
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 you should take, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all or transferred all your shares in Capinfo Company Limited*, you should at once hand this circular to the purchaser or to the transferee, or to the bank, licensed securities dealer or other agency through whom the sale was effected for transmission to the purchaser or the transferee.

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CAPINFO
CAPINFO COMPANY LIMITED*
首都信息發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1075)

CONNECTED TRANSACTION

**PROPOSED AMENDMENTS TO
EXISTING NON-COMPETITION UNDERTAKING**

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



A letter from the Board is set out on pages 5 to 31 of this circular. A letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 34 to 66 of this circular and a letter from the Independent Board Committee is set out on pages 32 to 33 of this circular.

The notice of the EGM to be held at Conference Room, 5th Floor, Longfu Mansion, No. 95 Longfusi Road, Dongcheng District, Beijing, the PRC on Friday, 13 March 2026 at 10:30 a.m. together with the proxy form for the appointment of proxy to attend the EGM were published on the websites of the Stock Exchange and the Company on 23 February 2026.

Whether or not you would attend the EGM, please fill in the proxy form according to relevant instructions and return it as soon as possible, and not less than 24 hours before the fixed time of holding the EGM, i.e. before 12 March 2026 at 10:30 a.m. (Hong Kong time) or any adjournment thereof, in any event. The filled and returned proxy form will have no effect on your vote in person in the EGM or any other postponed meetings. Completion and delivery of the proxy form will not preclude you from attending and voting in person should you so wish.

23 February 2026

* For identification purpose only

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DEFINITIONS

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

“2001 Non-Competition Agreement”	the non-competition agreement entered into between the Initial Covenantors and the Company on 19 September 2001
“2026 Deed of Non-Competition”	the conditional deed of non-competition entered into by the Covenantors and the Company on 20 February 2026
“Articles of Association”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of directors of the Company
“BSAM”	北京市國有資產經營有限責任公司 (Beijing State-Owned Assets Management Corporation Limited*), a company established in the PRC with limited liability and wholly-owned by the Beijing Municipal Government, an indirect Controlling Shareholder of the Company
“Beijing Data Group”	北京數據集團有限公司 (Beijing Data Group Company Limited*), a wholly-owned subsidiary of BSAM, and the Controlling Shareholder of the Company
“Beijing Industrial Investment”	北京工業發展投資管理有限公司 (Beijing Industrial Development Investment Management Co., Ltd.), a company established in the PRC with limited liability and is wholly owned by BSAM
“Capnet”	北京首信網創網絡信息服務有限責任公司 (Capnet Company Limited*), a company established in the PRC with limited liability, and is owned as to 95% and 5% by Beijing Data Group and 中廣有線信息網絡有限公司 (China Broadcasting Cable Information Network Company Limited), respectively
“Company”	首都信息發展股份有限公司 (Capinfo Company Limited*), a joint stock limited company established in the PRC with limited liability, whose H Shares are listed and traded on the Main Board of the Stock Exchange (Stock code: 1075)
“Condition Precedent”	the condition precedent as set out under the paragraph headed “3. Proposed Amendments – II. Condition Precedent” in the Letter from the Board of this circular

DEFINITIONS

“Competitive Business”	any business that competes or may compete, directly or indirectly, with the Group’s business(es)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly
“Controlling Shareholder”	has the meaning ascribed thereto under the Listing Rules
“Covenantors”	the covenantors of 2026 Deed of Non-Competition, i.e. BSAM, Capnet and Beijing Data Group
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the domestic share(s) of RMB1.0 each in the share capital of the Company
“EGM”	the extraordinary general meeting, or any adjournment thereof, of the Company to be held on 13 March 2026, at which, resolutions will be proposed for considering and, if though fit, approving the 2026 Deed of Non-Competition and the transactions contemplated thereunder
“Existing Non-Competition Undertaking”	the non-competition undertaking made by the Initial Covenantors under the 2001 Non-Competition Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“H Share(s)”	overseas listed foreign share(s) of RMB1.0 each in the share capital of the Company
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, formed for the purpose of advising the Independent Shareholders in respect of the 2026 Deed of Non-Competition and the transactions contemplated thereunder
“Independent Financial Adviser” or “TC Capital International Limited”	TC Capital International Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the 2026 Deed of Non-Competition and the transactions contemplated thereunder

DEFINITIONS

“Independent Shareholders”	shareholders other than those who have material interests in 2026 Deed of Non-Competition the transactions contemplated thereunder
“Initial Covenantors”	the covenantors of 2001 Non-Competition Agreement, i.e. BSAM and Capnet
“Latest Practicable Date”	13 February 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“New Business”	new business opportunity to be brought about by entering into competing business service contract
“PRC” or “China”	the People’s Republic of China which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Amendments to the Existing Non-Competition Undertaking”	the proposed amendments to the Existing Non-Competition Undertaking, details of which are set out under the section headed “3. Proposed Amendments” in the Letter from the Board of this circular
“Prospectus”	the prospectus issued by the Company dated 17 December 2001 in relation the listing of its H Shares on the main Board of the Stock Exchange
“Qualified Exchanges”	stock exchanges in Hong Kong, Beijing, Shanghai, Shenzhen, Tokyo, New York, or other international stock exchanges agreed upon by the Company and Beijing Date Group
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended from time to time
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	Domestic Share(s) and H Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Transfer”	has the meaning ascribed thereto under the paragraph headed “2. Background” in the Letter from the Board of this circular
“Effective Term of 2026 Deed of Non-Competition”	the period when the 2026 Non-Competition Deed becomes effective from the date on which all Conditions Precedent are fulfilled until the date on which any of the termination events set out in paragraph headed “3. Proposed Amendments – III. Termination of the 2026 Deed of Non-Competition” in the Letter from the Board of Directors of this Circular occurs
“%”	per cent

In this circular, the English names of the PRC entities or enterprises are translations of their Chinese names. In the event of any inconsistency, the Chinese names shall prevail.

LETTER FROM THE BOARD

CAPINFO
CAPINFO COMPANY LIMITED*
首都信息發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1075)

Executive Directors:

Mr. Yu Donghui (*Chairman*)
Mr. Zhang Yiqian (*General Manager*)

Non-executive Directors:

Ms. Yan Yi
Mr. Xin Shuangbai
Ms. Zhao Shujie
Mr. Wang Yuzheng
Mr. Hu Yong

Independent non-executive Directors:

Mr. Gong Zhiqiang
Mr. Cheung, Wai Hung Boswell
Mr. Li Jianqiang
Mr. Zhou Jinglin

Staff Representative Director:

Ms. Zhu Chenlan

Registered office:

No.11 Xi San Huan Zhong Road
Haidian District
Beijing 100036
The PRC

Principal place of business in the PRC:

5th Floor Longfu Mansion
No.95 Longfusi Street
Dongcheng District
Beijing 100010
The PRC

Principal place of business in Hong Kong:

25th Floor
Neich Tower
128 Gloucester Road
Wanchai
Hong Kong

The PRC, 23 February 2026

To the Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION

PROPOSED AMENDMENTS TO EXISTING NON-COMPETITION UNDERTAKING

1. INTRODUCTION

Reference is made to the announcements of the Company dated 20 February 2026 in relation to the Proposed Amendments to the Existing Non-Competition Undertaking by entering into of the 2026 Deed of Non-Competition.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, among other things, (i) further information on the Proposed Amendment to the Existing Non-Competition Undertaking under the 2026 Deed of Non-Competition; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the 2026 Deed of Non-Competition; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2026 Deed of Non-Competition; and (iv) a notice convening the EGM.

2. BACKGROUND

(I) 2001 Non-Competition Agreement

Reference is made to the 2001 Non-Competition Agreement entered into by BSAM, Capnet and the Company on 19 September 2001, pursuant to which, BSAM and Capnet undertook to the Company that they would not, during the term of the Company's operation, independently operate or invest in businesses that compete with the Company's businesses. In addition, BSAM and Capnet also jointly undertook to the Company that they would not, during the term of the Company's operation, directly or indirectly provide technical services to any organisations that operate business which compete with that of the Company. For details, please refer to the sections headed "BACKGROUND OF BSAM AND ITS RELATIONSHIP WITH BEIJING MUNICIPAL GOVERNMENT" and "SUBSTANTIAL AND INITIAL MANAGEMENT SHAREHOLDERS" in the Prospectus.

(II) Establishment of Beijing Data Group and its status as the Company's Controlling Shareholder

As disclosed in the announcement of the Company dated 30 July 2025, on 30 July 2025, the Board received a notification from BSAM, an indirect Controlling Shareholder of the Company, that BSAM intended to transfer all Domestic Shares directly held by it, being 139,982,885 Domestic Shares, representing 48.3% of the entire issued share capital of the Company, to its wholly-owned subsidiary, Beijing Data Group, at nil consideration (the "Transfer"). The Transfer had been completed on 4 September 2025. As of the Latest Practicable Date, Beijing Data Group directly holds 139,982,885 Domestic Shares, representing approximately 48.3% of the entire issued share capital of the Company. BSAM indirectly (i) holds 139,982,885 Domestic Shares through its wholly-owned subsidiary, Beijing Data Group, and (ii) holds 43,471,291 Domestic Shares through its wholly-owned subsidiary Beijing Industrial Investment, representing approximately 48.3% and 15% (63.3% in total) of the entire issued share capital of the Company respectively. Upon completion of the Transfer, Beijing Data Group became a Controlling Shareholder of the Company.

Beijing Data Group was incorporated on 22 July 2025 by BSAM as Beijing's efforts to implement the national strategy for market-oriented allocation reform of data elements and to seize new opportunities arising from the digital economy. Beijing Data Group was established based on several enterprises under BSAM, including the Company, Beijing Certificate Authority Co., Ltd. (北京數字認證股份有限公司) (a joint stock limited company with limited liability whose shares are listed on ChiNext of Shenzhen Stock Exchange, stock code: 300579), Beijing Digital Network Chain Technology Co., Ltd. (北京數網鏈通科技有限公司), Capnet

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Company Limited* (北京首信網創網絡信息服務有限責任公司), Beijing Guozhi Chuangke Education Technology Co., Ltd.(北京國智創科教育科技有限公司), Beijing Zhengtong Network Communications Co., Ltd.(北京正通網絡通信有限公司). It also includes Beijing Yizhuang Smart City Research Institute Group Co., Ltd.(北京亦莊智能城市研究院集團有限公司), Beijing International Big Data Exchange Co., Ltd.(北京國際大數據交易所有限責任公司), Beijing Financial Big Data Co., Ltd.(北京金融大數據有限公司), and Beijing Northern Computing Power Intelligence Technology Co., Ltd.(北京北方算力智聯科技有限責任公司).

Digital transformation for government and enterprises forms the core business of Beijing Data Group. Beijing Data Group will play a leading role in key initiatives such as digitizing party and government office operations, developing housing provident fund and medical insurance platforms, advancing smart city governance, and enhancing the digital business environment. Concurrently, it will focus on deepening efforts in critical sectors including government-enterprise IT innovation, smart “Three Medical” healthcare, transportation, and education, striving to significantly contribute to Beijing’s digital government development and the digital-intelligent transformation of enterprises. The establishment of Beijing Data Group aims to consolidate resources, reduce fragmented competition among similar state-owned enterprises, optimize the spatial layout of the data industry, promote industrial synergy and complementarity, and enhance overall resource allocation efficiency. It seeks to build a unified core platform for the data industry and create a competitive data industry group to drive the development of the data industry and the digital economy. With the establishment of Beijing Data Group, the incorporation of enterprises, and future business development, as the Controlling Shareholder of the Company, certain businesses of Beijing Data Group and its relevant subsidiaries may overlap with the Group. For details of New Business or New Acquisitions introduced to the Covenantors as of the Latest Practicable Date, please refer to the paragraph headed “2. Background - (III) New Business or New Acquisitions introduced to the Covenantors as of the Latest Practicable Date” in the Letter from the Board of this circular. However, the Board confirms that as of the Latest Practicable Date, the Controlling Shareholder has been fulfilling the Existing Non-Competition Undertaking in an active manner, and no breach of the Existing Non-Competition Undertaking has been identified.

The Board considers it is appropriate to amend and replace the 2001 Non-Competition Agreement by entering into the 2026 Deed of Non-Competition to (i) refine the Existing Non-Competition Undertaking to align with the new circumstances; (ii) safeguard the Company’s future development interests; (iii) optimize and define the rights and liabilities of the parties; and (iv) improve the procedures for referring New Business by the undertaking parties.

(III) New Business or New Acquisitions introduced to the Covenantors as of the Latest Practicable Date

As of the Latest Practicable Date, the Covenantors are pursuing a New Acquisition led by a competent government authority, details as follows:

LETTER FROM THE BOARD

On 15 December 2025, Beijing Topnew Info & Tech Co., Ltd. (a joint-stock company listed on the Growth Enterprise Market of the Shenzhen Stock Exchange, stock code: 300895) (“**Topnew Info**”) received a “Notice of Beijing Fashion Holding Co., Ltd. Regarding Transfer under Private Agreements and Transfer at Nil Consideration of Shares in Beijing Topnew Info And Tech Co., Ltd.” (Jing Shishang Kong Fa [2025] No. 294) issued by its controlling shareholder, Beijing Fashion Holding Co., Ltd. (“**Fashion Holding**”). According to the notice, Beijing Topnew Group Co., Ltd. intends to transfer 16.5329% of its shares in Topnew Info (i.e., 23,278,415 unrestricted A-shares) to Beijing Data Group under a private agreement. Besides, it plans to transfer 8.2664% of its shares (i.e., 11,639,208 unrestricted A shares) to Beijing Guorui Kexin Consulting Management Center (Limited Partnership)* (北京國瑞科信諮詢管理中心(有限合夥)) under a private agreement. Concurrently, Fashion Holding intends to transfer its 13.3671% shares in Topnew Info (i.e., 18,820,981 unrestricted A shares) to Beijing Data Group at nil consideration. Prior to the transaction, Beijing Data Group did not hold any shares of Topnew Info. Following the transaction, Beijing Data Group will hold 42,099,396 shares of Topnew Info, representing 29.9000% of the total share capital of Topnew Info.

The aforementioned transactions are subject to uncertainties, as it requires the parties involved to complete internal decision-making procedures, sign the formal agreement, obtain compliance confirmation from the Shenzhen Stock Exchange, and process share transfer registration with China Securities Depository and Clearing Corporation Limited. Beijing Data Group intends to enter into the formal agreement after the 2026 Deed of Non-Competition has been executed and has become effective to amend and replace the 2001 Non-Competition Agreement. Upon completion, Topnew Info’s controlling shareholder will change to Beijing Data Group, and its de facto controller will change to BSAM.

Business Delineation Between Topnew Info and the Company

I. Principal Businesses

Topnew Info ‘s principal business operations include: (i) internet data center (IDC) services and value-added services, i.e. providing customers with data center server hosting, internet bandwidth, virtual private network access services, cloud services, network security and data disaster recovery services through self-built and leased standardized telecom-grade facilities, self-built cloud platforms, and leased internet communication lines, bandwidth resources and Internet Protocol (IP) address resources; and (ii) IDC services and cloud platform information system integration services, which involve providing one-stop information system solution services tailored to customers’ information system requirements. These services span from information system design, equipment procurement, integration and configuration, installation and testing, data center deployment, internet connectivity to daily operation and maintenance. Of which, revenue from IDC services accounts for a higher proportion than that from cloud services. The above two principal business categories ((i) IDC services and value-added services; and (ii) IDC services and cloud platform information system integration services) accounted for approximately 85%, 78% and 77% of Topnew Info’s total revenue in 2023, 2024 and the first half of 2025, respectively.

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The Company principally engages in technical services and solutions related to government informatisation, industry informatisation and smart cities. Among its principal businesses, those similar to Topnew Info's principal operations are primarily cloud services, accounting for approximately 13.8% of the Company's total revenue in the first half of 2025. Therefore, there are significant differences in the principal business operations of both parties.

II. Service Offerings and Customer Structure of Cloud Services Business

(1) Service Offerings

Topnew Info primarily serves as an infrastructure provider in its cloud services business, focusing on supplying data center servers. It also offers limited complementary cloud services based on customer needs, including public cloud, private cloud, and on-premises cloud services, with private cloud and on-premises cloud being the main offerings. Topnew Info also acts as the data center infrastructure provider supporting the Company's cloud services business.

The Company, as the cloud service provider, primarily delivers cloud services and related operations and maintenance services to customers. Service offerings are concentrated on cloud platform construction, operation, and value-added services on the cloud.

