THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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



Phancy Group Co., Ltd.
範式智能技術集團股份有限公司

(formerly known as "Beijing Fourth Paradigm Technology Co., Ltd.北京第四範式智能技術股份有限公司")

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

(Stock code: 6682)

(1) ANNUAL REPORT FOR 2025
(2) REPORT OF THE BOARD OF DIRECTORS FOR 2025
(3) FINANCIAL REPORT FOR 2025
(4) PROPOSED PROFIT DISTRIBUTION PLAN FOR 2025
(5) PROPOSED RE-APPOINTMENT OF THE AUDITOR FOR 2026
(6) PROVISION OF EXPECTED GUARANTEE LIMITS TO WHOLLY-OWNED SUBSIDIARIES FOR 2026
(7) PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES
(8) PROPOSED GRANT OF GENERAL MANDATE TO (i) ISSUE SHARES AND (ii) SELL AND/OR TRANSFER TREASURY SHARES
(9) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND
(10) NOTICE OF ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting of the Company at Conference Room, Level 2, Block A, Hongyuan New Era, Shangdi West Road, Haidian District, Beijing, PRC on Tuesday, June 16, 2026 at 2:00 p.m. The notice of the Annual General Meeting of the Company is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's H share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 24 hours before the scheduled time for the Annual General Meeting (i.e. not later than 2:00 p.m. on Monday, June 15, 2026 (Hong Kong time)) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting if they so wish.

Non-registered Shareholders whose H Shares are held in the CCASS through banks, brokers, custodians or HKSCC may also be able to attend and vote at the meeting. In this regard, they shall consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements.

This circular, together with the form of proxy, is also published on the websites of Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.4paradigm.com). Holders of treasury shares, if any, have no voting rights at the general meeting of the Company.

May 26, 2026

CONTENTS

Page

Definitions 1

Letter from the Board 4

Appendix I – Explanatory Statement on the Repurchase Mandate . . 17

Notice of Annual General Meeting AGM-1

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

"AGM" or "Annual General Meeting"	the annual general meeting of the Company to be held at Conference Room, Level 2, Block A, Hongyuan New Era, Shangdi West Road, Haidian District, Beijing, PRC on Tuesday, June 16, 2026 at 2:00 p.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages AGM-1 to AGM-2 of this circular, or any adjournment thereof
"Articles of Association"	the articles of association of the Company
"Board" or "Board of Directors"	the board of Directors of the Company
"CCASS"	The Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system established and operated by the HKSCC
"China" or "PRC"	the People's Republic of China which, for the purpose of this circular and for geographical reference only, excludes the Hong Kong Special Administrative Region of the PRC, the Macao Special Administrative Region of the PRC, and the Taiwan region
"Company", "our Company" or "the Company"	Phancy Group Co., Ltd. (範式智能技術集團股份有限公司), the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 6682)
"Director(s)" or "our Director(s)"	the director(s) of the Company
"Group" or "we"	our Company and our subsidiaries (or our Company and any one or more of our subsidiaries, as the context may require)
"H Share(s)"	overseas listed foreign share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which is/are to be subscribed for and traded in HK dollars and listed on the Hong Kong Stock Exchange
"HKSCC"	The Hong Kong Securities Clearing Company Limited
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC

"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Issue and Resale Mandate"	a general mandate proposed to be granted to the Directors to (i) allot, issue or deal with additional Shares and (ii) sell and/or transfer treasury shares of not exceeding 20% of the total number of issued shares of the Company (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled) as at the date of passing of the proposed special resolution contained in item 8 of the notice of the Annual General Meeting
"Latest Practicable Date"	May 25, 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
"Listing"	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
"Listing Date"	September 28, 2023, on which our H Shares are listed and from which dealings therein are permitted to take place on the Hong Kong Stock Exchange
"Listing Rules" or "Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
"Nomination Committee"	the nomination committee of the Company
"Remuneration Committee"	the remuneration committee of the Board
"Repurchase Mandate"	a general mandate proposed to be granted to the Directors to repurchase H Shares on the Stock Exchange of not exceeding 10% of the total number of issued H Shares of the Company (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled) as at the date of passing of the proposed special resolution contained in item 7 of the notice of the Annual General Meeting
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC

"SAFE"	the State Administration of Foreign Exchange
"SFO"	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	holder(s) of Share(s)
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Takeovers Code"	The Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
"treasury shares"	has the meaning ascribed to it in the Listing Rules and as amended from time to time
"Unlisted Shares"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are not listed on any stock exchange
"%"	per cent



