27, 2026 at 2:00 p.m. for the following purposes:

AS ORDINARY RESOLUTIONS

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

"**THAT**

(a) the share purchase agreement dated December 30, 2025 (the "**SPA**"), a copy of which has been produced to this meeting and marked "A" and initiated by the chairman of this meeting for identification purpose, pursuant to which Suzhou Youxing Qianli Network Technology Co., Ltd. agreed to acquire, and Zhejiang Geely Holding Group Company Limited agreed to sell, the entire equity interest in Zhejiang Geely Business Service Co., Ltd. for a cash consideration of RMB65,000,000, be and is hereby approved, ratified and confirmed; and

(b) any director of the Company be and is hereby authorized to sign, execute, perfect and deliver all such documents and do all such deeds, acts, matters and things as he may in his absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the SPA and other matters contemplated thereunder or ancillary thereto, to waive compliance from and/or agree to any amendment or supplement to the SPA which in his opinion is not of a material nature and to effect or implement any other matters referred to in this resolution."

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

   "**THAT**

   (a) the share incentive scheme (the "**Share Incentive Scheme**"), a copy of which has been produced to this meeting and marked "B" and initiated by the chairman of this meeting for identification purpose, be and is hereby approved and adopted, subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") granting approval for the listing of, and permission to deal in, the shares of the Company (the "**Shares**") which may fall to be issued and allotted upon the vesting of any option(s) or restricted share unit(s) (the "**Award(s)**") which may be granted under the Share Incentive Scheme;

   (b) the board of Directors of the Company (the "**Board**") or its delegate(s) be and are hereby authorized to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the Board or its delegate(s) may consider necessary, desirable or expedient to effect and implement the Share Incentive Scheme, including without limitation,

      (i) administering the Share Incentive Scheme and granting Awards to selected participants in accordance with the provisions of the Share Incentive Scheme;

      (ii) modifying and/or amending the Share Incentive Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Incentive Scheme relating to modification and/or amendment and the requirements of the Listing Rules;

      (iii) allotting and issuing from time to time such number of Shares as may be required to be issued pursuant to the vesting of the Awards that may be granted under the Share Incentive Scheme and subject to the Listing Rules;

      (iv) making application at the appropriate time or times to the Stock Exchange, for the listing of, and permission to deal in, any new Shares or any part thereof that may hereafter from time to time be allotted and issued pursuant to the vesting of the Award granted under the Share Incentive Scheme; and

      (v) consenting, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Share Incentive Scheme.

   (c) the total number of Shares which may be issued in respect of all Awards to be granted under the Share Incentive Scheme and any other share schemes involving issuance of new shares or transfer of treasury shares adopted and to be adopted by the Company from time to time not in aggregate exceeding 10% of the total number of issued Shares of the Company (excluding treasury shares) as at the date of passing this resolution, be and is hereby approved;

(d) the total number of Shares which may be issued in respect of all Awards to be granted to all Service Providers (as defined in the Share Incentive Scheme) under the Share Incentive Scheme and any other share schemes involving issuance of new shares or transfer of treasury shares adopted and to be adopted by the Company from time to time not in aggregate exceeding 1% of the total number of issued Shares of the Company (excluding treasury shares) as at the date of passing this resolution, be and is hereby approved."

By order of the Board
CaoCao Inc.
Jian Yang
Chairman of the Board

January 27, 2026

As at the date of this Notice, the board of directors of the Company comprises (i) Mr. Xin Gong as an executive director; (ii) Mr. Jian Yang, Mr. Quan Zhang, Mr. Jinliang Liu, Mr. Yang Li and Ms. Xiaohong Zhou as non-executive directors; and (iii) Ms. Xin Liu, Ms. Ning Liu and Mr. Qiang Fu as independent non-executive directors.

Notes:

(a) Any member of the Company entitled to attend and vote at this meeting is entitled to appoint another person as proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint any number of proxies to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number of shares in respect of which each such proxy is so appointed.

(b) Where there are joint registered holders of any share, any one of such persons may vote at this meeting, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members of the Company in respect of the relevant joint holding.

(c) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, must be deposited at the Company's share registrar in Hong Kong (i.e. Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 2:00 p.m. on Wednesday, February 25, 2026) or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.

(d) Non-registered shareholders whose shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited should consult directly with their banks or brokers or custodians (as the case may be) to assist them in the appointment of proxy.

(e) For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, February 24, 2026 to Friday, February 27, 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Monday, February 23, 2026.

(f) References to time and dates in this Notice are to Hong Kong time and dates.