(2) Customer Structure

Topnew Info's primary customers consist of state-owned enterprises, financial institutions and some corporate clients, with government clients representing a relatively low proportion. Its cloud service customers primarily originate from its data center server hosting clients.

The Company's primary clients and source of revenue are government and administrative units, its corporate clients account for a relatively low proportion of revenue sources. This client structure difference primarily stems from: (i) the Company's subsidiary possesses the special information system integration qualification", enabling it to undertake government projects of that specific kind, whereas Topnew Info does not have such kind of business qualifications; and (ii) since its establishment in 1998, the Company has consistently undertaken government projects, building a strong reputation among government clients. Its operations and maintenance projects exhibit high stickiness and customer loyalty.

Consequently, both parties exhibit significant differences in service offerings and client structure within the cloud services business.

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Based on the aforementioned differences, the Board believes that Topnew Info and the Company exhibit significant differences in principal business operations, and service offerings and customer structure of cloud service business. There exists no substantive competitive relationship between the two parties, but an upstream-downstream industry relationship. Given that Topnew Info serves as the data center infrastructure provider for the Company's cloud service business, both parties possess certain potential for business synergy in areas such as data centers, cloud platforms and industry informatization. The Company will actively explore cooperation opportunities with Topnew Info under the premise of adhering to commercial principles and maintaining controllable risks.

The Board also notes that Beijing Data Group intends to acquire less than 30% of Topnew Info's shares in this transaction, which represents one of the exceptions to the 2026 Deed of Non-Competition: "acquiring or holding, in any form, less than 30% of the total issued share capital of any entity (where the shares of the newly acquired target are listed on any Qualified Exchange)".

Save as the disclosures above, as of the Latest Practicable Date, the Covenantors have not engaged in any other New Business and/or made any other New Acquisitions.

3. PROPOSED AMENDMENTS

On 20 February 2026, the Company and the Covenantors entered into the 2026 Deed of Non-Competition to amend and replace the 2001 Non-Competition Agreement.

I. Major Content

The major content of the 2026 Deed of Non-Competition are as follows:

(A) *Parties*

- (1) the Company;
- (2) BSAM;
- (3) Capnet; and
- (4) Beijing Data Group.

(B) *Major terms*

Pursuant to the 2026 Deed of Non-Competition, each of the Covenantors shall not, and shall procure that none of their respective subsidiaries (other than those listed on the Qualified Exchanges) shall, directly or indirectly, (i) engage in or participate in any competition that constitute or may constitute a material adverse effect on the Group's existing business activities, or (ii) engage in any business activities that may have a

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material adverse effect on any business activities that the Group engages in or may engage in in the future, or (iii) hold any right or interest in any business as stated in (i) and (ii), except the following circumstances:

- (1) acquiring or holding, in any form, any company, investment trust, joint venture, partnership, or other entity (“**New Acquisition**”), where such acquirer holds: (i) less than 30% of the total issued share capital of the New Acquisition (if the shares of the New Acquisition are listed on any Qualified Exchanges); (ii) (if the shares of the New Acquisition are not listed on any Qualified Exchanges) less than 50% of the total issued share capital or equity interest, or without the right to control the board of directors of such entity; or (iii) controlling right but the total investment amount (*Note 1a*) does not exceed 5% of the Group’s total assets for the most recent fiscal year; or
- (2) New Business where the project amount does not exceed 1% (*Note 1b*) of the Group’s total assets in the most recent fiscal year; or
- (3) except as provided under item (1) to (2) above, if the Covenantors and/or their subsidiaries (other than those listed on a Qualified Exchanges) (the “**Offeror**”) engage in New Business and/or New Acquisitions (as the case may be), which constitutes or may constitute, directly or indirectly, competition with the principal business of the Group, and meet the conditions set forth below, the Covenantors and/or their subsidiaries shall be exceptionally permitted to conduct such New Business and/ or New Acquisition (as the case may be):

Note 1a: when calculating the total investment amount, the investment amounts made by the Covenantors or their respective subsidiaries for the same New Acquisition shall be aggregated.

Note 1b: when determining whether the project amount of the New Business reaches the 1% threshold under the 2026 Deed of Non-Competition, an amount of a project with multiple contracts signed separately by the Covenantors or their respective subsidiaries for the same project of the same client shall be aggregated.

(I) New Business and New Acquisition Option

- (a) the Offeror must, as far as reasonably practicable, provide prior written notice to the Company as soon as possible and provide the Group with the major terms of the New Business and/or New Acquisition (as the case may be). The Offeror shall use its efforts to ensure that the New Business and/or New Acquisition (as the case may be) are offered to the Company on reasonable and fair terms and conditions;
- (b) upon being notified of the New Business and/or New Acquisition (as the case may be) pursuant to sub-paragraph (a) above, the Company will seek advice from the Board (excluding any directors with a material interest in the matter) (“**Independent Board**”), and

LETTER FROM THE BOARD

decide: (i) whether the New Business and/or New Acquisition (as the case may be) would constitute competition with the Company's core business; and (ii) whether pursuing or declining the New Business and/or New Acquisition (as the case may be) is in the best interests of the Company and its shareholders as a whole. Whether to exercise the option will be decided by the Independent Board to ensure that the decision fully aligns with the interests of the shareholders of the Group;

(c) the Independent Board will consider various factors regarding the New Business and/or New Acquisition (as the case may be), including (i) the Group's current business, legal, regulatory, and contractual landscape; (ii) the results of feasibility studies for the New Business and/or New Acquisition (as the case may be); (iii) the risks associated with counterparties; (iv) the expected profitability of the New Business and/or New Acquisition (as the case may be); (v) the financial resources required to undertake the New Business and/or New Acquisition (as the case may be); and (vi) (if necessary) expert opinions on the commercial viability of the New Business and/or New Acquisition (as the case may be) ("**New Business Evaluation Mechanism**");

(d) (I) if the Company, based on the advices of the Independent Board, decides not to pursue the New Business and/or New Acquisition (as the case may be), the Company must promptly, and in any case within 10 days upon receipt of the Offeror's notice under sub-paragraph (a) above, notify the Offeror in writing. If the Company expressly declines the New Business and/or New Acquisition (as the case may be) or (subject to the requirement under sub-paragraph (II) in this sub paragraph (d) that the Offeror needs to provide relevant information) fails to provide a written response within the aforementioned period, it will be deemed to have waived the New Business and/or New Acquisition (as the case may be). The Offeror may then pursue the New Business and/or New Acquisition (as the case may be), provided that the major terms of the New Business and/or New Acquisition (as the case may be) are not more favorable than those offered to the Company, and the Offeror has fully and promptly provided the Company with the major terms of participation in the New Business and/or New Acquisition (as the case may be) before the Company's rejection of the New Business and/or New Acquisition (as the case may be) or the expiry of the aforementioned period (whichever is earlier);

(II) Prior to the expiration of the 10-day response period, the Company may request the Offeror in writing to supplement information necessary for making an investment decision. The

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Offeror shall complete the supplementation within 5 days, after which the response period shall be recalculated upon provision of supplementary information. If the information remains incomplete after two rounds of supplementation, the Offeror shall continue to supplement as requested by the Company and shall not independently undertake or commence any related New Business and/or New Acquisitions (as the case may be) before the relevant information are complete. During the response period, the Company may conduct comprehensive due diligence by accessing all material financial, operational and legal information to fully evaluate the target business's financial performance, market value, and legal risks, while also projecting expected returns, investment cycles, and synergistic value for the Group's existing operations.

- (e) if there is any material change in the nature, major terms, or conditions of the New Business and/or New Acquisition (as the case may be) pursued by the Offeror, the Offeror must refer the revised New Business and/or New Acquisition (as the case may be) to the Company as if it were a new New Business and/or New Acquisition (as the case may be).

(II) Right of First Refusal

- (a) (I) the Offeror undertakes that, during the Effective Term of the 2026 Deed of Non-Competition, if the Offeror intends to transfer, sell, lease, license, or otherwise dispose of or permit the use of any equity, assets, or other interests in businesses acquired under permitted investments or invested by the Offeror as of the date of the 2026 Deed of Non-Competition, which compete or may compete directly or indirectly with the Group's principal business, the Offeror shall provide prior written notice to the Company (the "**Transfer Notice**"). Notwithstanding the foregoing provision, if a third party possesses and intends to exercise right of first refusal pursuant to applicable laws, the articles of association of the joint venture or agreements in effect at the time under equivalent conditions, the Company's right of first refusal as stipulated in the preceding paragraph shall be subject to such third party's right of first refusal (*Note 2*). The Transfer Notice shall include the terms under which the Offeror proposes to transfer, sell, lease, or license the Competitive Business or its interests to a third party, along with relevant reasonable information required for the Company to make an investment decision. The Company shall provide a written response to the Offeror within 10 days upon receipt of the Transfer Notice. Before receiving the Company's written response, the Offeror shall not issue any Transfer Notice or expression of intent (whether legally binding or not) to a third party

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regarding the transfer, sale, lease, or licensing of the Competitive Business or its interests. If (i) the Company refuses to acquire the Competitive Business or its interests, or (subject to the requirement under sub-paragraph (II) in this sub paragraph (a) that the Offeror needs to provide relevant information) fails to respond to the Offeror or its subsidiaries regarding the Transfer Notice within the aforementioned 10-day period, or (ii) the Company rejects the terms in the Transfer Notice but, within the aforementioned 10-day period, provides written notice to the Offeror specifying acceptable transfer conditions, yet the parties fail to reach an agreement on the acquisition, then the Offeror may transfer, sell, lease, or license the Competitive Business or its interests to a third party on terms which are the same as those specified in the Transfer Notice.

(II) Prior to the expiration of the response period, the Company may request the Offeror in writing to supplement information. The Offeror shall complete the supplementation within 5 days, after which the response period shall be recalculated upon provision of supplementary information. If the information remains incomplete after two rounds of supplementation, the Offeror shall continue to supplement as requested by the Company and shall not send any transfer notice or intention to any third party. During the response period, the Company may conduct comprehensive due diligence by accessing all material financial, operational and legal information to fully evaluate the target business's financial performance, market value, and legal risks, while also projecting expected returns, investment cycles, and synergistic value for the Group's existing operations.

- (b) when the Group exercises the above right of first refusal involving the transfer of state-owned assets, the transfer shall be conducted in accordance with the methods and procedures required by applicable laws for the appraisal of state-owned assets, and necessary approvals or filings shall be obtained in accordance with the law.
- (c) the Independent Board shall be responsible for reviewing and implementing the New Business Evaluation Mechanism, further considering multiple factors, including (i) whether the subject matter to be acquired aligns with the Company's then development strategy; and (ii) whether the subject matter to be acquired has reached a sufficiently mature stage, and whether the exercise of the right of first refusal would be in the interests of the Company and its shareholders as a whole. The Independent Board may, if necessary and at the Company's expense, engage independent consultants to provide advices.

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Note 2: If any third party is lawfully entitled to a right of first refusal to acquire the relevant Competitive Business pursuant to applicable laws, the articles of association of the joint venture, or agreements that have already existed and are valid prior to the execution of the 2026 Deed of Non-Competition, and such third party indicates its intention to exercise such right of first refusal, then the Company's right of first refusal under the 2026 Deed of Non-Competition shall be subject to such third party's pre-existing rights of first refusal. The aforementioned third-party rights of first refusal include, but are not limited to, statutory rights of first refusal under applicable laws, as well as right of first refusal stipulated in the articles of association of the joint venture or in shareholder agreements.

(III) Further Undertakings of the Covenantors

- (a) With respect to New Business and New Acquisition option, right of first refusal (as the case may be), the Covenantors shall provide or procure its relevant subsidiaries (other than those listed on the Qualified Exchanges) to provide to the Group with all relevant information and reasonable assistance concerning the New Business and New Acquisition Option, right of first refusal (as the case may be) to enable the Group to make an informed decision on whether to exercise the New Business and New Acquisition Option or the right of first refusal (as the case may be);
- (b) Upon the request of the Company's Independent Board, the Covenantors shall provide all necessary information for the annual review of the Company's Independent Board regarding the implementation of, and the Convenantors' compliance with the undertakings under the 2026 Deed of Non-Competition;
- (c) The Covenantors shall provide all necessary information for the Company to disclose the review decisions of the Independent Board regarding the implementation of, and compliance with the 2026 Deed of Non-Competition in its annual reports and/or announcements, and agree to such disclosures;
- (d) The Covenantors shall make an annual declaration regarding the compliance with the undertakings under the 2026 Deed of Non-Competition and agree that the Company may disclose such declaration in its annual reports and/or announcements in accordance with the Listing Rules.

II. Condition Precedent

The 2026 Deed of Non-Competition shall take effect only upon the fulfillment of the following conditions precedent:

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Approval of the 2026 Deed of Non-Competition and the transactions contemplated thereunder by the Independent Shareholders at the EGM.

If the above condition precedent is not fulfilled by 31 October 2026, the 2026 Deed of Non-Competition shall not take effect, and the 2001 Non-Competition Agreement shall remain in force.

III. Termination of the 2026 Deed of Non-Competition

The 2026 Deed of Non-Competition and the undertakings and obligations contained therein shall cease to have any effect from the earliest of the following dates:

- (a) The Covenantors and its associates (individually or collectively) no longer hold, directly or indirectly through subsidiaries, associated companies, or any other parties, a total of 30% of the Company's then issued share capital, or cease to be a Controlling Shareholder of the Company under the Listing Rules and no longer have the right to control the Board; or
- (b) The Company's H Shares cease to be listed on the Stock Exchange; or
- (c) The Company is wholly-owned by any Covenantors and/or associates.

Save as disclosed above and the related ancillary amendments, there are no other material amendments to the remaining material terms of the 2001 Non-Competition Agreement. To the best of the knowledge of the Board and having made reasonable enquiries, as of the Latest Practicable Date, no business opportunity has been introduced to the Covenantors.

4. REASONS AND BENEFITS OF THE PROPOSED AMENDMENTS TO THE EXISTING NON-COMPETITION UNDERTAKINGS

Although there may be potential competition risks between the Group and the Covenantors during the period when the Covenantors pursue the New Business or New Acquisition after the Independent Board has decided not to pursue, and before the Company exercises its right of first refusal (where applicable), the Board believe that such risks are manageable and would not have material adverse impact on the Group for the following reasons:

(I) Market Scale and Diversity

The current information technology and services market in the PRC is continuously expanding with the deepening of the digital economy, showing a trend of diversified and large-scale growth in demand. According to data from the Ministry of Industry and Information Technology of China, in 2024, the revenue of China's digital industry (which covers industries providing products and services relating to digital technology, primarily including four major industries namely electronic information manufacturing, software and information technology services, telecommunications, internet and related services) reached RMB35 trillion, with a year-on-year growth of 5.5%, and a total profit of RMB2.7 trillion, with a year-on-year growth

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of 3.5%. For the year ending 31 December 2024, the Group's operating revenue was RMB1,472 million, accounting for only approximately 0.004% of the revenue of China's digital industry during the same period. Therefore, given the deepening development of China's digital economy driving the increase in demand for information technology services across various industries, coupled with the Group's solid track record of over 27 years in the industry, the Board believe that the Group is well-positioned to further expand the Company's operational scale.

According to statistics from the State Administration for Market Regulation of China and the National Organization Code Data Service Center, as of 30 November 2024, the total number of enterprises in China's core digital economy industry (i.e., industry providing digital technologies, products, services, infrastructure, and solutions for industrial digitalization) reached 4.5741 million, representing a 17.99% increase compared to the end of 2023.

The Group primarily engages in technical services and solutions related to government informatisation, industry informatisation and smart cities. Its core businesses include:

- Construction, operation and maintenance services for government informatization: providing government departments with government platform construction, e-government system development, government cloud services and related technical support;
- Industry informatisation solutions: delivering professional informatisation system construction, integration and operation services for sectors including healthcare, transportation, education, housing provident funds, and social security;
- Cloud computing and infrastructure services: delivering cloud platform construction, cloud resource management and data center operation and maintenance services;
- Smart city development: system integration and application development for scenarios including urban governance platforms, smart communities and smart campuses;
- Data services and governance: data consolidation, data governance, data asset management, and related technical services;
- Other IT-related value-added services: including software development, system integration, technical consulting and operations and maintenance services.