Phancy Group Co., Ltd.
範式智能技術集團股份有限公司

(formerly known as "Beijing Fourth Paradigm Technology Co., Ltd.北京第四範式智能技術股份有限公司")
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 6682)

Executive Directors:
Dr. Dai Wenyuan *(Chairman)*
Mr. Chen Yuqiang

Non-executive Directors:
Dr. Yang Qiang
Mr. Dou Shuai
Mr. Zhang Jing

Independent Non-executive Directors:
Mr. Li Jianbin
Mr. Liu Chijin
Ms. Ke Yele
Mr. Pan Jialin

Employee Representative Director:
Mr. Chai Yifei

Registered Address:
Room 303, 3/F, Block A
Heying Center, Building 1
No. 10 Xiaoying West Road
Haidian District, Beijing
the PRC

Headquarters and Principal Place of Business in PRC:
Block A, Hongyuan New Era
Shangdi West Road
Haidian District, Beijing
the PRC

Principal Place of Business in Hong Kong:
Room 1910, 19/F, Lee Garden One
33 Hysan Avenue, Causeway Bay
Hong Kong

May 26, 2026

To the Shareholders

Dear Sir/Madam,

(1) ANNUAL REPORT FOR 2025
(2) REPORT OF THE BOARD OF DIRECTORS FOR 2025
(3) FINANCIAL REPORT FOR 2025
(4) PROPOSED PROFIT DISTRIBUTION PLAN FOR 2025
(5) PROPOSED RE-APPOINTMENT OF THE AUDITOR FOR 2026
(6) PROVISION OF EXPECTED GUARANTEE LIMITS TO WHOLLY-OWNED SUBSIDIARIES FOR 2026
(7) PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES
(8) PROPOSED GRANT OF GENERAL MANDATE TO (i) ISSUE SHARES AND (ii) SELL AND/OR TRANSFER TREASURY SHARES
(9) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND
(10) NOTICE OF ANNUAL GENERAL MEETING

I. INTRODUCTION

The Annual General Meeting will be held at Conference Room, Level 2, Block A, Hongyuan New Era, Shangdi West Road, Haidian District, Beijing, PRC on Tuesday, June 16, 2026 at 2:00 p.m., the notice of which is set out on pages AGM-1 to AGM-2 of this circular.

The purpose of this circular is, among other things, to provide you with information on the notice of the Annual General Meeting and certain resolutions to be considered at the above meeting, so as to enable you to make an informed decision on whether to vote for or against the resolutions at the above meetings.

II. MATTERS TO BE RESOLVED AT THE AGM

Resolutions to be proposed at the AGM for the Shareholders' consideration and approval by way of ordinary resolutions include (1) annual report for 2025; (2) report of the Board of Directors for 2025; (3) financial report for 2025; (4) proposed profit distribution plan for 2025; (5) proposed re-appointment of the auditor for 2026; and (6) provision of expected guarantee limits to wholly-owned subsidiaries for 2026.

Resolutions to be proposed at the AGM for the Shareholders' consideration and approval by way of special resolutions include (7) proposed grant of general mandate to repurchase H Shares; (8) proposed grant of general mandate to (i) issue Shares; and (ii) sell and/or transfer treasury shares; and (9) proposed amendments to the Articles of Association.

Details of the matters to be resolved at the AGM are set out in the notice of the AGM on pages AGM-1 to AGM-2 of this circular. To enable you to get a better understanding of the resolutions to be proposed at the AGM and make informed decisions with sufficient and necessary information, we have provided particulars thereon in this circular and the accompanying appendices.

ORDINARY RESOLUTIONS

1. ANNUAL REPORT FOR 2025

For the contents of the Annual Report for 2025 of the Company, please refer to the Annual Report for 2025 of the Company published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.4paradigm.com) on April 29, 2026.

The resolution was considered and approved at the Board meeting on March 30, 2026, and is hereby submitted to the AGM as an ordinary resolution for consideration and approval.

2. REPORT OF THE BOARD OF DIRECTORS FOR 2025

For the contents of the report of the Board of Directors for 2025 of the Company, please refer to the report of the Board of Directors in the Annual Report for 2025 of the Company published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.4paradigm.com) on April 29, 2026.

The resolution was considered and approved at the Board meeting on March 30, 2026, and is hereby submitted to the AGM as an ordinary resolution for consideration and approval.