Given that the Group has been deeply engaged in the information technology services sector for over 27 years, leveraging its extensive industry experience, mature technological systems, and stable service capabilities, it has established a strong brand advantage in areas such as government informatization and network application services. With a solid and long-term customer base, extensive supplier network, and a proven track record, the Group is capable of independently expanding its business in a highly competitive market. Moreover, the current information technology and services market in China is vast, diverse, and has significant growth potential. The Group's business accounts for a low share of the overall market, leaving

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substantial room for scale expansion. Coupled with strong incremental market demand, the Board believe that the Group can effectively compete in the market, and there will not be any material conflict of interest with the Covenantors and their subsidiaries that would significantly impact the Group.

(II) 2001 Non-Competition Agreement No Longer Meets Current Business Development Needs

When the 2001 Non-Competition Agreement was signed, the information technology and services industry in China was still in its early stages, with a smaller market scale and simple business models. The strict restrictive clauses of the agreement (e.g., prohibiting the Initial Covenantors from independently operating or investing in businesses that compete with the Company's business, and prohibiting the Initial Covenantors from directly or indirectly providing technical services to entities competing with the Company) were effective under the market environment at that time in ensuring the stability of the Group's business.

However, over the past two decades, the industry landscape has fundamentally changed. On one hand, industry boundaries have become increasingly blurred, and cross-sector business collaboration has become a mainstream trend, with growing customer demand for "one-stop" integrated IT services. The Group needs to respond to market changes through flexible business expansion and resource integration. On the other hand, the Group's business scale has significantly expanded, with its business scope evolving from traditional network application services and system integration to emerging areas such as data value mining and smart scenario solutions. The rigid restrictions of the 2001 Non-Competition Agreement have become a constraint on the Group's ability to explore new business opportunities and respond to market competition effectively, limiting potential collaborative opportunities with the Covenantors in emerging business areas. This has caused the Group to miss out on certain cross-sector business opportunities, potentially leading to a gradual loss of competitive advantage in an increasingly fierce market, which is detrimental to the Company's long-term development.

Pursuant to the 2001 Non-Competition Agreement, the Initial Covenantors shall not engage in any business that competes with the Group, resulting in all potentially competitive businesses requiring the Group to independently invest, incubate and bear the upfront investment costs. However, constrained by capital, manpower, equipment, and R&D resources, it is difficult for the Group to simultaneously enter multiple emerging business areas that require high investment and carry high risks but offer promising market prospects. This has resulted in the Group failing to timely launch certain new businesses with favorable market prospects, thereby missing opportunities.

With the rapid expansion of data element marketisation reforms and digital government service demands, certain emerging businesses (such as computing power services, city-level data platforms and smart city infrastructures) require substantial upfront investments and cross-enterprise collaboration. The 2001 Non-Competition Agreement prohibits the Covenantors from entering related fields. These restrictions prevent the Covenantors from making early

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investments and cultivating businesses in emerging sectors, weakening synergies between the Group and the Covenantors along the industrial chain and further diminishing the Group's overall competitiveness in new business areas.

In contrast, the 2026 Deed of Non-Competition permits the Covenantors to develop emerging businesses that may overlap with the Group's operations within certain extent, while maintaining protection for the Group's core business. It also grants the Group a right of first refusal for relevant mature businesses. This arrangement enables the Covenantors to bear the high-investment, high-risk costs of early-stage cultivation, while the Group can share in the business outcomes through its right of first refusal upon business maturity. This allows the Group to seize new business opportunities without increasing its upfront burden, thereby enhancing overall resource allocation efficiency.

The 2001 Non-Competition Agreement has been in effect for over two decades. Since its inception, the industry environment, regulatory policies, and circumstances of both the Group and the Covenantors have undergone significant changes. The arrangements adopted in the 2001 Non-Competition Agreement were primarily based on the market landscape and the Group's initial business positioning at that time. They are no longer fully aligned with current industry trends, the Group's and the Covenantors' present circumstances and future development needs. Therefore, it is necessary to update and refine the agreement by entering into the 2026 Deed of Non-Competition.

In summary, the restrictive terms of the 2001 Non-Competition Agreement no longer align with the Group's current business development needs and its practical requirements for responding to industry competition. They fail to accommodate the Group's expansion into emerging business sectors, impose substantive constraints on the Group's pursuit of new business opportunities, and constitute an unnecessary burden for the Covenantors. Moreover, the 2001 Non-Competition Agreement contains no exceptions or flexibility provisions. Compared to the non-competition arrangements commonly adopted by existing and newly listed companies – which include reasonable exception clauses as referenced by the Independent Financial Adviser, its restrictions no longer align with the current market environment and the actual operational circumstances of the Covenantors. The 2026 Deed of Non-Competition provides more flexible arrangements better suited to the current market environment, helping the Group and the Controlling Shareholders to delineate the businesses and to respectively seize new business opportunities and enhance its long-term competitiveness.

(III) Meeting the Objective Needs of Long-Term Business Development

From the perspective of the Group's long-term business development, it is necessary to replace the 2001 Non-Competition Agreement with a new non-competition agreement. A large amount of new business opportunities in the current information technology industry (e.g., emerging data application scenarios and cutting-edge technology implementation projects) involves "low initial investment returns, high capital requirements, and long investment return cycles." If the Group directly undertakes such early-stage projects, it would require significant capital

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investment in technology R&D, market development, and risk-bearing, which could strain the Group's short-term cash flow and profitability stability, with high uncertainty regarding project success.

Notably, the aforementioned “emerging data application scenarios” and “cutting-edge technology implementation projects” have progressively become integral components of the Group's existing operations. The Group has designed and constructed the “C-StonePark” data foundation, providing compliant and trustworthy data spaces for data governance, analysis and other functions within specific application scenarios. Besides, the Group has established entities such as Beijing Digital Intelligence Technology Co., Ltd., dedicated to exploring the practical implementation of data in specific application scenarios. These include government data integration applications, industry data model construction and smart scenario solutions. All such initiatives represent extensions of the Group's existing business scope and are closely integrated with the Group's long-standing expertise in government and industry informatisation services.

Given the substantial number of market participants, any business opportunities forgone by the Group would likely be pursued by other players even if the Covenantors refrain from entering such areas. The 2026 Deed of Non-Competition enables the Group to leverage the resources of the Covenantors to seize business opportunities in the digital economy industries by permitting them to engage in potentially competing businesses which the Group has declined. The involvement of the Covenantors and their subsidiaries protects against the loss of opportunities, which the Group cannot pursue due to short-term resource limitations, and allows the Group to explore potential business synergy opportunities. The 2026 Deed of Non-Competition grants the Group the right of first refusal to acquire the competing business when it is appropriate. This arrangement allows the Group to assess opportunities, explore business synergy opportunities and take over the competing business through the right of first refusal, thereby providing the flexibility needed to implement its strategies and enhancing its ability to navigate market competition. The 2026 Deed of Non-Competition aims to strike a balance between restricting undue competition from the Covenantors and allowing flexibility for them to pursue and incubate new business prospects.

(IV) Aligning with National Industrial Policy and Adapting to New Industry Development Trends

Currently, the PRC government is vigorously promoting the development of the digital economy, accelerating the cultivation of the data element market, and encouraging enterprises to engage in resource integration and collaborative development to enhance the overall competitiveness of the data industry. The formation of Beijing Data Group is a significant measure in response to this national industrial policy, as it integrates relevant data enterprises to optimize the allocation of data resources and promote the intensive and large-scale development of the data industry. The restrictive clauses of the 2001 Non-Competition Agreement are no longer compatible with the current national policy orientation and requirements for the development of the data industry. Continuing to strictly enforce the 2001 Non-Competition Agreement would limit the resource integration and business collaboration between the Group and the enterprises within Beijing Data Group, which would hinder the

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realization of the data industry's clustering effect and contradict the national strategy of promoting the development of the digital economy. Therefore, it is necessary to enter into the 2026 Deed of Non-Competition to lift the existing non-competition restrictions to align with national industrial policy.

Additionally, in recent years, with the rapid development of information technology, the data industry has shown trends of integration and diversification, with industry boundaries becoming increasingly blurred and cross-sector, cross-industry business cooperation and collaboration becoming more frequent. The data services industry, in which the Group operates, is transitioning from traditional single-business models to comprehensive and integrated service models. Customer demand for data services has become more diverse and personalized, requiring enterprises to integrate resources from multiple sources to provide comprehensive solutions. The enterprises integrated by Beijing Data Group have distinct advantages and resources in various aspects, such as data collection, storage, analysis, and security, which are beneficial to the prosperous development of digital industry ecosystem, and provide the Group with more industry synergy resources and enhance the Group's ability to serve its clients. By entering into the 2026 Deed of Non-Competition to lift the existing non-competition restrictions, the Group can foster business collaboration and resource sharing with enterprises within Beijing Data Group, achieving complementary advantages, enhancing the Group's overall competitiveness in the data industry, and better adapting to new industry development trends.

(V) Assessment on the exceptions under the 2026 Deed of Non-Competition

I. Assessment on the exceptions to holding certain equity interests in any company

The 2026 Deed of Non-Competition contains an exception permitting the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchange) to hold certain equity interests in any company whose business constitutes or may constitute competition with the Group's business. The Board have made reference to the analysis of the Independent Financial Adviser, and have reviewed certain prospectus and circulars published by the companies listed on the Main Board of the Stock Exchange recently, in which similar exceptions are disclosed.

Accordingly, the Board consider that the exception is reasonable and in line with market practice.

II. Assessment on the exception for acquisitions below a specified threshold

The 2026 Deed of Non-Competition contains an exception permitting the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) to acquire control over competing entities, provided that the investment amount does not exceed 5% of the Group's total assets for the most recent fiscal year. The investments by the Covenantors and their subsidiaries (other than those listed on the Qualified

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Exchanges) in the acquisition of control over competing entities will be limited in scale as the investment amount shall not be more than 5% of the Group's total assets for the most recent fiscal year.

The Board consider that the revenue of the Group has remained stable in the past few years, and the Group will focus more on internal development than on external acquisitions. Hence, it is more advantageous to set a stricter threshold for the New Business than to apply the same standard for both the acquisition of control over competing entities and the New Business. Setting an exception threshold of no more than 1% of the Group's total assets for the most recent fiscal year for the New Business and a higher exception threshold of 5% for the acquisition of control over competing entities is justifiable as a whole.

III. Assessment on the exceptions to the New Business below a specified project value

The 2026 Deed of Non-Competition contains an exception permitting the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) to pursue the New Business where the project amount does not exceed 1% of the Group's total assets for the most recent fiscal year. Income of the enterprises in the information technology and service industry is mainly generated through service contracts. Since the New Business refers to entering into competing business service contracts, all of the competing business projects obtained by the Covenantors and their subsidiaries (other than those listed on the Qualified Exchanges) must be submitted for the Group's assessment unless such exception applies.

The Group initiated approximately 600 projects below this threshold in financial year 2024. If the Covenantors and their subsidiaries (other than those listed on the Qualified Exchanges) were required to submit all the competing business projects, including the low-value competing business projects, for the Group's assessment, the Group would need to devote substantial resources to evaluate the low-value competing business projects. Although the assessment of all the competing business projects would prevent the Group from missing any potential opportunities, the costs associated with assessing low-value opportunities may outweigh the potential profits derived from securing suitable opportunities.

In addition, any New Business obtained by the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) without the Group's assessment will be limited in scale, as the project amount may not exceed 1% of the Group's total assets for the most recent fiscal year.

Accordingly, the Board consider that setting an exception threshold of no more than 1% of the Group's total assets for the most recent fiscal year for the New Business could avoid material business competition and reduce unnecessary usage of resources.

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IV. Assessment on the New Business and New Acquisition option and the Right of First Refusal

The New Business and New Acquisition option and the right of first refusal under the 2026 Deed of Non-Competition provide the Company with 10 days to decide whether to pursue the New Business and New Acquisition or to execute the right of first refusal. With the Company's full access to relevant material information (including financial, business and legal information), the Company can perform due diligence to assess the financial, business and legal merits of the New Business and New Acquisition and conduct an analysis to estimate the expected return, investment period and potential benefits to the existing business of the Group. Moreover, the decision of whether to pursue the New Business and New Acquisition or to execute the right of first refusal would be made by the Independent Board, this arrangement ensures an independent review of the business opportunities, thereby avoiding conflicts of interest in the decision-making process.

As regards to the notification period of 10 days for the New Business and New Acquisition options and the right of first refusal, the response period of relevant tender shall be no less than 20 days (commencing from the date of issuance of tender documents) under the existing rules and regulations in the PRC, and the tenders would be generally submitted upon the expiry of such period. Should the Group forgo the New Business and the New Acquisition opportunity, the Covenantors and their subsidiaries (other than those listed on the Qualified Exchanges) will need corresponding time to evaluate and prepare a bid. According to article 81 of the Articles of Association, in case of emergency matters and subject to specified conditions, an extraordinary Board meeting may be convened with a notice of the extraordinary Board meeting being served to all Directors at least 5 days before the meeting. The Board consider that the Company is capable to convene an extraordinary Board meeting within a 10-day notice period to complete discussions and decision-making. This 10-day notice period balances practical requirements while offering the Independent Board sufficient time to review materials, conduct due diligence, and make independent judgments. Therefore, the Board consider the 10-day notice period to be a reasonable and feasible arrangement.

Furthermore, the Board consider that (i) according to the New Business Evaluation Mechanism, the Independent Board would consider whether the Company should pursue such the New Business and New Acquisition or exercise the right of first refusal with reference to various factors comprehensively and with the expert opinions when considered necessary; and (ii) such mechanism would ensure the decisions to be made in an independent and fair way, accordingly, the establishment of the Independent Board to evaluate whether to pursue the New Business and the New Acquisition or exercise the right of first refusal is a fair arrangement.

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V. *Assessment on the Company's Right of First Refusal being subject to the existing Right of first refusal of Third Party*

The Board considers that under the 2026 Deed of Non-Competition, the arrangement that the Company's right of first refusal is subject to pre-existing rights of first refusal of third party is reasonable and in the Company's interests. First, the Company's right of first refusal under the 2026 Deed of Non-Competition constitutes a contractual right negotiated between the Covenantors and the Company. If any third party is lawfully entitled to a right of first refusal to acquire the relevant competitive business under applicable laws, the articles of association of the joint venture or agreements in effect at the time, such statutory or existing contractual right of first refusal shall prevail over the right of first refusal agreed upon between the Company and the Covenantors, and the Covenantors shall comply with them as required by law. Second, the 2026 Deed of Non-Competition requires the Covenantors to consult with the Company regarding all conditions, including third-party right of first refusal, prior to commencing relevant business operations. This enables the Company to make appropriate commercial judgements based on prevailing market conditions, resource allocation and risk tolerance. If, after prudent evaluation, the Company decides not to undertake such business, it shall be deemed to have consented to the third party exercising its existing right of first refusal, and this shall not cause any adversely impact on the Company. In summary, the current arrangement complies with legal principles and ensures the Company retains the right to be informed and the right to choose in each potential transaction, thereby safeguarding the overall interests of the Company and its shareholders.

Therefore, in view of the above, the Board consider that the terms of the 2026 Deed of Non-Competition are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

(VI) 2026 Deed of Non-Competition Optimizes the definition of the rights and responsibilities of all parties and improves the procedures for new business referral by the Covenantors

(i) *Optimizing the definition of the rights and responsibilities of all parties*

The 2026 Deed of Non-Competition builds upon the original 2001 Non-Competition Agreement to provide a more specific and practicable definition of the rights and responsibilities of all parties under the non-competition arrangement, including:

- granting the Covenantors the flexibility to engage in Competitive Business within certain extent, enabling it to cultivate emerging businesses with promising market prospects but higher risks, thereby helping the Covenantors maintain operational flexibility;

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- granting the Company the right of first refusal to acquire the relevant Competitive Business upon its sale by the Covenantors. This avoids the Company bearing the risk of early investment while retaining flexibility to assume the business once it matures;
- clarifying the Covenantors' obligations regarding information provision: the Company may request the Covenantors in writing to supplement information before the response period expires, and the Covenantors must complete supplementation within 5 days, after which the response period shall be recalculated. If information remains incomplete after two rounds of supplementation, the Covenantors shall continue to supplement and shall not commence related Competitive Business until information is complete.

Through the above arrangements, the 2026 Deed of Non-Competition enables clear definition and higher practical level of the rights and obligations of all parties and enhances their operability, striking a balance between safeguarding the Company's interests and preserving flexibility for the Covenantors' business development.