3. FINANCIAL REPORT FOR 2025

For the contents of the financial report for 2025 of the Company, please refer to the consolidated financial information in the Annual Report for 2025 of the Company published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.4paradigm.com) on April 29, 2026.

The resolution was considered and approved at the Board meeting on March 30, 2026, and is hereby submitted to the AGM as an ordinary resolution for consideration and approval.

4. PROPOSED PROFIT DISTRIBUTION PLAN FOR 2025

Based on the consolidated operating results, financial position and future development of the Company, the Board recommended not to distribute the final dividend for 2025.

The resolution has been considered and approved at the Board meeting on March 30, 2026, and is hereby submitted to the AGM as an ordinary resolution for consideration and approval.

5. PROPOSED RE-APPOINTMENT OF THE AUDITOR FOR 2026

The Board proposes the re-appointment of Rongcheng (Hong Kong) CPA Limited as the auditor of the Company for 2026 for a term from the date of approval at the AGM to the conclusion of the next annual general meeting, and proposes to the AGM to authorize the Audit Committee to determine the remuneration of Rongcheng (Hong Kong) CPA Limited for serving as the auditor of the Company for 2026. The estimated audit fee shall be within the range of RMB3.2 million to RMB3.6 million, which was estimated based on the complexity and business plan of the Group, the expected audit scope, audit timetable and auditor's resources required.

The resolution was considered and approved by the Board meeting on March 30, 2026, and is hereby submitted to the AGM as an ordinary resolution for consideration and approval.

6. PROVISION OF EXPECTED GUARANTEE LIMITS TO WHOLLY-OWNED SUBSIDIARIES FOR 2026

To support the daily operation and financing needs of certain wholly-owned subsidiaries of the Company and to ensure their healthy business development, the Company proposes to provide guarantees for the financing facilities applied for by its wholly-owned subsidiaries within the scope of the consolidated financial statements from financial institutions. The details are as follows:

I. Overview of the Guarantee Limits for 2026

The Company proposes to provide guarantees for its wholly-owned subsidiaries within the scope of the consolidated financial statements, with the estimated guarantee limit not exceeding RMB10.0 billion (or its equivalent in foreign currencies), of which the estimated guarantee limit for guaranteed objects with an asset-liability ratio of 70% or above will not exceed RMB10.0 billion (or its equivalent in foreign currencies). The forms of guarantee include, but are not limited to, joint and several liability guarantees, mortgage guarantees and pledge guarantees. The specific terms shall be subject to the final contracts signed between the Company and financial institutions. Where different guaranteeing entities provide guarantees for the same financing matter, the guarantee amount shall not be double-counted. Within the above total limit, the Company may, based on the actual operational needs of its subsidiaries, appropriately allocate the guarantee limits for each guaranteed subsidiary within the total limit approved by the shareholders' meeting. The guarantee limits may be utilised on a revolving basis during the validity period.

II. Scope of Guaranteed Parties

The guaranteed parties under this guarantee are the wholly-owned subsidiaries within the scope of the Company's consolidated financial statements (including wholly-owned subsidiaries with an asset-liability ratio exceeding 70% in the latest period, with the specific guaranteed parties to be determined at the time of actual financing). The above-mentioned guaranteed parties are in good credit standing, are not dishonest judgment debtors, and have no material contingent matters that would affect their solvency.

III. Validity Period of the Guarantee

The validity period of the guarantee limits under this resolution shall commence from the date of approval of this resolution at the AGM of the Company and shall end on the date of the annual general meeting for the year 2026.

IV. Authorisation Matters

To improve work efficiency and meet the funding needs for the business development of subsidiaries, with respect to the specific matters within the aforementioned guarantee limits, the Board proposes that the shareholders' meeting authorise the Company's legal representative or his designated authorised person to review and sign relevant agreements and other documents, or to handle all other procedures related to the above guarantee matters as required by the actual business situation.

The resolution was considered and approved at the Board meeting on May 26, 2026, and is hereby submitted to the AGM as an ordinary resolution for consideration and approval.