(ii) *Improving the procedures for new business referral by the Covenantors*

The 2026 Deed of Non-Competition establishes a more systematic and secure procedure for the Covenantors to refer new business to the Company, including:

(I) Clear New Business Option Rights and 10-Day Decision-Making Period

Upon receipt of any notification from the Covenantors, the Company shall have a 10-day decision period to determine whether to undertake the new business. During this decision-making period, the Company may fully access critical financial, operational and legal information and conduct due diligence. Decisions shall be reviewed and made by the Independent Board to ensure independent and impartial review and avoid conflicts of interest.

(II) Compliance and Feasibility of the 10-Day Decision-Making Period

China's bidding regulations stipulate a minimum bid response period of 20 days. Should the Company decline the New Business, the Covenantors would still have sufficient time to prepare the bid. Pursuant to Article 81 of the Company's Articles of Association, an extraordinary board meeting may be convened with five days' notice, which enables completion of the review, discussion and decision-making within the 10-day period. Therefore, the 10-day deadline accommodates both market operational requirements and corporate governance standards, rendering it both reasonable and feasible.

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(III) Information Supplementation Mechanism

The Company may request the Covenantors to supplement information before the response period expires. The Covenantors must complete supplementation within 5 days, after which the response period shall be recalculated. If the information remains incomplete after two rounds of supplementation, the Covenantors must continue to supplement and shall not commence related New Business until all information is complete.

(IV) Strict New Business Evaluation and Decision-Making Mechanism

The Independent Board will: comprehensively evaluate factors including strategic alignment, financial return on investment and controllable risk; consult external experts as necessary; and ensure impartial decision-making by having independent bodies to lead the process, eliminating interference from unrelated factors.

The said arrangements enhance the transparency and systematic operation of New Business referral procedures, safeguarding the Company's business development and long-term interests

(VII) Benefits Outweighing Potential Competition Risks

The annual review of the compliance status of the 2026 Deed of Non-Competition by the Independent Board would enable operational-level staff and the management to effectively monitor the Convenantors' compliance of the 2026 Deed of Non-Competition and accordingly safeguard the interests of the Company and the Shareholders.

The 2026 Deed of Non-Competition incorporates multiple safeguard measures (including but not limited to the right of first refusal, approval and periodic review by the Independent Board) to effectively mitigate the risk of conflicts of interest between the Group and the Covenantors, thereby protecting the interests of the Group and all its shareholders.

In summary, the 2026 Deed of Non-Competition provides the Group with opportunities and flexibility to take over new businesses that are later found to be profitable, enabling the Group to leverage the Covenantors' resources to explore potential market opportunities. This allows the Group to seize high-quality business opportunities at the appropriate time and respond more effectively to industry competition, which is commercially appropriate and in the interests of the Company and its shareholders as a whole. Based on the market scale and diversity, the clear delineation between the Group's and the Covenantors' businesses, and the safeguard measures of the 2026 Deed of Non-Competition, the Board believe that there will not be any material conflict of interest between the Company and the Covenantors that would significantly impact the Group. The anticipated benefits of the amendments are expected to outweigh the potential competition risks between the Group and the Covenantors before the New Business and New Acquisition Options, right of first refusal (as the case may be) is exercised.

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The Board (including the independent non-executive Directors, who have considered the opinion of the Independent Financial Adviser) believe that, although the 2026 Deed of Non-Competition is not entered into in the ordinary and usual course of the business of the Group, the terms of the 2026 Deed of Non-Competition are fair and reasonable, in the interests of the Company and its shareholders as a whole, and are entered into on normal commercial terms.

5. CORPORATE GOVERNANCE MEASURES

To ensure and facilitate the compliance by the Covenantors and their subsidiaries (other than those listed on the Qualified Exchanges) with the 2026 Deed of Non-Competition, the Company will continue to implement the following measures:

- (1) The Company's Independent Board shall be responsible for reviewing and deciding whether to accept the New Business and/or New Acquisition (as the case may be) provided by the Covenantors and their subsidiaries (other than those listed on the Qualified Exchanges), whether to exercise the right of first refusal (as the case may be), after considering factors such as the geographical characteristics of the New Business and/or New Acquisition (as the case may be), its nature, and its compatibility with the Group's strategies and prospects. If the Covenantors or their subsidiaries (other than those listed on the Qualified Exchanges) issue any notice regarding the New Business and/or New Acquisition or Transfer Notice to the Company, the Company shall promptly report to the Independent Board;
- (2) When exercising the right of first refusal under the 2026 Deed of Non-Competition, the Company will comply with the applicable requirements of the Listing Rules;
- (3) If any Director and/or their respective close associates have material interest in any matters discussed by the Board regarding compliance with and enforcement of the 2001 Non-Competition Agreement (including the 2026 Deed of Non-Competition), they shall not vote on the Board resolutions approving such matters and shall not be counted in the quorum for such votes; and
- (4) The Company will actively follow up on the Covenantors' fulfilment of the undertakings outlined in the "Further Undertakings of the Covenantors" section and request relevant information from the Covenantors based on the actual needs of the Company.

6. GENERAL INFORMATION ABOUT THE PARTIES

The Company

The Company is a joint stock limited company established in the PRC with limited liability on 23 January 1998, whose H Shares are listed and traded on the Main Board of the Stock Exchange. As an information technology and service provider, the Company is engaged in software industry. The principal businesses are (1) products and software development and services; (2) industry solutions; and (3) operation and maintenance services. BSAM, through its wholly owned subsidiaries Beijing

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Data Group and Beijing Industrial Investment, holds approximately 63.3% interest in the issued share capital of the Company, being the largest shareholder of the Company and has de facto control of the Company.

BSAM

BSAM is a company established in the PRC with limited liability and is wholly-owned by the Beijing Municipal Government. Its core businesses are asset management, project investment and investment management, with its investment forming four major industrial sectors namely financial services, environmental protection and park operations, information services and digital industry, and culture and sports.

Capnet

Capnet is a company established in the PRC on 12 March 2001 with limited liability. It is 95% owned by BSAM through its wholly-owned subsidiary, Beijing Data Group, and 5% owned by China Broadcasting Cable Information Network Company Limited (中廣有線信息網絡有限公司). Capnet's core businesses are Internet Service Provider (ISP) and value-added telecommunications services.

Beijing Data Group

Beijing Data Group is a company established in the PRC on 22 July 2025 with limited liability, and is wholly owned by BSAM. Beijing Data Group acquired an approximately 48.3% interest in the Company's issued share capital on 4 September 2025 through a transfer from BSAM, making it the Controlling Shareholder of the Company. Beijing Data Group is primarily engaged in data infrastructure development, data resource development and utilization, data circulation and trading, data industry ecosystem development, government and enterprise digitalization, artificial intelligence, and digital security.

7. LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, the indirect Controlling Shareholder BSAM holds approximately 63.3% interest in the issued share capital of the Company through its wholly-owned subsidiaries Beijing Data Group and Beijing Industrial Investment, therefore, BSAM is a connected person of the Company pursuant to the Listing Rules. The Controlling Shareholder Beijing Data Group holds approximately 48.3% interest in the issued share capital of the Company, therefore, Beijing Data Group is a connected person of the Company pursuant to the Listing Rules. Since Capnet is 95% owned by BSAM through its wholly-owned subsidiaries Beijing Data Group, it is a subsidiary of BSAM and Beijing Data Group. Pursuant to the Listing Rules, Capnet is a connected person of the Company.

The signing of the 2026 Deed of Non-Competition constitutes a connected transaction of the Company in accordance with Chapter 14A of the Listing Rules.

The signing of the 2026 Deed of Non-Competition is subject to the reporting, announcement, circular and Independent Shareholders approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

Our executive Director Mr. Yu Donghui has been appointed as the deputy general manager of Beijing Data Group while our non-executive Director Ms. Yan Yi and our non-executive Director Mr. Hu Yong are the employees of BSAM and Beijing Industrial Investment, respectively, by virtue of that, they are regarded to have a material interest in the 2026 Deed of Non-Competition and have to abstain from voting on the resolutions approving the Deed of Non-Competition at the Board meeting. In addition, none of the Directors has any material interest in the 2026 Deed of Non-Competition that needs to abstain from voting on the relevant resolutions at the Board meeting.

Shareholders Abstaining from Voting

In accordance with the Listing Rules, any shareholders and their associates who have material interest in the 2026 Deed of Non-Competition and the transactions thereunder shall abstain from voting on the resolution to approve the transaction at the EGM. As of the Latest Practicable Date, Beijing Industrial Investment (a wholly-owned subsidiary of BSAM) directly holds 43,471,291 Domestic Shares, and Beijing Data Group directly holds 139,982,885 Domestic Shares, representing approximately 15% and 48.3% of the Company's entire issued share capital, respectively. Accordingly, Beijing Industrial Investment and Beijing Data Group will abstain from voting on the resolution regarding the approval of the 2026 Deed of Non-Competition at the EGM.

To the best of the knowledge, information, and belief of the Directors, having made all reasonable enquiries, other than Beijing Industrial Investment and Beijing Data Group, no other shareholder has any material interest in the 2026 Deed of Non-Competition and the transactions thereunder that would require them to abstain from voting on the relevant resolution to be proposed at the EGM.

8. EXTRAORDINARY GENERAL MEETING

The EGM will be held at Conference Room, 5th Floor, Longfu Mansion, No. 95 Longfusi Road, Dongcheng District, Beijing, the PRC on 13 March 2026 at 10:30 a.m. for the consideration and, if think fit, approval of the resolutions stated in this circular.

The notice convening the EGM, together with the proxy form for the EGM, have been enclosed with this circular, which has been despatched to the Shareholders on 23 February 2026 and published on the websites of the Stock Exchange and the Company.

Whether you intend to attend the EGM or not, you are requested to complete and return the accompanying proxy form in accordance with the instructions set out therein to the Company's principal place of business in the PRC at 5th Floor, Longfu Mansion, No. 95 Longfusi Road, Dongcheng District, Beijing, the PRC (in the case of proxy form of holders of Domestic Shares) or to the Company's H shares registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in the case of proxy form of holders of H Shares) as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be) (i.e. not later than 12 March 2026 at 10:30 a.m. (Hong Kong time)). Completion and return of the proxy form will not preclude you from attending and voting at the EGM should you so wish.

LETTER FROM THE BOARD

For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 10 March 2026 to Friday, 13 March 2026, both days inclusive, during which period no transfer of Shares will be effected. Shareholders whose names appear on the Company's register of members at the close of business on Monday, 9 March 2026 will be entitled to attend and vote at the EGM. In order to qualify for attending and voting at the EGM, all transfers of Shares, accompanied by the relevant share certificates must be lodged with the Company's H shares registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (applicable for H Shares) or the Company's office, at 5th Floor, Longfu Mansion, No. 95 Longfusi Road, Dongcheng District, Beijing, the PRC (applicable for Domestic Shares), for registration not later than 4:30 pm on Monday, 9 March 2026.

Resolutions shall be voted by way of poll at the EGM.

9. RECOMMENDATION

The Board (including the independent non-executive Directors), having taken into account the advice of the Independent Financial Adviser, considers that the terms of the 2026 Deed of Non-Competition, although not being entered into in the ordinary and usual course of business of the Group, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. In view of the foregoing, the Board recommends the Independent Shareholders to vote in favour of the resolution set out in the notice convening the EGM.

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 32 to 33 of this circular which contains its recommendation to the Independent Shareholders as to voting at the EGM in relation to the 2026 Deed of Non-Competition; and (ii) the letter from the Independent Financial Adviser, which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the 2026 Deed of Non-Competition. Full text of the letter from the Independent Financial Adviser is set out on pages 34 to 66 of this circular.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that although the 2026 Deed of Non-Competition is not entered into in the ordinary and usual course of business of the Group, the terms of the 2026 Deed of Non-Competition are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM in relation to the 2026 Deed of Non-Competition and the transactions contemplated thereunder.

10. OTHER INFORMATION

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

11. ADDITIONAL INFORMATION

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

LETTER FROM THE BOARD

In the event of any inconsistency between the English and Chinese versions of this circular and the accompanying proxy form, the Chinese version shall prevail.

Yours faithfully,
By Order of the Board
CAPINFO COMPANY LIMITED*
Yu Donghui
Chairman

* *For identification purpose only*

CAPINFO
CAPINFO COMPANY LIMITED*
首都信息發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1075)

23 February 2026

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION

**PROPOSED AMENDMENTS TO
EXISTING NON-COMPETITION UNDERTAKING**

We refer to the circular of the Company dated 23 February 2026 (the “**Circular**”) to the Shareholders, of which this letter forms part. Unless the context requires otherwise, terms defined in the Circular have the same meaning when used in this letter.

We have been appointed by the Board as the members of the Independent Board Committee to advise the Independent Shareholders as to whether the terms of the 2026 Deed of Non-Competition are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

TC Capital International Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2026 Deed of Non-Competition. Full text of the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders is set out on pages 34 to 66 of the Circular. We also wish to draw your attention to the letter from the Board, as set out on pages 5 to 31 of the Circular.

Having considered the terms of the 2026 Deed of Non-Competition and taking into account the advice and recommendations of the Independent Financial Adviser, we are of the view that although the 2026 Deed of Non-Competition is not entered into in the ordinary and usual course of business of the Group, the terms of the 2026 Deed of Non-Competition are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

* For identification purpose only

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions in respect of the 2026 Deed of Non-Competition and the transactions contemplated thereunder to be proposed at the EGM.

Yours faithfully,

For and on behalf of the Independent Board Committee

CAPINFO COMPANY LIMITED*

Mr. Gong Zhiqiang

Independent

Non-Executive Director

Mr. Cheung, Wai Hung

Boswell

Independent

Non-Executive Director

Mr. Li Jianqiang

Independent Non-executive Directors

Mr. Zhou Jinglin

Independent Non-executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of a letter received from TC Capital International Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the 2026 Deed of Non-Competition for the purpose of inclusion in this circular.



23 February 2026

*The Independent Board Committee and the Independent Shareholders
Capinfo Company Limited**

Dear Sirs,

CONNECTED TRANSACTION PROPOSED AMENDMENTS TO EXISTING NON-COMPETITION UNDERTAKING

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the 2026 Deed of Non-Competition, 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 23 February 2026 issued to the Shareholders (the “**Circular**”). Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

On 20 February 2026, the Company and the Covenantors entered into the 2026 Deed of Non-Competition to amend and replace the 2001 Non-Competition Agreement.

As at the Latest Practicable Date, BSAM was an indirect Controlling Shareholder of the Company and Beijing Data Group was a Controlling Shareholder of the Company. Capnet was a subsidiary of BSAM and Beijing Data Group. Hence, BSAM, Beijing Data Group and Capnet are connected persons of the Company pursuant to the Listing Rules. The signing of the 2026 Deed of Non-Competition constitutes a connected transaction of the Company and is subject to the reporting, announcement, circular and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising Mr. Gong Zhiqiang, Mr. Cheung, Wai Hung Boswell, Mr. Li Jianqiang and Mr. Zhou Jinglin (all being independent non-executive Directors) has been established to advise the Independent Shareholders on (i) whether the terms of the 2026 Deed of Non-Competition are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned; (ii) whether the 2026 Deed of Non-Competition is in the interests of the Company and the Shareholders as a whole; and (iii) how the Independent Shareholders should vote in respect of the relevant resolutions to approve the 2026 Deed of Non-Competition at the EGM. We, TC Capital International Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

OUR INDEPENDENCE

As at the Latest Practicable Date, we did not have any relationships with or interests in the Company or any other parties that could reasonably be regarded as relevant to the independence of us. We have been appointed as an independent financial adviser to the independent board committee and independent shareholders of the Company in relation to an occasion as detailed in the announcement of the Company dated 3 February 2026. Given (i) our independent role in the abovementioned engagement; and (ii) our fees for the abovementioned engagement represented an insignificant percentage of our revenue, we consider that the abovementioned engagement would not affect our independence to form our opinion in respect of the 2026 Deed of Non-Competition.

BASIS OF OPINION

In putting forth our recommendation, we have relied on the information, opinions, facts and representations supplied to us by the Directors and/or the representatives of the Company. We have reviewed, among other things, (i) the 2026 Deed of Non-Competition; (ii) the annual reports of the Company for the years ended 31 December 2023 and 2024 (the “**2023 Annual Report**” and the “**2024 Annual Report**” respectively) and the interim report of the Company for the six months ended 30 June 2025 (the “**2025 Interim Report**”); (iii) the positive profit alert announcement of the Company dated 12 August 2025; (iv) other information as set out in the Circular; and (v) relevant market data and information available from public sources.

We have assumed that all such information, opinions, facts and representations provided to us by the Directors and/or the representatives of the Company, for which they are fully responsible, are true, accurate and complete in all respects. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and/or the representatives of the Company. The Company has also confirmed to us that no material facts have been omitted from the information supplied and we have no reason to suspect that any material information has been withheld or is misleading.