SPECIAL RESOLUTIONS

7. PROPOSED GRANT OF GENERAL MANDATE TO REPURCHASE H SHARES

In accordance with the requirements of relevant laws, regulations, the Listing Rules and other normative documents, in order to provide flexibility to the Directors in any event that it becomes desirable to repurchase H Shares, it is proposed at the AGM to grant the Board a general mandate to repurchase H Shares listed on the Stock Exchange with not more than 10% of the total number of H Shares in issue (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled), being 35,816,819 H Shares, based on the assumption that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the AGM, and to authorize the Board to do all such deeds, acts, matters and business necessary or desirable for the purpose of or in connection with the exercise of the general mandate to repurchase H Shares. The details are as follows:

A. Subject of the mandate

The specific scope of the mandate includes but is not limited to:

(a) grant of a conditional general mandate to the Board to repurchase H Shares in issue (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled) at the Stock Exchange in accordance with market conditions and needs of the Company, provided that the number of repurchased H Shares shall not exceed 10% of the total number of H Shares in issue (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled) on the date of passing such resolution at the AGM;

(b) the Board be authorized to do all such deeds, acts, matters and business necessary or desirable for the purpose of or in connection with the exercise of the general mandate to repurchase H Shares, including but not limited to amendments to the Articles of Association and the cancellation of the repurchased H Shares and/or the holding of them as treasury shares (for subsequent sale and/or transfer of treasury shares out of treasury) after such general mandate has been exercised.

The Company Law of the PRC (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares unless such repurchase is effected for (a) reducing its share capital; (b) a merger with another entity that holds the shares of the Company; (c) granting shares for the employee stock ownership plan or share incentive; (d) the repurchase is made at the request of its shareholders who disagree with shareholders' resolutions in connection with merger or division of the company; (e) the repurchased shares are used for the corporate bonds convertible into shares of the listed company; or (f) the repurchase is necessary for maintaining the value of the listed company and the interests of its shareholders. The Articles of Association provide that, subject to obtaining the approval of the relevant regulatory authorities and complying with the Articles of Association, share repurchase may be effected by the Company for the reduction of its share capital, a merger between itself and another entity that holds its shares, the employee stock ownership plan or share incentive, the request of its shareholders who disagree with shareholders' resolutions in connection with merger or division of the company, the conversion of convertible corporate bonds issued by the listed company, maintenance of the value of the company and the interests of its shareholders, or in circumstances permitted by law or administrative regulations.

The Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the Board to repurchase H Shares of such company that is listed on the Stock Exchange. Such Repurchase Mandate is required to be given by way of a special resolution passed by shareholders at the AGM.

As the H Shares are traded on the Stock Exchange in Hong Kong dollars and the price payable by the Company for any repurchase of H Shares will, therefore, be paid in Hong Kong dollars, the approvals of SAFE and other relevant government authorities are required for any repurchase of H Shares.

B. Conditions precedent

The repurchase is conditional upon satisfaction of each of the following conditions:

(a) the special resolution regarding the grant of the Repurchase Mandate having been approved by the Shareholders at the AGM; and

(b) the Company having obtained the approval from relevant regulatory authorities (if applicable) as may be stipulated under the PRC laws, rules and regulations.

C. Term of the mandate

The term of the Repurchase Mandate shall commence from the date of passing of this resolution until whichever is the earliest of:

(a) the conclusion of the next annual general meeting of the Company at which time it shall lapse unless, by special resolutions passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or

(b) the revocation or variation of the authority granted under this resolution by passing of a special resolution at any general meeting of the Company.

An explanatory statement containing all the information relating to the Repurchase Mandate is set out in Appendix I to this circular, which provides reasonable and requisite information for Shareholders to make an informed decision on whether to vote for or against the grant of the Repurchase Mandate.

The resolution was considered and approved at the Board meeting on March 30, 2026, and is hereby submitted to the AGM as a special resolution for consideration and approval.

8. PROPOSED GRANT OF GENERAL MANDATE TO (i) ISSUE SHARES AND (ii) SELL AND/OR TRANSFER TREASURY SHARES

In accordance with the requirements of relevant laws, regulations, the Listing Rules and other normative documents, and based on the practices of the capital market, it is proposed at the AGM to grant the Board a general mandate to (i) issue Shares, to allot, issue or otherwise deal with additional Shares and (ii) sell and/or transfer H Shares out of treasury that are held as treasury shares of not more than 20% of the total number of Shares in issue (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled), and authorize the Board to make corresponding amendments to the

Articles of Association as it deems appropriate to reflect the capital structure of the Company as a result of the additional Shares allotted or issued under such mandate. The details are as follows:

A. Subject of the mandate

The specific scope of the mandate includes but is not limited to:

(a) grant of a general mandate to the Board, subject to market conditions and the needs of the Company, separately or concurrently (i) issue, allot and deal with additional Shares and (ii) sell and/or transfer H Shares out of treasury that are held as treasury shares during the Relevant Period (as defined below), and the total number of (i) the Shares to be allotted or agreed conditionally or unconditionally to be allotted and (ii) treasury shares sold and/or transferred or agreed conditionally or unconditionally to be sold and/or transferred by the Board shall not exceed 20% of the total number of Shares in issue (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled) on the date of passing such resolution at the AGM (including but not limited to ordinary shares, preference shares, securities convertible into Shares, options and warrants or similar rights which may subscribe for any Share or above convertible securities), and decide to make or grant offers for sale, offers, agreements, share options, power to exchange for or convert into Shares or other powers as required or may be required to (i) allot Shares and (ii) sell and/or transfer H Shares out of treasury that are held as treasury shares. Notwithstanding the Issue and Resale Mandate as set out above, where the allotment of Shares and sale and/or transfer of H Shares out of treasury that are held as treasury shares will effectively alter the control of the Company, the Board is required to obtain prior authorization at a general meeting by way of a special resolution to allot such Shares;

(b) the Board be authorized to formulate and implement detailed issuance or sale and/or transfer plan in the exercise of the above-mentioned Issue and Resale Mandate, including but not limited to the class of new shares to be issued, pricing mechanism and/or issuance/conversion/exercise price (including price range), form of issuance of Shares or sale and/or transfer of H Shares out of treasury that are held as treasury shares, number of shares to be issued or H shares to be sold or transferred out of treasury that are held as treasury shares, allottees and use of proceeds, distribution of retained profit, lock-up period, time of issuance of Shares or sale and/or transfer of H Shares out of treasury that are held as treasury shares, period of issuance of Shares or sale and/or transfer of H Shares out of treasury that are held as treasury shares and whether to allot shares or sell and/or transfer H Shares out of treasury that are held as treasury shares to existing Shareholders, and other content which shall be contained in the detailed issuance plan in accordance with the requirements of relevant laws, regulations and other normative documents, and the requirements of the relevant regulatory authorities;

(c) the Board be authorized to engage professional advisers for matters related to the issuance of Shares, or sale and/or transfer of H Shares out of treasury that are held as treasury shares, and to approve and execute all acts, deeds, documents and other related matters which are necessary, appropriate or advisable for share issuance, or sale and/or transfer of H Shares out of treasury that are held as treasury shares; to approve and execute, on behalf of the Company, agreements related to the issuance of Shares, or sale and/or transfer of H Shares out of treasury that are held as treasury shares, including but not limited to underwriting agreements, placing agreements, engagement agreements of professional advisers;

(d) the Board be authorized to approve and execute, on behalf of the Company, documents in connection with the issuance of Shares, or sale or transfer of H Shares out of treasury that are held as treasury shares to be submitted to relevant regulatory authorities, to carry out relevant approval procedures required by regulatory authorities of place where the Company is listed, and to complete all necessary filings, registrations and records procedures with the relevant government authorities of the PRC, Hong Kong and/or any other regions and jurisdictions (if applicable);

(e) the Board be authorized to amend, as required by regulatory authorities within or outside the PRC, the related agreements and statutory documents; and

(f) the Board be authorized to increase the registered capital of the Company after the issuance and to make corresponding amendments to the Articles of Association relating to share capital and shareholdings, etc., and to authorize the operating management of the Company to carry out the relevant procedures.

B. Term of the mandate

Except that the Board may make or grant offers, agreements, options during the Relevant Period (as defined below) in relation to the (i) issuance of Shares and (ii) the sale or transfer of H Shares out of treasury that are held as treasury shares, which might require further promotion or implementation after the end of the Relevant Period, the exercise of the Issue and Resale Mandate shall be within the Relevant Period.

"**Relevant Period**" refers to the period from the date of passing of this resolution until whichever is the earliest of:

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the 12-month period after the date of passing of this resolution; or

(c) the revocation or variation of the authority granted under this resolution by passing of a special resolution at any general meeting of the Company.

As at the Latest Practicable Date, the Company has issued 558,478,733 Shares and held 1,255,200 treasury shares, and there are 186,100 Shares repurchased for cancellation but not yet canceled. Subject to the approval of the Shareholders, the Company will only utilize the Issue and Resale Mandate to sell and/or transfer any H Shares out of treasury that are held as treasury shares. Subject to the passing of the special resolution granting the general mandate to (i) issue additional Shares and (ii) sell and/or transfer treasury shares to the Board of Directors and based on the assumption that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the AGM, the Board of Directors may, individually or simultaneously, allot, issue or otherwise deal with, or transfer out of treasury up to 111,407,486 Shares pursuant to the general mandate to (i) issue additional Shares and (ii) sell and/or transfer treasury shares to be granted by the Shareholders. The Board of Directors may only prudently exercise the powers under the above general mandate in compliance with the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Listing Rules, relevant laws and regulations and regulatory requirements, and after obtaining all necessary approvals from relevant government authorities.