We consider that we have sufficient information currently available to reach an informed view and to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided by the Directors and/or the representatives of the Company, nor have we conducted any independent investigation into the business, affairs, operations, financial position or future prospects of each of the Group, BSAM, Capnet, Beijing Data Group and any of their respective subsidiaries and associates. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion in respect of the 2026 Deed of Non-Competition, we have taken into account the following principal factors and reasons:

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

A. Background information of the parties

1. Information on the Group

As stated in the Letter from the Board, the Company is a joint stock limited company established in the PRC with limited liability on 23 January 1998, whose H Shares are listed and traded on the Main Board of the Stock Exchange. As an information technology and service provider, the Company is engaged in software industry. The principal businesses are (1) products and software development and services; (2) industry solutions; and (3) operation and maintenance services. BSAM, through its wholly-owned subsidiaries Beijing Data Group and Beijing Industrial Investment, holds approximately 63.3% interest in the issued share capital of the Company, being the largest shareholder of the Company and having de facto control of the Company.

Set out below is certain financial information of the Group for the three years ended 31 December 2024 (“FY2022”, “FY2023” and “FY2024” respectively) and the six months ended 30 June 2024 and 2025 (“1H2024” and “1H2025” respectively) as extracted from the 2023 Annual Report, the 2024 Annual Report and the 2025 Interim Report:

	For the six months ended 30 June		For the year ended 31 December		
	2025	2024	2024	2023	2022
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Operating revenue	681	538	1,472	1,426	1,423
Operating profit/(loss)	21	(12)	13	(90)	161
Net profit/(loss) attributable to shareholders of the parent company	10	(24)	(14)	(73)	129

	As at 30 June		As at 31 December		
	2025	2024	2023	2022	
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Total assets		2,272	2,362	2,497	2,546
Total liabilities		1,059	1,169	1,294	1,225
Total equity attributable to shareholders of the parent company		1,138	1,128	1,145	1,263

As illustrated in the above table, the operating revenue of the Group for FY2023 remained stable as compared to that for FY2022. As stated in the 2023 Annual Report, this performance was primarily attributable to an increase in the operating income from the software development and service section and the information professional service section, which was partially offset by a decrease in the operating income from the system integration section. The

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

operating profit of the Group and the net profit attributable to shareholders of the parent company recorded turnaround from profits for FY2022 to losses for FY2023 respectively, which were mainly due to (i) the decline in the financial performance of Beijing Certificate Authority Co., Ltd., being a significant associate of the Company, for FY2023; and (ii) the provision for impairment of assets held for sale of government network service project and the provision for impairment of intangible assets and development expenditures of Rito Info Technology Co., Ltd., being a wholly-owned subsidiary of the Company.

The operating revenue of the Group for FY2024 slightly increased by approximately 3% as compared to that for FY2023. As stated in the 2024 Annual Report, such increase was primarily attributable to an increase in the operating income from the operation and maintenance services section, which was partially offset by a decrease in the operating income from the industry solution section. The operating profit of the Group shifted from a loss for FY2023 to a profit for FY2024 and the net loss attributable to shareholders of the parent company for FY2024 decreased by approximately RMB59 million as compared to that for FY2023. These changes were mainly due to (i) an increase in the operating revenue for FY2024 as compared to that for FY2023, which was offset by an increase in the operating costs for FY2024 as compared to that for FY2023; (ii) a decrease in the administrative expenses and the research and development expenses for FY2024 as compared to those figures for FY2023, which was partially offset by an increase in the selling expenses for FY2024 as compared to that for FY2023; (iii) the turnaround in income from investment in associates and joint ventures from a loss for FY2023 to an income for FY2024; and (iv) a reduction in the asset impairment losses for FY2024 as compared to that for FY2023.

The operating revenue of the Group for 1H2025 increased by approximately 27% as compared to that for 1H2024. The operating profit of the Group and the net profit attributable to shareholders of the parent company for 1H2025 turned from losses for 1H2024 to profits for 1H2025 respectively. As stated in the positive profit alert announcement of the Company dated 12 August 2025, the profit growth of the Group was primarily due to the fact that (i) the Group focuses on its established strategies, persists in independent innovation and is firmly committed to promoting the construction of the “Hongteng” and “Hongshun” product series; places great emphasis on customer requirements, devotes unwavering effort in promoting AI application and data business, and builds the core technology framework of “Hongdi” Large Model and “C-StonePark” digital platform. With stable core business foundation, the Group achieves year-on-year increase in sales revenue and sees an increasing effectiveness of market expansion; and (ii) Rito Info Technology Co., Ltd has announced its bankruptcy, thus a gain from liquidation has been recognised.

The total equity attributable to shareholders of the parent company declined during FY2023 and FY2024 while it increased for 1H2025. The representatives of the Company advised us that such movement in the total equity attributable to shareholders of the parent company was mainly due to the net loss of the Group during FY2023 and FY2024 and the net profit of the Group for 1H2025.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2. *Information on BSAM*

As stated in the Letter from the Board, BSAM is a company established in the PRC with limited liability and is wholly owned by the Beijing Municipal Government. Its core businesses are asset management, project investment and investment management, with its investment forming four major industrial sectors namely financial services, environmental protection and park operations, information services and digital industry, and culture and sports.

3. *Information on Capnet*

As stated in the Letter from the Board, Capnet is a company established in the PRC on 12 March 2001 with limited liability. It is 95% owned by BSAM through its wholly-owned subsidiary, Beijing Data Group, and 5% owned by China Broadcasting Cable Information Network Company Limited (中廣有線信息網絡有限公司). Capnet's core businesses are Internet Service Provider (ISP) and value-added telecommunications services.

4. *Information on Beijing Data Group*

As stated in the Letter from the Board, Beijing Data Group is a company established in the PRC on 22 July 2025 with limited liability, and is wholly owned by BSAM. Beijing Data Group acquired an approximately 48.3% interest in the Company's issued share capital on 4 September 2025 through a transfer from BSAM, making it a Controlling Shareholder of the Company. Beijing Data Group is primarily engaged in data infrastructure development, data resource development and utilisation, data circulation and trading, data industry ecosystem development, government and enterprise digitalisation, artificial intelligence and digital security.

B. **Background of the 2026 Deed of Non-Competition**

Reference is made to the 2001 Non-Competition Agreement entered into by BSAM, Capnet and the Company on 19 September 2001.

On 30 July 2025, the Board received a notification from BSAM, an indirect Controlling Shareholder of the Company, that BSAM intended to transfer all Domestic Shares directly held by it, being 139,982,885 Domestic Shares, representing 48.3% of the entire issued share capital of the Company, to its wholly-owned subsidiary, Beijing Data Group, at nil consideration (the "**Transfer**"). The Transfer had been completed on 4 September 2025. Upon completion of the Transfer, Beijing Data Group became a Controlling Shareholder of the Company.

With the establishment of Beijing Data Group, the incorporation of enterprises, and future business development, as the Controlling Shareholder of the Company, certain businesses of Beijing Data Group and its relevant subsidiaries may overlap with the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Board considers it is appropriate to amend and replace the 2001 Non-Competition Agreement by entering into the 2026 Deed of Non-Competition to (i) refine the Existing Non-Competition Undertaking to align with the new circumstances; (ii) safeguard the Company's future development interests; (iii) optimise and define the rights and liabilities of the parties; and (iv) improve the procedures for referring the New Business by the undertaking parties.

New Business or New Acquisition introduced to the Covenantors as of the Latest Practicable Date

As of the Latest Practicable Date, the Covenantors were pursuing a New Acquisition led by a competent government authority in relation to Beijing Topnew Info & Tech Co., Ltd. ("**Topnew Info**"). The proposed acquisition of Topnew Info is subject to uncertainties, as it requires the parties involved to complete internal decision-making procedures, sign the formal agreement, obtain compliance confirmation from the Shenzhen Stock Exchange, and process share transfer registration with the China Securities Depository and Clearing Corporation Limited. Beijing Data Group intends to enter into the formal agreement after the 2026 Deed of Non-Competition has been executed and has become effective to amend and replace the 2001 Non-Competition Agreement. Upon completion, Topnew Info's controlling shareholder will change to Beijing Data Group and its de facto controller will change to BSAM. Further details of the proposed acquisition of Topnew Info by the Covenantors are set out in the Letter from the Board.

Business delineation between Topnew Info and the Company

I. Principal businesses

Topnew Info's principal business operations include: (i) internet data center (IDC) services and value-added services, i.e. providing customers with data center server hosting, internet bandwidth, virtual private network access services, cloud services, network security and data disaster recovery services through self-built and leased standardised telecom-grade facilities, self-built cloud platforms, and leased internet communication lines, bandwidth resources and internet protocol (IP) address resources; and (ii) IDC services and cloud platform information system integration services, which involve providing one-stop information system solution services tailored to customers' information system requirements. These services span from information system design, equipment procurement, integration and configuration, installation and testing, data center deployment, internet connectivity to daily operation and maintenance. Of which, revenue from IDC services accounts for a higher proportion than that from cloud services. The above two principal business categories ((i) IDC services and value-added services; and (ii) IDC services and cloud platform information system integration services) accounted for approximately 85%, 78% and 77% of Topnew Info's total revenue in 2023, 2024 and the first half of 2025 respectively.

The Company principally engages in technical services and solutions related to government informatisation, industry informatisation and smart cities. Among its principal businesses, those similar to Topnew Info's principal operations are primarily cloud services, accounting for approximately 13.8% of the Company's total revenue in the first half of 2025. Therefore, there are significant differences in the principal business operations of both parties.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

II. Service offerings and customer structure of cloud services business

(1) Service offerings

Topnew Info primarily serves as an infrastructure provider in its cloud services business, focusing on supplying data center servers. It also offers limited complementary cloud services based on customer needs, including public cloud, private cloud, and on-premises cloud services, with private cloud and on-premises cloud being the main offerings. Topnew Info also acts as the data center infrastructure provider supporting the Company's cloud services business.

The Company, as a cloud service provider, primarily delivers cloud services and related operations and maintenance services to customers. Service offerings are concentrated on cloud platform construction, operation, and value-added services on the cloud.

(2) Customer structure

Topnew Info's primary customers consist of state-owned enterprises, financial institutions and some corporate clients, with government clients representing a relatively low proportion. Its cloud service customers primarily originate from its data center server hosting clients.

The Company's primary clients and source of revenue are government and administrative units. Its corporate clients account for a relatively low proportion of revenue sources. This client structure difference primarily stems from: (i) the Company's subsidiary possesses the special information system integration qualification, enabling it to undertake government projects of that specific kind, whereas Topnew Info does not have such kind of business qualifications; and (ii) since its establishment in 1998, the Company has consistently undertaken government projects, building a strong reputation among government clients. Its operations and maintenance projects exhibit high stickiness and customer loyalty.

Consequently, both parties exhibit significant differences in service offerings and customer structure within the cloud services business.

Based on the aforementioned differences, the Board believes that Topnew Info and the Company exhibit significant differences in principal business operations, and service offerings and customer structure of cloud service business. There exists no substantive competitive relationship between the two parties, but an upstream-downstream industry relationship. Given that Topnew Info serves as the data center infrastructure provider for the Company's cloud service business, both parties possess certain potential for business synergy in areas such as data centers, cloud platforms and industry informatisation. The Company will actively explore cooperation opportunities with Topnew Info under the premise of adhering to commercial principles and maintaining controllable risks.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

C. Reasons for and benefits of the 2026 Deed of Non-Competition

Large-scale industry with strong growth momentum

According to the Letter from the Board, the current information technology and services market in China is vast, diverse, and has significant growth potential. The Group's business accounts for a low share of the overall market, leaving substantial room for scale expansion.

We have conducted our research and noted from the statistics issued by the National Bureau of Statistics that the national revenue from information technology services grew dramatically between 2015 and 2024, quadrupling from approximately RMB2,221.1 billion in 2015 to approximately RMB9,219.0 billion in 2024, and representing a compound annual growth rate of approximately 17%. This momentum is supported by an article titled “彭永濤：上半年服務業經濟持續向好，發展動能不斷增強¹” (“Peng Yongtao: Service sector sustained sound growth in first half of the year as underlying drivers strengthened”*) published on 16 July 2025 by the China Economic Net, a news website sponsored by the Economic Daily. In the article, Peng Yongtao, Director of the Service Industry Survey Centre of the National Bureau of Statistics, highlighted that emerging technologies including large-scale AI, humanoid robots and quantum communications are developing vigorously, fueling strong growth in modern service sectors such as information technology and business services. The value added of information transmission, software and information technology services rose by 11.1% year-on-year in the first half of 2025.

In terms of market participants, the PRC's digital economy industries, including information technology services, are large-scale. According to statistics² from the China Organization Data Service released by the State Administration for Market Regulation, the total number of enterprises in the digital technology application industry in the PRC reached approximately 2.2 million as at 30 November 2024, representing a growth of approximately 17.6% as compared to the end of 2023, which indicated a rapid expansion. As outlined in an article titled “統計上如何劃分數字經濟³” (“What is the statistical classification of the digital economy?”*) published by the National Bureau of Statistics on 24 March 2025, the digital technology application industry comprises information technology services; software development; telecommunication, radio, television and satellite transmission services; internet-related services; and other digital technology application industries.

Benefits outweighing the risk of potential competition

According to the Letter from the Board, the rigid restrictions of the 2001 Non-Competition Agreement have become a constraint on the Group's ability to explore new business opportunities and respond to market competition effectively, limiting potential collaborative opportunities with the Covenantors in emerging business areas. This has caused the Group to miss out on certain cross-sector business opportunities, potentially leading to a gradual loss of competitive advantage in an increasingly fierce market, which is detrimental to the Company's long-term development. The 2026 Deed of Non-Competition incorporates multiple safeguard measures (including but not limited to the

¹ http://www.ce.cn/xwzx/gnsz/gdxw/202507/t20250715_2408789.shtml

² https://www.samr.gov.cn/xw/zj/art/2024/art_d025882c1e1e4b209eb496fcb6ac4b.html

³ https://www.stats.gov.cn/zs/tjws/jbtjzswd/tjbz/202503/t20250324_1959125.html

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right of first refusal, approval and periodic review by the Board (excluding any directors with a material interest in the matter) (the “**Independent Board**”)) to effectively mitigate the risk of conflicts of interest between the Group and the Covenantors, thereby protecting the interests of the Group and all its shareholders.

As further advised by the representatives of the Company, given the substantial number of market participants, any business opportunities forgone by the Group would likely be pursued by other players even if the Covenantors refrain from entering such areas. The 2026 Deed of Non-Competition enables the Group to leverage the resources of the Covenantors to seize business opportunities in the digital economy industries by permitting them to engage in potentially competing businesses which the Group has declined. The involvement of the Covenantors and their subsidiaries protects against the loss of opportunities, which the Group cannot pursue due to short-term resource limitations, and allows the Group to explore potential business synergy opportunities. The 2026 Deed of Non-Competition grants the Group the right of first refusal to acquire the competing business when it is appropriate. This arrangement allows the Group to assess opportunities, explore business synergy opportunities and take over the competing business through the right of first refusal, thereby providing the flexibility needed to implement its strategies and enhancing its ability to navigate market competition. The 2026 Deed of Non-Competition aims to strike a balance between restricting undue competition from the Covenantors and allowing flexibility for them to pursue and incubate new business prospects.

Furthermore, the annual review of the compliance status of the 2026 Deed of Non-Competition by the Independent Board would enable both operational-level staff and management to effectively monitor the Covenantors’ compliance with the 2026 Deed of Non-Competition and accordingly safeguard the interests of the Company and the Shareholders.