The resolution was considered and approved at the Board meeting on March 30, 2026, and is hereby submitted to the AGM as a special resolution for consideration and approval.

9. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated May 26, 2026 in relation to, among other things, the proposed amendments to the Articles of Association.

In order to reflect (i) the increase in the registered capital of the Company as a result of the issuance of 25,900,000 H Shares completed on August 14, 2025 and the placement of 38,800,000 H Shares completed on April 29, 2026; (ii) the reduction in the registered capital of the Company arising from the cancellation of 186,100 H Shares repurchased by the Company, which is expected to be completed by the end of June 2026; and (iii) the proposed reduction of the number of Directors to optimize the Company's governance structure, given the resignation of Mr. Yu Zhonghao, an executive Director of the Company. The Board resolved to amend the Articles of Association as follows:

Before Amendment		After Amendment	
Article 6	The registered capital of the Company is RMB493,778,733.	**Article 6**	The registered capital of the Company is RMB~~493,778,733~~**558,292,633**.
Article 21	The Company has filed with the CSRC on June 14, 2023 and approved by the Hong Kong Stock Exchange on September 27, 2023 to issue not more than 21,155,400 overseas listed foreign shares to investors. Upon approval of the relevant resolution, the Company issued an additional 27,920,000 overseas listed foreign shares on February 13, 2025, which were listed on the Hong Kong Stock Exchange. Upon completion of the issue of overseas listed foreign shares and the partial exercise of the over-allotment option, along with the completion of the additional issue mentioned above, the share capital structure of the Company shall be: the total number of issued shares of the Company of 493,778,733 shares, all of which are ordinary shares with a par value of RMB1 each.	Article 21	~~The Company has filed with the CSRC on June 14, 2023 and approved by the Hong Kong Stock Exchange on September 27, 2023 to issue not more than 21,155,400 overseas listed foreign shares to investors. Upon approval of the relevant resolution, the Company issued an additional 27,920,000 overseas listed foreign shares on February 13, 2025, which were listed on the Hong Kong Stock Exchange. Upon completion of the issue of overseas listed foreign shares and the partial exercise of the over-allotment option, along with the completion of the additional issue mentioned above, the share capital structure of the Company shall be:~~ The total number of issued shares of the Company of ~~493,778,733~~**558,292,633** shares, all of which are ordinary shares with a par value of RMB1 each.
Article 119	The board of directors consists of 11 directors. There are 1 chairman, 1 employee representative director and 4 independent non-executive directors for the Company. At any given time, there shall be at least 3 independent non-executive directors and shall account for at least one third of the total number of board members.	**Article 119**	The board of directors consists of ~~11~~**10** directors. There are 1 chairman, 1 employee representative director and 4 independent non-executive directors for the Company. At any given time, there shall be at least 3 independent non-executive directors and shall account for at least one third of the total number of board members.

The Articles of Association are prepared in Chinese, and the English version is for reference only. In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.

To facilitate the operation and handling of matters relating to the amendments to the Articles of Association, the Board proposes that, subject to the approval by the Shareholders of the amendments to the Articles of Association, the legal representative of the Company or his designated authorised person be authorised to handle business change registration and related procedures.

The resolution was considered and approved at the Board meeting on May 26, 2026, and is hereby submitted to the AGM as a special resolution for consideration and approval.

III. CLOSURE OF REGISTER OF MEMBERS

In order to determine the list of Shareholders who are entitled to attend the AGM, the register of members of holders of H Shares of the Company will be closed from Thursday, June 11, 2026 to Tuesday, June 16, 2026 (both dates inclusive), during which period no transfer of Shares will be registered. In order for holders of H Shares of the Company to be eligible to attend and vote at the AGM, all duly completed transfer documents, accompanied by the relevant share certificates, must be lodged with the H Share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong at or before 4:30 p.m. on Wednesday, June 10, 2026. Shareholders whose names appear on the Company's register of members on Tuesday, June 16, 2026 are entitled to attend and vote at the Annual General Meeting.