Given that (i) the 2001 Non-Competition Agreement has been in effect for over two decades and was primarily based on the market landscape at the time and the Group’s initial business positioning, while (a) the industry landscape in the information technology service sector in the PRC has undergone fundamental changes with the growth of the national revenue from information technology services and the number of enterprises in the digital technology application industry as discussed above; and (b) the Group’s business scale has significantly expanded, with its business scope evolving from traditional network application services and system integration to emerging areas such as data value mining and smart; (ii) pursuant to the 2001 Non-Competition Agreement, the Initial Covenantors shall not engage in any business that competes with the Group, resulting in all potentially competitive businesses requiring the Group to independently invest, incubate and bear the upfront investment costs. However, constrained by capital, manpower, equipment and research and development resources, it is difficult for the Group to simultaneously enter multiple emerging business areas that require high investment and carry high risks but offer promising market prospects. This has resulted in the Group failing to timely launch certain new businesses with favourable market prospects, thereby missing opportunities. Given the substantial number of market participants, any business opportunities forgone by the Group would likely be pursued by other players even if the Covenantors refrain from entering such areas. The 2026 Deed of Non-Competition enables the Group to leverage the resources of the Covenantors to seize business opportunities in the digital economy industries by permitting them to engage in potentially competing businesses which the Group has declined. The involvement of the Covenantors and their subsidiaries protects against the loss of

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opportunities, which the Group cannot pursue due to short-term resource limitations, and allows the Group to explore potential business synergy opportunities; and (iii) certain mechanisms in the 2026 Deed of Non-Competition, such as the New Business and New Acquisition options and the right of first refusal, are commonly adopted by comparable companies as discussed in the section entitled “Assessment on the New Business and New Acquisition options and the right of first refusal” below, we are of the view that the amendments to the 2001 Non-Competition Agreement are in the interests of the Company and the Shareholders as a whole.

Given that (i) the information technology service sector in the PRC has been expanding rapidly; (ii) the 2026 Deed of Non-Competition aims to strike a balance between restricting undue competition from the Covenantors and allowing flexibility for them to pursue and incubate new business prospects; and (iii) the 2026 Deed of Non-Competition incorporates protective measures to mitigate potential conflict of interest between the Company and the Covenantors, we concur with the Board that the 2026 Deed of Non-Competition is in the interests of the Company and the Shareholders as a whole.

D. Principal terms of the 2026 Deed of Non-Competition

The major terms of the 2026 Deed of Non-Competition are as follows:

(A) Parties

- (1) the Company;
- (2) BSAM;
- (3) Capnet; and
- (4) Beijing Data Group.

(B) Major terms

Pursuant to the 2026 Deed of Non-Competition, each of the Covenantors shall not, and shall procure that none of their respective subsidiaries (other than those listed on the Qualified Exchanges) shall, directly or indirectly, (i) engage in or participate in any competition that constitute or may constitute a material adverse effect on the Group’s existing business activities, or (ii) engage in any business activities that may have a material adverse effect on any business activities that the Group engages in or may engage in in the future, or (iii) hold any right or interest in any business as stated in (i) and (ii), except the following circumstances:

- (1) acquiring or holding, in any form, any company, investment trust, joint venture, partnership, or other entity (“**New Acquisition**”), where such acquirer holds: (i) less than 30% of the total issued share capital of the New Acquisition (if the shares of the New Acquisition are listed on any Qualified Exchanges); (ii) (if the shares of the New Acquisition are not listed on any Qualified Exchanges) less than 50% of the total issued

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share capital or equity interest, or without the right to control the board of directors of such entity; or (iii) controlling right but the total investment amount (*Note 1a*) does not exceed 5% of the Group's total assets for the most recent fiscal year; or

- (2) New Business where the project amount does not exceed 1% (*Note 1b*) of the Group's total assets in the most recent fiscal year; or
- (3) except as provided under items (1) to (2) above, if the Covenantors and/or their subsidiaries (other than those listed on the Qualified Exchanges) (the "**Offeror**") engage in New Business and/or New Acquisitions (as the case may be), which constitutes or may constitute, directly or indirectly, competition with the principal business of the Group, and meet the conditions set forth below, the Covenantors and/or their subsidiaries shall be exceptionally permitted to conduct such New Business and/or New Acquisition (as the case may be):

Note 1a: when calculating the total investment amount, the investment amounts made by the Covenantors or their respective subsidiaries for the same New Acquisition shall be aggregated.

Note 1b: when determining whether the project amount of the New Business reaches the 1% threshold under the 2026 Deed of Non-Competition, an amount of a project with multiple contracts signed separately by the Covenantors or their respective subsidiaries for the same project of the same client shall be aggregated.

(I) *New Business and New Acquisition options*

- (a) the Offeror must, as far as reasonably practicable, provide prior written notice to the Company as soon as possible and provide the Group with the major terms of the New Business and/or New Acquisition (as the case may be). The Offeror shall use its efforts to ensure that the New Business and/or New Acquisition (as the case may be) are offered to the Company on reasonable and fair terms and conditions;
- (b) upon being notified of the New Business and/or New Acquisition (as the case may be) pursuant to sub-paragraph (a) above, the Company will seek advice from the Independent Board, and decide: (i) whether the New Business and/or New Acquisition (as the case may be) would constitute competition with the Company's core business; and (ii) whether pursuing or declining the New Business and/or New Acquisition (as the case may be) is in the best interests of the Company and its shareholders as a whole. Whether to exercise the option will be decided by the Independent Board to ensure that the decision fully aligns with the interests of the shareholders of the Group.
- (c) the Independent Board will consider various factors regarding the New Business and/or New Acquisition (as the case may be), including (i) the Group's current business, legal, regulatory, and contractual landscape; (ii) the results of feasibility studies for the New Business and/or New Acquisition (as the case may be); (iii)

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the risks associated with counterparties; (iv) the expected profitability of the New Business and/or New Acquisition (as the case may be); (v) the financial resources required to undertake the New Business and/or New Acquisition (as the case may be); and (vi) (if necessary) expert opinions on the commercial viability of the New Business and/or New Acquisition (as the case may be) (“**New Business Evaluation Mechanism**”);

- (d) (I) if the Company, based on the advices of the Independent Board, decides not to pursue the New Business and/or New Acquisition (as the case may be), the Company must promptly, and in any case within 10 days upon receipt of the Offeror’s notice under sub-paragraph (a) above, notify the Offeror in writing. If the Company expressly declines the New Business and/or New Acquisition (as the case may be) or (subject to the requirement under sub-paragraph (II) in this sub paragraph (d) that the Offeror needs to provide relevant information) fails to provide a written response within the aforementioned period, it will be deemed to have waived the New Business and/or New Acquisition (as the case may be). The Offeror may then pursue the New Business and/or New Acquisition (as the case may be), provided that the major terms of the New Business and/or New Acquisition (as the case may be) are not more favourable than those offered to the Company, and the Offeror has fully and promptly provided the Company with the major terms of participation in the New Business and/or New Acquisition (as the case may be) before the Company’s rejection of the New Business and/or New Acquisition (as the case may be) or the expiry of the aforementioned period (whichever is earlier);

(II) Prior to the expiration of the 10-day response period, the Company may request the Offeror in writing to supplement information necessary for making an investment decision. The Offeror shall complete the supplementation within 5 days, after which the response period shall be recalculated upon provision of supplementary information. If the information remains incomplete after two rounds of supplementation, the Offeror shall continue to supplement as requested by the Company and shall not independently undertake or commence any related New Business and/or New Acquisitions (as the case may be) before the relevant information are complete. During the response period, the Company may conduct comprehensive due diligence by accessing all material financial, operational and legal information to fully evaluate the target business’s financial performance, market value, and legal risks, while also projecting expected returns, investment cycles, and synergistic value for the Group’s existing operations.

- (e) if there is any material change in the nature, major terms, or conditions of the New Business and/or New Acquisition (as the case may be) pursued by the Offeror, the Offeror must refer the revised New Business and/or New Acquisition (as the case may be) to the Company as if it were a new New Business and/or New Acquisition (as the case may be).

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(II) *Right of first refusal*

- (a) (I) the Offeror undertakes that, during the Effective Term of 2026 Deed of Non-Competition, if the Offeror intends to transfer, sell, lease, license, or otherwise dispose of or permit the use of any equity, assets, or other interests in businesses acquired under permitted investments or invested by the Offeror as of the date of the 2026 Deed of Non-Competition, which compete or may compete directly or indirectly with the Group's principal business, the Offeror shall provide prior written notice to the Company (the "**Transfer Notice**"). Notwithstanding the foregoing provision, if a third party possesses and intends to exercise right of first refusal pursuant to applicable laws, the articles of association of the joint venture, or agreements in effect at the time under equivalent conditions, the Company's right of first refusal as stipulated in the preceding paragraph shall be subject to such third party's right of first refusal (*Note 2*). The Transfer Notice shall include the terms under which the Offeror proposes to transfer, sell, lease, or license the Competitive Business or its interests to a third party, along with relevant reasonable information required for the Company to make an investment decision. The Company shall provide a written response to the Offeror within 10 days upon receipt of the Transfer Notice. Before receiving the Company's written response, the Offeror shall not issue any Transfer Notice or expression of intent (whether legally binding or not) to a third party regarding the transfer, sale, lease, or licensing of the Competitive Business or its interests. If (i) the Company refuses to acquire the Competitive Business or its interests, or (subject to the requirement under sub-paragraph (II) in this sub paragraph (a) that the Offeror needs to provide relevant information) fails to respond to the Offeror or its subsidiaries regarding the Transfer Notice within the aforementioned 10-day period, or (ii) the Company rejects the terms in the Transfer Notice but, within the aforementioned 10-day period, provides written notice to the Offeror specifying acceptable transfer conditions, yet the parties fail to reach an agreement on the acquisition, then the Offeror may transfer, sell, lease, or license the Competitive Business or its interests to a third party on terms which are the same as those specified in the Transfer Notice.

(II) Prior to the expiration of the response period, the Company may request the Offeror in writing to supplement information. The Offeror shall complete the supplementation within 5 days, after which the response period shall be recalculated upon provision of supplementary information. If the information remains incomplete after two rounds of supplementation, the Offeror shall continue to supplement as requested by the Company and shall not send any transfer notice or intention to any third party. During the response period, the Company may conduct comprehensive due diligence by accessing all material financial, operational and legal information to fully evaluate the target business's financial performance, market value, and legal risks, while also projecting expected returns, investment cycles, and synergistic value for the Group's existing operations.

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- (b) when the Group exercises the above right of first refusal involving the transfer of state-owned assets, the transfer shall be conducted in accordance with the methods and procedures required by applicable laws for the appraisal of state-owned assets, and necessary approvals or filings shall be obtained in accordance with the law.
- (c) the Independent Board shall be responsible for reviewing and implementing the New Business Evaluation Mechanism, further considering multiple factors, including (i) whether the subject matter to be acquired aligns with the Company's then development strategy; and (ii) whether the subject matter to be acquired has reached a sufficiently mature stage, and whether the exercise of the right of first refusal would be in the interests of the Company and its shareholders as a whole. The Independent Board may, if necessary and at the Company's expense, engage independent consultants to provide advices.

Note 2: If any third party is lawfully entitled to a right of first refusal to acquire the relevant Competitive Business pursuant to applicable laws, the articles of association of the joint venture, or agreements that have already existed and are valid prior to the execution of the 2026 Deed of Non-Competition, and such third party indicates its intention to exercise such right of first refusal, then the Company's right of first refusal under the 2026 Deed of Non-Competition shall be subject to such third party's pre-existing rights of first refusal. The aforementioned third-party rights of first refusal include, but are not limited to, statutory rights of first refusal under applicable laws, as well as right of first refusal stipulated in the articles of association of the joint venture or in shareholder agreements.

Further details of the 2026 Deed of Non-competition are set out in the Letter from the Board.

Assessment on the exceptions to holding certain equity interests in entities

In assessing whether it is normal practice for controlling shareholders of listed companies to hold equity interests in entities which compete or may compete with the businesses of the listed companies, we have reviewed the terms of non-competition deeds as disclosed in the prospectuses and circulars of companies listed on the Main Board of the Stock Exchange during the period from 1 January 2025 to the Latest Practicable Date, which would reflect the current market practice. It is not uncommon for such deeds to include an exception permitting controlling shareholders and their associates to hold equity interests in private companies and/or companies listed on the Stock Exchange or other exchanges. Given that the prospectuses and circulars were published within around one year, which would reflect the current market practice, we are of the view that the aforementioned selection criteria of the comparable companies is fair and representative. We have identified 16 comparable companies whose prospectuses or circulars disclose a similar exception. The details are set out below:

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Stock code	Company name	Listing date/ Circular date	Exemption for shareholdings in entities
2560.HK	Anhui Conch Material Technology Co., Ltd.	9 January 2025	(1) The aggregate shareholding does not exceed 30% of that company, and the shareholder(s) and its close associates cannot appoint a majority of the board, and there exists at least one other shareholder holding a larger stake; or (2) No shareholding limit applies if the competing business accounts for less than 10% of that company's consolidated turnover or consolidated assets.
805.HK	New Gonow Recreational Vehicles Inc.	13 January 2025	The aggregate shareholding does not exceed 10% of that company, and the controlling shareholder(s) and their close associates cannot appoint a majority of the board nor participate in the management or daily operations of that company.
2571.HK	Beijing Saimo Technology Co., Ltd.	15 January 2025	The aggregate shareholding does not exceed 5% of that listed company.
6668.HK	E-Star Commercial Management Company Limited	16 January 2025	(1) The aggregate shareholding does not exceed 30% of that listed company; or (2) The aggregate shareholding does not exceed 50% of that entity, and the covenantor and its close associates cannot control the board or the management.

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Stock code	Company name	Listing date/ Circular date	Exemption for shareholdings in entities
2610.HK	Nanshan Aluminium International Holdings Limited	25 March 2025	(1) The aggregate shareholding does not exceed 5% of that listed company, and the covenantors and their close associates cannot appoint a majority of the board, and there exists at least one other shareholder holding a larger stake; or (2) No shareholding limit applies if the competing business accounts for less than 10% of that listed company's consolidated turnover or consolidated assets.
2625.HK	Jiangsu Horizon Chain Supermarket Company Limited	31 March 2025	The aggregate shareholding does not exceed 5% of that listed company.
2609.HK	Bayzed Health Group Inc	23 June 2025	(1) The controlling shareholders and their close associates shall not participate in the management of a listed company; and (2) Shareholding threshold for exception in a listed company is 5%; or no shareholding limit applies if the competing business accounts for less than 10% of a listed company's total turnover or assets.
6887.HK	Sunshine Lake Pharma Co., Ltd.	7 August 2025	(1) The aggregate shareholding does not exceed 10% of that listed company; or (2) The aggregate shareholding does not exceed 10% of that entity, and the covenantors and their close associates cannot control the board or the management, and have no participation rights in such entity.

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Stock code	Company name	Listing date/ Circular date	Exemption for shareholdings in entities
2543.HK	DAHON TECH (SHENZHEN) CO., LTD.	9 September 2025	(1) The competing business accounts for less than 10% of that company's consolidated turnover or consolidated assets; and (2) The aggregate shareholding does not exceed 10% of that listed company, and the covenantor and its close associates cannot control and appoint a majority of the board, and there exists at least one other shareholder holding a larger stake.
2698.HK	Softcare Limited	10 November 2025	The aggregate shareholding does not exceed 30% of that company, and the controlling shareholders and their close associates cannot control the composition of a majority of the board.
2539.HK	Lemo Services Co., Ltd	03 December 2025	(1) The aggregate shareholding does not exceed 10% of that company, and the shareholder(s) and its close associates cannot appoint a majority of the board, and there exists at least one other shareholder holding a larger stake; or (2) No shareholding limit applies if the competing business accounts for less than 10% of that company's consolidated turnover or consolidated assets.
2655.HK	Guoxia Technology Co., Ltd.	16 December 2025	The aggregate shareholding does not exceed 10% of that company, and the controlling shareholders and their close associates cannot control the board.
2546.HK	Xizang Zhihui Mining Co., Ltd.	19 December 2025	The aggregate shareholding does not exceed 5% of that listed company, and the covenantors and their associates cannot appoint a majority of the board.

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Stock code	Company name	Listing date/ Circular date	Exemption for shareholdings in entities
3378.HK	Hanx Biopharmaceuticals (Wuhan) Co., Ltd.	23 December 2025	The aggregate shareholding does not exceed 10% of that listed company.
2661.HK	QingSong Health Corporation	23 December 2025	The aggregate shareholding does not exceed 10% of that listed company, and the covenantor and its close associates cannot appoint a majority of the board nor participate in the management of that company.
2720.HK	Ridge Outdoor International Limited	10 February 2026	(1) No shareholding limit applies if the competing business accounts for less than 10% of that company's consolidated turnover or consolidated assets; or (2) The aggregate shareholding does not exceed 10% of that company, and the covenantors and their close associates cannot appoint a majority of the board, and there exists at least one other shareholder holding a larger stake.
1075.HK	The Company	23 February 2026	(1) The aggregate shareholding does not exceed 30% of that listed company; (2) The aggregate shareholding does not exceed 50% of that entity, or without the right to control the board of directors of such entity; or (3) The Covenantors and their subsidiaries obtain the controlling right but the investment amount does not exceed 5% of the Group's total assets.