IV. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The Company will convene the AGM at Conference Room, Level 2, Block A, Hongyuan New Era, Shangdi West Road, Haidian District, Beijing, PRC at 2:00 p.m. on Tuesday, June 16, 2026. The notice of the AGM is set out on pages AGM-1 to AGM-2 of this circular.

The proxy forms for use at the AGM are enclosed with this circular and are available on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.4paradigm.com). Shareholders who intend to appoint a proxy to attend the AGM shall complete the proxy form and return it to the H Share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 24 hours before the scheduled time of the AGM (i.e. not later than 2:00 p.m. on Monday, June 15, 2026 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM or at any adjournment thereof should Shareholders so wish at that time.

V. RECOMMENDATION

The Directors consider that all resolutions set out in the notice of the AGM are in the best interests of the Company and the Shareholders as a whole. As such, the Directors recommend the Shareholders to vote for the relevant resolutions as set out in the notice of the AGM.

The trustee of the H-Share RSU scheme of the Company adopted on September 19, 2024 will abstain from voting on all resolutions to be proposed at the AGM. Holders of treasury shares (if any) have no voting rights at the general meeting of the Company.

Yours faithfully,
For and on behalf of the Board
Phancy Group Co., Ltd.
範式智能技術集團股份有限公司
Dr. Dai Wenyuan
Chairman and Executive Director

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information for them to make an informed decision on whether to vote for or against a special resolution to be proposed at the AGM in relation to the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company consisted of 198,869,237 Unlisted Shares with a nominal value of RMB1.00 each and 359,609,496 H Shares (including 1,255,200 H Shares held in treasury and 186,100 Shares repurchased for cancellation but not yet canceled) with a nominal value of RMB1.00 each. Subject to the passing of the resolutions granting the Repurchase Mandate and based on the assumption that the issued share capital of the Company remains unchanged between the Latest Practicable Date and the AGM, the Company may repurchase pursuant to the Repurchase Mandate a maximum of 35,816,819 H Shares which represent 10% of the total number of H Shares in issue (excluding any treasury shares and Shares repurchased for cancellation but not yet canceled) as at the date of passing the relevant resolution at the AGM.

2. REASONS FOR REPURCHASE OF H SHARES

The Directors believe that the grant of the Repurchase Mandate in the present conditions will demonstrate the Company's confidence in its own business outlook and prospects and would, ultimately, benefit the Company and create value for its shareholders.

3. FUNDING OF REPURCHASE

In repurchasing H Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the laws of the PRC and/or any other applicable laws, as the case may be.

In accordance with the laws of the PRC or administrative regulations and subject to the approval of relevant authority, the Company is entitled by its Articles of Association to repurchase H Shares. The Company shall not repurchase H Shares on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange from time to time.

4. IMPACT OF REPURCHASE

The Directors are of the view that, in the light of the liquid cash resources of the Company amounting to approximately RMB2.0 billion as at December 31, 2025, the Board believes that the current financial resources of the Company would be sufficient to implement the share repurchase while maintaining a solid financial position. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors in due course with the circumstances then prevailing considered and in the best interests of the Company.

5. STATUS OF REPURCHASED H SHARES

Following a repurchase of H Shares, the Company may cancel any repurchased H Shares and/or hold them as treasury shares subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances. Shareholders and potential investors of the Company should pay attention to any announcement to be published by the Company in the future, including, but without limitation, any relevant next day disclosure return (which shall identify, amongst others, the number of repurchased H Shares that are to be held in treasury or cancelled upon settlement of such repurchase, and where applicable, disclose the reasons for any deviation from the intention statement previously disclosed) and any relevant monthly return.

Once the H Shares are repurchased by the Company, the shareholders' rights attached to the repurchased H Shares will be suspended. The Company will, upon completion of the share repurchase, give clear written instruction to the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited and the relevant broker to update the record to clearly identify the repurchased H Shares held in CCASS as treasury shares.

6. MARKET PRICES OF H SHARES

The highest and lowest trading prices of the H Shares traded on the Hong Kong Stock Exchange during each of the previous 12 months were as follows:

Month	**Highest**	**Lowest**
	HK$	*HK$*
May 2025	49.55	38.50
June 2025	54.95	40.90
July 2025	57.85	48.65
August 2025	66.95	51.10
September 2025	69.50	54.65
October 2025	70.00	50.65
November 2025	58.70	45.02
December 2025	48.26	40.72
January 2026	61.95	42.98
February 2026	49.70	38.60
March 2026	39.60	34.02
April 2026	47.82	33.76
May 2026 (as of the Latest Practicable Date)	40.68	30.76

7. GENERAL INFORMATION

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell any H Shares to the Company following the approval by the Shareholders of granting the Repurchase Mandate.