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In addition, we have obtained and reviewed the prospectus of Sunac Services Holdings Limited (1516.HK) dated 9 November 2020, which permitted the covenantors and their close associates to hold (i) less than 30% of the total issued share capital of any company (whose shares are listed on the Stock Exchange or any other stock exchange); or (ii) less than 50% of interest of any private company, which is engaged in any business that is or may be in competition with any business engaged by any member of Sunac Services Holdings Limited and they do not possess the right to control the board of directors of such company.

The shareholding threshold for exception in respect of listed companies under the 2026 Deed of Non-Competition is 30%, which falls within the range of 5% to 30% observed in the 16 comparable companies.

The shareholding threshold for exception in respect of private companies under the 2026 Deed of Non-Competition is 50%, which falls within the range of 5% to 50% observed in the 16 comparable companies.

Although the shareholding thresholds for exception in respect of listed companies and private companies under the 2026 Deed of Non-Competition are higher than those observed in the majority comparable companies, given that (i) both of the shareholding thresholds under the 2026 Deed of Non-Competition fall within the range of the comparable companies; (ii) similar thresholds are not uncommon as demonstrated by the deeds of non-competition disclosed by E-Star Commercial Management Company Limited, Sunac Services Holdings Limited, Anhui Conch Material Technology Co., Ltd. and Softcare Limited, and no shareholding limit applies for some other comparable companies as long as certain conditions are met; and (iii) the 2026 Deed of Non-Competition incorporates multiple safeguard measures (including but not limited to the right of first refusal, approval and periodic review by the Independent Board) to effectively mitigate the risk of conflicts of interest between the Group and the Covenantors, thereby protecting the interests of the Group and all its shareholders, we concur with the Board that the 2026 Deed of Non-Competition, which allows the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) under exceptional conditions to hold certain equity interests in any company which is engaged in a business that is or may be in competition with the business engaged by the Group, is fair and reasonable so far as the Independent Shareholders are concerned.

Assessment on the exception for acquisitions below a specified threshold

The 2026 Deed of Non-Competition contains an exception permitting the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) to acquire control over competing entities, provided that the investment amount does not exceed 5% of the Group's total assets for the most recent fiscal year. As advised by the representatives of the Company, the investments by the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) in the acquisition of control over competing entities will be limited in scale as the investment amount shall not be more than 5% of the Group's total assets for the most recent fiscal year. The Board considers that the revenue of the Group has remained stable in the past few years, and the Group will continue to focus on developing new businesses internally rather than pursuing external acquisitions. According to the 2024 Annual Report, the Group set the visions for FY2025, including but not limited to, (i) enhancing its technological capabilities in artificial intelligence, big

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data and cloud-native distributed framework and continuously optimising its operational efficiency and service quality; (ii) further improving the level of system operation and maintenance protection; (iii) implementing the strategy of “industrialisation, productisation and regionalisation”, building the “CAPs” product system, strengthening the construction of marketing system, brand driving and ecological construction; and (iv) intensifying the development of innovative business and strategically laying out data business. As advised by the representatives of the Company, these visions are being realised progressively by the Company and its subsidiaries rather than through the acquisition of external enterprises. Besides, as shown in the section headed “1. Information on the Group” above, the operating revenue of the Group remained stable for FY2022, FY2023 and FY2024, further supporting that the business growth of the Group has primarily been driven by internal development rather than external acquisitions. Hence, it is more advantageous to establish a stricter threshold for the New Business (discussed below) than to apply the same standard for both the acquisition of control over competing entities and the New Business.

Furthermore, the 2026 Deed of Non-Competition stipulates that when calculating the total investment amount, the investment amounts made by the Covenantors or their respective subsidiaries for the same New Acquisition shall be aggregated. Given that the investment amount (aggregated if applicable) shall not exceed 5% of the Group’s total assets in the most recent fiscal year, we concur with the Board that there is sufficient safeguard to prevent the splitting of the same New Acquisition to circumvent the 5% threshold.

Although the comparable companies in the market have not set a similar 5% threshold, given that (i) as discussed in the section headed “Assessment on the exceptions to holding certain equity interests in entities” above, there are cases (i.e. Anhui Conch Material Technology Co., Ltd., Nanshan Aluminium International Holdings Limited, Bayzed Health Group Inc, Lemo Services Co., Ltd and Ridge Outdoor International Limited) where no shareholding limit applies for some comparable companies as long as certain conditions are met (e.g. competing business accounts for less than 10% of the consolidated turnover or assets of the comparable companies); (ii) compared to external acquisitions, the Group places greater emphasis on internal development. Hence, it is more advantageous to establish a stricter threshold for the New Business (discussed below) than to apply the same standard for both the acquisition of control over competing entities and the New Business; and (iii) there is sufficient safeguard to prevent the splitting of the same New Acquisition to circumvent the 5% threshold, we concur with the Board that setting an exception threshold of no more than 1% of the Group’s total assets for the most recent fiscal year for the New Business and a higher exception threshold of 5% for the acquisition of control over competing entities is justifiable as a whole.

Assessment on the exceptions to the New Business below a specified project value

The 2026 Deed of Non-Competition contains an exception permitting the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) to pursue the New Business where the project amount does not exceed 1% of the Group’s total assets for the most recent fiscal year. We have discussed with the representatives of the Company and noted that (i) income of the enterprises in the information technology and service industry is mainly generated through service contracts. Since the New Business refers to entering into competing business service contracts, all of the competing business projects obtained by the Covenantors and their respective subsidiaries (other

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than those listed on the Qualified Exchanges) must be submitted for the Group's assessment unless such exception applies; (ii) if the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) were required to submit all the competing business projects for the Group's assessment, the Group is expected to encompass a significant number of low-value competing business projects. As a market participant, the number of projects initiated by the Group with values below the 1% threshold in FY2024 was approximately 600 projects, which can serve as a general reference for understanding the volume of low-value competing business projects in the industry. If the Group individually assesses and submits each competing business project to the Independent Board in order to avoid missing any potential opportunities, the Group would need to devote substantial management and resources to evaluate the low-value competing business projects. Concurrently, the Independent Board would also need to expend considerable time and effort on reviewing these low-value competing business projects item by item, thereby occupying the time otherwise available for in-depth discussion of strategic issues at the group level; and (iii) any New Business obtained by the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) without the Group's assessment will be limited in scale, as the project amount may not exceed 1% of the Group's total assets for the most recent fiscal year.

Furthermore, the 2026 Deed of Non-Competition stipulates that when determining whether the project amount of the New Business reaches the 1% threshold under the 2026 Deed of Non-Competition, an amount of a project with multiple contracts signed separately by the Covenantors or their respective subsidiaries for the same project of the same client shall be aggregated. Given that the project amount (aggregated if applicable) shall not exceed 1% of the Group's total assets in the most recent fiscal year, we concur with the Board that there is sufficient safeguard to prevent the splitting of projects to circumvent the 1% threshold.

Although the comparable companies in the market have not set a similar 1% threshold, given that (i) the New Business refers to entering into competing business service agreements, which include all competing business projects obtained by the Covenantors and their respective subsidiaries; (ii) the Group is expected to encompass a significant number of low-value competing business projects if the 1% threshold is not applicable, requiring the Group to devote substantial management and resources for evaluation of such low-value competing business projects, and occupying the time of the Independent Board otherwise available for in-depth discussion of strategic issues at the group level; (iii) there is sufficient safeguard to prevent the splitting of projects to circumvent the 1% threshold; and (iv) setting an exception threshold of 1% for the New Business is stricter than the threshold of 5% for the acquisition of control over competing entities, we concur with the Board that setting an exception threshold of no more than 1% of the Group's total assets for the most recent fiscal year for the New Business could avoid material business competition and reduce unnecessary usage of resources, and is fair and reasonable so far as the Independent Shareholders are concerned.

Assessment on the New Business and New Acquisition options and the right of first refusal

Under the 2026 Deed of Non-Competition, if the Company declines the New Business and/or New Acquisition after the assessment, the Offeror may then pursue such New Business and/or New Acquisition. If the Offeror intends to transfer a competing business, the Company has the right of first refusal to acquire such competing business when it is appropriate.

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Currently, it is not uncommon under the non-competition arrangements between listed issuers and covenantors that the covenantors be permitted to pursue new business opportunities while the listed issuers decided to decline such new business opportunities, and the listed issuers may be granted the right or option to acquire the competing business of the covenantors. Further, we have performed a research in the prospectuses and circulars of companies listed on the Main Board of the Stock Exchange during the period from 1 January 2025 to the Latest Practicable Date. We have identified 14 comparable companies whose prospectuses or circulars disclose the mechanism that (i) required the covenantors to present or offer relevant new business opportunities to the listed issuers; and (ii) granted the covenantors the right to pursue such opportunities if the listed issuers decline them. In some cases, the listed issuers were granted a right of first refusal and/or options to acquire the covenantors' resulting competing business.

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Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Purchase option granted to the issuer to acquire the competing business of the covenan- tors (Y/N)	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Decision-making body to the exercise of specified options or rights
2560.HK	Anhui Conch Material Technology Co., Ltd.	9 January 2025	20 business days	Y	N	Not applicable	N	Not applicable	The board committee (comprising only the independent non- executive directors who do not have any interest, actual or potential, direct or indirect in the relevant new business opportunity)
805.HK	New Gonow Recreational Vehicles Inc.	13 January 2025	50 business days	Y	Y	50 business days	N	No mentioned	The independent non- executive directors (excluding the independent non- executive directors with conflict of interests)

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Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Purchase option granted to the issuer to acquire the competing business of the covenan- tors (Y/N)	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Decision-making body to the exercise of specified options or rights
2571.HK	Beijing Saimo Technology Co., Ltd.	15 January 2025	30 days	Y	N	Not applicable	Y	No mentioned	The independent non- executive directors
6668.HK	E-Star Commercial Management Company Limited	16 January 2025	30 business days	Y	N	Not applicable	N	Not applicable	A board committee who does not have an interest in the competing business opportunity
2625.HK	Jiangsu Horizon Chain Supermarket Company Limited	31 March 2025	Not specified	Y	N	Not applicable	N	Not applicable	The independent non- executive directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Purchase option granted to the issuer to acquire the competing business of the covenan- tors (Y/N)	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Decision-making body to the exercise of specified options or rights
2609.HK	Bayzed Health Group Inc	23 June 2025	Not specified	Y	N	Not applicable	N	Not applicable	Directors (including the independent non- executive directors without the attendance by any director with beneficial interest in such projects or business opportunities at the meeting, in which resolutions have been duly passed by the majority of the independent non- executive directors)
6887.HK	Sunshine Lake Pharma Co., Ltd.	07 August 2025	30 business days	Y	Y	30 days	N	No mentioned	The directors who do not have a material interest in the new business opportunities

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Decision-making body to the exercise of specified options or rights
2543.HK	DAHON TECH (SHENZHEN) CO., LTD.	9 September 2025	60 business days	Y	N	Not applicable	N	All of the directors (excluding those who is/are interested in the new business opportunity and has/ have conflict of interests with the company)
2698.HK	Softcare Limited	10 November 2025	30 business days	Y	N	Not applicable	Y	A board committee comprising independent non-executive directors who do not have an interest in the competing business opportunity

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Purchase option granted to the issuer to acquire the competing business of the covenan- tors (Y/N)	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Decision-making body to the exercise of specified options or rights
2539:HK	Lemo Services Co., Ltd	3 December 2025	20 business days	Y	N	Not applicable	N	Not applicable	The board committee (including only independent non- executive directors who have no interest (whether actual or potential, direct or indirect) in the relevant new business opportunity)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Purchase option granted to the issuer to acquire the competing business of the covenan- tors (Y/N)	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Decision-making body to the exercise of specified options or rights
2655.HK	Guoxia Technology Co., Ltd.	16 December 2025	20 business days	Y	Y	Not specified	Y	The listed issuer's purchase option is subject to the third party's right of first refusal, while there is no mention of whether the listed issuer's right of first refusal is subject to the third party's right of first refusal	The independent non- executive directors
2546.HK	Xizang Zhihui Mining Co., Ltd.	19 December 2025	10 business days	Y	Y	Not specified	N	No mentioned	A board committee who does not have an interest in the competing business opportunity

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Purchase option granted to the issuer to acquire the competing business of the covenan- tors (Y/N)	Decision-making body to the exercise of specified options or rights
3378.HK	Hanx Biopharmaceuti- cals (Wuhan) Co., Ltd.	23 December 2025	Not specified	Y	N	Not applicable	Not applicable	N	The independent committee of the board comprising the independent non- executive directors from time to time who do not have any material interest in the restricted business and/ or the new business opportunity
2720.HK	Ridge Outdoor International Limited	10 February 2026	Not specified	Y	N	Not applicable	Not applicable	N	The independent board committee consisting of non-interested directors and independent non- executive directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Stock code	Company name	Listing date/ Circular date	Notification period for the New Business and New Acquisition options	Right for the covenantors and their associates to pursue new business opportuni- ties declined by the issuer (Y/N)	Right of first refusal for the issuer (Y/N)	Notification period for right of first refusal for the issuer	Purchase option granted to the issuer to acquire the competing business of the covenan- tors (Y/N)	Whether the listed issuer's right of first refusal or purchase option is subject to third party's right of first refusal	Decision-making body to the exercise of specified options or rights
1075.HK	The Company	23 February 2026	10 days	Y	Y	10 days	N	If a third party possesses and intends to exercise right of first refusal pursuant to applicable laws, the articles of association of the joint venture, or agreements in effect at the time under equivalent conditions, the Company's right of first refusal shall be subject to such third party's right of first refusal.	The Board (excluding any directors with a material interest in the matter)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As shown in the table above, six comparable companies were granted a right of first refusal and/or options to acquire the covenantors' resulting competing business. One of these six comparable companies mentioned that the listed issuer's purchase option is subject to the third party's right of first refusal, and no comparable companies mentioned the listed issuer's right of first refusal shall be subject to the third party's right of first refusal. However, the Board considers that under the 2026 Deed of Non-Competition, the arrangement that the Company's right of first refusal is subject to the pre-existing rights of first refusal of third party is reasonable and in the Company's interests. First, the Company's right of first refusal under the 2026 Deed of Non-Competition constitutes a contractual right negotiated between the Covenantors and the Company. If any third party is lawfully entitled to a right of first refusal to acquire the relevant competitive business under applicable laws, the articles of association of the joint venture or agreements in effect at the time, such statutory or existing contractual right of first refusal shall prevail over the right of first refusal agreed upon between the Company and the Covenantors, and the Covenantors shall comply with them as required by law. Second, the 2026 Deed of Non-Competition requires the Covenantors to consult with the Company regarding all conditions, including third-party right of first refusal, prior to commencing relevant business operations. This enables the Company to make appropriate commercial judgements based on prevailing market conditions, resource allocation and risk tolerance. If, after prudent evaluation, the Company decides not to undertake such business, it shall be deemed to have consented to the third party exercising its existing right of first refusal, and this shall not cause any adverse impact on the Company. In summary, the current arrangement complies with legal principles and ensures the Company retains the right to be informed and the right to choose in each potential transaction, thereby safeguarding the overall interests of the Company and its shareholders.

The New Business and New Acquisition options and the right of first refusal under the 2026 Deed of Non-Competition provide the Company with 10 days to decide whether to pursue the New Business and New Acquisition or to exercise the right of first refusal. With full access to relevant material information (including financial, business and legal information), the Company can perform due diligence to assess the financial, business and legal merits of the New Business and New Acquisition and conduct an analysis to estimate the expected return, investment period and potential benefits to the existing business of the Group. Moreover, since the decision of whether to pursue the New Business and New Acquisition or to exercise the right of first refusal would be made by the Independent Board, this arrangement ensures an independent review of the business opportunities, thereby avoiding conflicts of interest in the decision-making process.