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the power of the Company to repurchase H Shares pursuant to the Repurchase Mandate in compliance with the Listing Rules and applicable laws of the PRC.

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

The Directors confirmed that neither this explanatory statement nor the proposed Repurchase Mandate has any unusual features.

8. TAKEOVERS CODE

If, as a result of any repurchase of H Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase in proportionate interest will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate his/her/its/their control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Dr. Dai Wenyuan controls or is entitled to control the voting rights of 177,990,550 Shares, which account for approximately 31.95% of the Company's total issued share capital (excluding 1,255,200 treasury shares and 186,100 Shares repurchased for cancellation but not yet cancelled). If the general mandate to repurchase H Shares is fully exercised and assuming that no further issuance or repurchase of shares is made prior to such full exercise, the proportion of the interest of the voting rights held by Dr. Dai Wenyuan in the Company to the total share capital of the Company will therefore increase to approximately 34.15% (if he does not participate in such repurchase). Such increase may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Moreover, the Board will not repurchase H Shares on the Stock Exchange under the general mandate to repurchase H Shares if the repurchase will result in the total number of H Shares held by the public shareholders falling below the prescribed minimum percentage required by the Hong Kong Stock Exchange.

9. REPURCHASE OF SHARES MADE BY THE COMPANY

No buy-back of Shares has been made by the Company during the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Phancy Group Co., Ltd.
範式智能技術集團股份有限公司
(formerly known as "Beijing Fourth Paradigm Technology Co., Ltd.北京第四範式智能技術股份有限公司")
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 6682)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the "**AGM**") of Phancy Group Co., Ltd. (the "**Company**") will be held at Conference Room, Level 2, Block A, Hongyuan New Era, Shangdi West Road, Haidian District, Beijing, PRC on Tuesday, June 16, 2026 at 2:00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions. In this notice, unless the context otherwise requires, capitalised terms used herein shall have the same meanings as defined in the Company's circular (the "**Circular**") dated May 26, 2026.

ORDINARY RESOLUTIONS

1. To consider and approve the annual report for 2025;

2. To consider and approve the report of the Board of Directors for 2025;

3. To consider and approve the financial report for 2025;

4. To consider and approve the proposed profit distribution plan for 2025;

5. To consider and approve the proposed re-appointment of Rongcheng (Hong Kong) CPA Limited as the auditor of the Company for the year 2026 and to authorize the Audit Committee to determine their remuneration; and

6. To consider and approve the resolution on the provision of expected guarantee limits to wholly-owned subsidiaries for 2026.

SPECIAL RESOLUTIONS

7. To consider and if thought fit, pass with or without amendments, the resolution regarding the proposed grant of general mandate to repurchase H Shares;

8. To consider and if thought fit, pass with or without amendments, the resolution regarding the proposed grant of general mandate to (i) issue Shares; and (ii) sell and/or transfer treasury shares; and

9. To consider and approve the resolution on the proposed amendments to the Articles of Association.

Details of the above resolutions proposed at the AGM are contained in the Circular, which is available on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.4paradigm.com).

By Order of the Board
Phancy Group Co., Ltd.
範式智能技術集團股份有限公司
Dr. Dai Wenyuan
Chairman and Executive Director

Hong Kong, May 26, 2026

Notes:

1. The resolution at the meeting will be taken by poll (except where the chairman decides to allow such resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of the Hong Kong Stock Exchange and the Company in accordance with the Listing Rules.

2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 24 hours before the time appointed for the meeting or the adjourned meeting (as the case may be) (i.e. not later than 2:00 p.m. on Monday, June 15, 2026 (Hong Kong time)). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Thursday, June 11, 2026 to Tuesday, June 16, 2026, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, June 10, 2026.

5. Where there are joint registered holders of any share, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

6. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the executive Directors are Dr. Dai Wenyuan and Mr. Chen Yuqiang; the non-executive Directors are Dr. Yang Qiang, Mr. Dou Shuai and Mr. Zhang Jing; the independent non-executive Directors are Mr. Li Jianbin, Mr. Liu Chijin, Ms. Ke Yele and Mr. Pan Jialin; and the employee representative Director is Mr. Chai Yifei.