As regards to the notification period of 10 days for the New Business and New Acquisition options and the right of first refusal, we noted that the notification periods of the comparable companies range from 10 business days to 60 business days, which are longer than the notification period for the 2026 Deed of Non-competition. We have discussed with the representatives of the Company and noted that (i) the response period of relevant tenders shall be no less than 20 days (commencing from the date of issuance of tender documents) under the existing rules and regulations in the PRC, and the tenders would be generally submitted upon the expiry of such period. Should the Group forgo the New Business and the New Acquisition opportunity, the Covenantors and their respective subsidiaries (other than those listed on the Qualified Exchanges) will need corresponding time to evaluate and prepare a bid; and (ii) according to article 81 of the Articles of Association, in case of emergency matters and subject to specified conditions, an extraordinary board meeting may be convened with the notice of the extraordinary board meeting being served to all directors at least 5 days before the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

meeting. The Board considers that the Company is capable to convene an extraordinary board meeting within a 10-day notice period to complete discussions and decision-making. Besides, the Company may request the Covenantors to supplement information before the response period expires. The Covenantors must complete supplementation within 5 days, after which the response period shall be recalculated. If the information remains incomplete after two rounds of supplementation, the Covenantors must continue to supplement and shall not commence related New Business until all information is complete. This 10-day notice period balances practical requirements while offering the Independent Board sufficient time to review the materials, conduct due diligence, and make the independent judgements. Therefore, the Board considers the 10-day notice period to be a reasonable and feasible arrangement.

As stipulated in the 2026 Deed of Non-Competition, whether to exercise the New Business and New Acquisition options and the right of first refusal will be decided by the Independent Board. As shown in the table above, six comparable companies granted their respective boards (excluding any directors with a conflict of interest in the matter) the authority to approve the exercise of specified options or rights. One of these six comparable companies stipulated that the resolutions should be duly passed by the majority of the independent non-executive directors. As a similar decision-making body for the exercise of specified options or rights is observed among the comparable companies, we concur with the Directors that the decision-making body to the exercise of specified options or rights under the 2026 Deed of Non-Competition is in line with the market practice.

Furthermore, the Board considers that (i) according to the New Business Evaluation Mechanism, the Independent Board would consider whether the Company should pursue such New Business and New Acquisition or exercise the right of first refusal with reference to various factors comprehensively and with the expert opinions when considered necessary; and (ii) such mechanism would ensure the decisions to be made in an independent and fair way. Accordingly, the establishment of the Independent Board to evaluate whether to pursue the New Business and New Acquisition or to exercise the right of first refusal is a reasonable arrangement.

Therefore, we concur with the Board's view that the terms of the 2026 Deed of Non-Competition are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

E. Corporate governance measures

In order to ensure and facilitate the compliance by the Covenantors and their subsidiaries (other than those listed on the Qualified Exchanges) with the 2026 Deed of Non-Competition, the Company will continue to implement the following measures:

- (1) The Company's Independent Board shall be responsible for reviewing and deciding whether to accept the New Business and/or New Acquisition (as the case may be) provided by the Covenantors and their subsidiaries (other than those listed on the Qualified Exchanges), whether to exercise the right of first refusal (as the case may be), after considering factors such as the geographical characteristics of the New Business and/or New Acquisition (as the case may be), its nature, and its compatibility with the Group's strategies and prospects. If the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Covenantors or their subsidiaries (other than those listed on the Qualified Exchanges) issue any notice regarding the New Business and/or New Acquisition or Transfer Notice to the Company, the Company shall promptly report to the Independent Board;

- (2) When exercising the right of first refusal under the 2026 Deed of Non-Competition, the Company will comply with the applicable requirements of the Listing Rules;
- (3) If any Director and/or their respective close associates have material interest in any matters discussed by the Board regarding compliance with and enforcement of the 2001 Non-Competition Agreement (including the 2026 Deed of Non-Competition), they shall not vote on the Board resolutions approving such matters and shall not be counted in the quorum for such votes; and
- (4) The Company will actively follow up on the Covenantors' fulfilment of the undertakings outlined in the "Further Undertakings of the Covenantors" section in the Letter from the Board and request relevant information from the Covenantors based on the actual needs of the Company.

We are of the view that the above measures will monitor the proper implementation of the 2026 Deed of Non-Competition at the operational level and will secure strict adherence to the 2026 Deed of Non-Competition for any project.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that the terms of the 2026 Deed of Non-Competition are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned, and the 2026 Deed of Non-Competition is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend (i) the Independent Board Committee to advise the Independent Shareholders; and (ii) the Independent Shareholders, to vote in favour of the relevant resolutions to be proposed at the EGM to approve the 2026 Deed of Non-Competition.

Yours faithfully,

For and on behalf of

TC Capital International Limited

Edward Wu

Edith Lee

Chairman

Managing Director

Note: Mr. Edward Wu has been a responsible officer of type 6 (advising on corporate finance) regulated activities under the SFO since 2005. Ms. Edith Lee has been a responsible officer of type 6 (advising on corporate finance) regulated activities under the SFO since 2015. Both Mr. Wu and Ms. Lee have participated in and completed various advisory transactions in respect of connected transactions of listed companies in Hong Kong.

* *For identification purposes only*

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**(a) Directors, Supervisors and chief executive of the Company**

As at the Latest Practicable Date, none of the Directors, Supervisors nor the 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 were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions in which they were deemed or taken to have under such provisions of the SFO), or which are required, pursuant of section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange.

The Company further confirmed that save as our executive Director Mr. Yu Donghui who has been appointed as the deputy general manager of Beijing Data Group, our non-executive Director Ms. Yan Yi and our non-executive Director Mr. Hu Yong who are the employees of BSAM and Beijing Industrial Investment, respectively, none of the Director of the Company is also a director or employee of any substantial shareholders of the Company as at the Latest Practicable Date.

(b) Substantial Shareholders

Insofar as known to the Directors, as at the Latest Practicable Date, the following persons had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2

and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange were as follows:

Name of the Shareholder	Number of Domestic Shares held	Nature of interests	Approximate percentage to the total issued Domestic Shares (Note 4)	Approximate percentage to the total issued shares capital (Note 5)
Beijing State-Owned Assets Management Corporation Limited* (北京市國有資產經營有限責任公司) (Note 1)	183,454,176 (L)	Controlled corporation interests	86.39%	63.3%
Beijing Data Group Company Limited* (北京數據集團有限公司) (Note 2)	139,982,885 (L)	Beneficial owner	65.92%	48.3%
Beijing Industrial Development Investment Management Co., Ltd. (Note 3)	43,471,291 (L)	Beneficial owner	20.47%	15%

(L) – Long positions

Notes

- (1) Beijing State-Owned Assets Management Corporation Limited* (北京市國有資產經營有限責任公司) holds (i) 139,982,885 domestic shares through its wholly-owned subsidiary Beijing Data Group Company Limited* (北京數據集團有限公司), and (ii) 43,471,291 domestic shares through its wholly-owned subsidiary Beijing Industrial Development Investment Management Co., Ltd., representing approximately 48.3% and 15% of the Company's issued share capital respectively, totaling 63.3%.
- (2) Reference has been made to the voluntary announcement issued on 30 July 2025. Beijing State-Owned Assets Management Corporation Limited* (北京市國有資產經營有限責任公司) transferred 48.3% interests in the Company directly held by it to Beijing Data Group Company Limited* (北京數據集團有限公司). The transaction was completed on 4 September 2025, with registration completed at China Securities Depository and Clearing Corporation Limited.
- (3) 43,471,291 Domestic Shares are held by Beijing Industrial Development Investment Management Co., Ltd., a wholly-owned subsidiary of Beijing State-Owned Assets Management Corporation Limited* (北京市國有資產經營有限責任公司).
- (4) The relevant calculation is based on 212,358,809 total issued Domestic Shares of the Company as at the Latest Practicable Date.
- (5) The relevant calculation is based on the total issued share capital of the Company of RMB289,808,609 as at the Latest Practicable Date.

Save as disclosed above, insofar as known to the Directors, as at the Latest Practicable Date, no other persons had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed of the Company under the provisions of Divisions 2

and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group (excluding contracts expiring or determinable by the Company or any member of the Group within one year without payment of any compensation (other than statutory compensation)).

4. COMPETING INTERESTS

To the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors nor any of their respective close associates had interests in a business, which compete or is likely to compete either directly or indirectly with the businesses of the Group which would be required to be disclosed under the Listing Rules.

5. DIRECTORS' AND SUPERVISORS' INTERESTS IN ASSETS OR CONTRACTS OR ARRANGEMENT

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

Save as the Company's executive Director Mr. Yu Donghui, who is the vice general manager of Beijing Data Group, and our non-executive Director Ms. Yan Yi and our non-executive Director Mr. Hu Yong who are the employees of BSAM and Beijing Industrial Investment, respectively, as at the Latest Practicable Date, none of the Directors was 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 businesses of the Group.

6. MATERIAL LITIGATION OR ARBITRATION

Saved as disclosed below, as at the Latest Practicable Date, neither the Company nor any of its subsidiaries was or may become a party to any other litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company or any of its subsidiaries.

On 21 July 2014, the Company entered into a share transfer agreement with Xiamen Ruitailong Investment Development Company Limited* (廈門銳泰隆投資發展有限公司) and other transferors (the "Former Shareholders") to acquire the equity interest of Xiamen Rito Info Technology Co., Ltd.. On the ground that the Former Shareholders were suspected of exaggeration of financial performance for the period under assessment, in order to protect the interests of the Company and its

Shareholders, a legal proceeding was instituted by the Company in the Beijing First Intermediate People's Court (北京市第一中級人民法院) on 3 April 2023, to seek legal action against the Former Shareholders according to law, requesting, among other things, the revocation of the share transfer agreement and the refund of the consideration paid for the share transfer. The Company applied for property preservation on 25 April 2023, and the preservation measures shall be limited to RMB335,995,436.60. The Beijing First Intermediate People's Court (北京市第一中級人民法院) made a civil judgment and imposed preservation measures on the Former Shareholders in accordance with the law. During the trial of the case, the Former Shareholders counterclaimed that the Company should continue to pay the third installment of the consideration for the share transfer in accordance with the share transfer agreement in dispute, and filed an application for property preservation. The Beijing First Intermediate People's Court (北京市第一中級人民法院) ruled to freeze the bank deposits of the Company in the amount of RMB21,428,269.54. The frozen funds were automatically unfrozen on 4 January 2025 due to the fact that the Former Shareholders did not apply for extension of preservation.

As of the Latest Practicable Date, the case is still in the process of trial.

7. QUALIFICATION OF EXPERT AND CONSENT

The qualifications of the expert who has given an opinion or advice in this circular is as follow:

Name	Qualification
TC Capital International Limited	a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

The expert mentioned above has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter or opinion and the references to its names included herein in the form and context in which it is respectively included. As at the Latest Practicable Date, the expert mentioned above (i) had no direct or indirect shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group; and (ii) had no direct or indirect interests in any assets which have been, since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group.

8. MATERIAL CONTRACTS

Save as disclosed below, no material contracts (not being contract entered into in the ordinary course of business) were entered into by members of the Group within two years immediately preceding up to and including the Latest Practicable Date:

The transfer agreement entered into on 3 February 2026 between the Company (as the transferor), BSAM (a connected person of the Company, as the transferee) and Beijing Jinguosheng Investment Fund (Limited Partnership)* (the “**Target Enterprise**”), pursuant to which the Company has

conditionally agreed to sell, and the transferee has conditionally agreed to acquire, the entire property interest held by the Company in the Target Company, representing 4% of the total property interest in the Target Company at a consideration of RMB132,884,779.64. As at the Latest Practicable Date, completion of the disposal remains subject to the approval of the Independent Shareholders and the fulfilment of certain conditions precedent. Details of which are set out in the Company's announcement dated 3 February 2026.

9. MAJOR ACQUISITIONS

After the date to which the latest published audited accounts of the Group have been made up, the Group has not acquired or agreed to acquire or is proposing to acquire a business or an interest in the share capital of a company whose profits or assets make or will make a material contribution to the figures in the auditors' report or next published accounts of the Group.

10. MATERIAL ADVERSE CHANGE

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

11. GENERAL

- (a) The company secretary of the Company is Ms. Koo Ching Fan. Ms. Koo is serving at Fair Wind Secretarial Services Limited in Hong Kong and an associate member of each of the Hong Kong Chartered Governance Institute (formerly known as Hong Kong Institute of Chartered Secretaries) and the Chartered Governance Institute (formerly the Institute of Chartered Secretaries and Administrators), U.K. and a fellow member of the Association of Chartered Certified Accountants.
- (b) The registered address of the Company is situated at No. 11 Xi San Huan Zhong Road, Haidian District, Beijing 100036, the PRC.
- (c) The principal place of business of the Company in Hong Kong is located at 25th Floor, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong.
- (d) The principal place of business of the Company in the PRC is located at 5th Floor, Longfu Mansion, No. 95 Longfusi Street, Dongcheng District, Beijing, the PRC.
- (e) The Company's H share registrar and transfer office in Hong Kong is Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, PRC.
- (f) In the event of any inconsistency between the English and Chinese versions of this circular, the Chinese version shall prevail.

12. DOCUMENTS ON DISPLAY

A copy of each of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.capinfo.com.cn) for a period of 14 days from the date of this circular:

- (a) 2026 Deed of Non-Competition;
- (b) the letter from the Board dated 23 February 2026, the full text of which is set out on pages 5 to 31 of this circular;
- (c) the letter of recommendation from the Independent Board Committee dated 23 February 2026, the full text of which is set out on page 32 to 33 of this circular;
- (d) the letter of advice from the Independent Financial Adviser dated 23 February 2026, the full text of which is set out on pages 34 to 66 of this circular;
- (e) the written consent of the Independent Financial Adviser, which was referred to in the section headed “Qualification of Expert and Consent” in this appendix;
- (f) the material contract, which was referred to in the section headed “Material Contracts” in this appendix; and
- (g) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING

CAPINFO
CAPINFO COMPANY LIMITED*
首都信息發展股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1075)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of Capinfo Company Limited* (the “Company”) will be held at Conference Room, 5th Floor, Longfu Mansion, No. 95 Longfusi Road, Dongcheng District, Beijing, the People's Republic of China at 10:30 a.m. on Friday, 13 March 2026 to consider and, if thought fit, approve the following resolution. Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 23 February 2026.

ORDINARY RESOLUTIONS

“THAT:

- (a) the 2026 Deed of Non-Competition, a copy of which has been produced to the EGM marked “A” and signed by the chairman of the EGM for the purpose of identification, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) the management of the Company be and is hereby authorized to do all such things and acts as he/she may in his/her discretion considers as necessary, expedient or desirable for the purpose of the implementation of the 2026 Deed of Non-Competition and the transactions contemplated thereunder, including but not limited to the execution of all such documents under seal where applicable, as he/she considers necessary or expedient to implement and/or give effect to the 2026 Deed of Non-Competition and the transactions contemplated thereunder.”

By Order of the Board
CAPINFO COMPANY LIMITED*
Yu Donghui
Chairman

Beijing, the PRC, 23 February 2026

Notes:

1. The register of shareholders of the Company will be closed from Tuesday, 10 March 2026 to Friday, 13 March 2026 (both days inclusive), during which period no transfer of the Company's shares will be registered. In order to be entitled to attend and vote at the EGM, all completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar and transfer office in Hong Kong, Computershare Hong Kong

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (applicable for H Shares) or the office of the Company at 5th Floor, Longfu Mansion, No. 95 Longfusi Road, Dongcheng District, Beijing, the People's Republic of China (applicable for Domestic Shares) not later than 4:30 pm on Monday, 9 March 2026.

2. Any shareholder of the Company entitled to attend and vote at the EGM mentioned above is entitled to appoint one or more proxies to attend and vote at the EGM on his/her/its behalf. A proxy need not be a shareholder of the Company.
3. A proxy form of the EGM is enclosed. In order to be valid, the proxy form must be under the hand of the appointor or his/her/its attorney duly authorized in writing or, in the case of a corporation, must be either under its common seal or under the hand of the director or attorney duly authorized.
4. The proxy form should be delivered to the Company's H shares registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in the case of H shares) or the office of the Company at 5th Floor, Longfu Mansion, No. 95 Longfusi Road, Dongcheng District, Beijing, the People's Republic of China (in the case of Domestic Shares) not less than 24 hours before the time appointed for holding of the EGM (i.e. not later than Thursday, 12 March 2026 at 10:30 a.m. (Hong Kong time)) or any adjournment thereof.
5. In accordance with the requirement of the Articles of Association of the Company, all votes at the EGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the date of this notice, the executive Directors of the Company are Mr. Yu Donghui and Mr. Zhang Yiqian; the non-executive Directors of the Company are Ms. Yan Yi, Mr. Xin Shuangbai, Ms. Zhao Shujie, Mr. Wang Yuzheng and Mr. Hu Yong; the independent non-executive Directors of the Company are Mr. Gong Zhiqiang, Mr. Cheung, Wai Hung Boswell, Mr. Li Jianqiang and Mr. Zhou Jinglin; and the staff representative Director of the Company is Ms. Zhu Chenlan.