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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares of 360 Ludashi Holdings Limited, you should at once hand this circular together with the accompanying 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 the transferee.

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360 LUDASHI HOLDINGS LIMITED

360魯大師控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3601)

CONTINUING CONNECTED TRANSACTIONS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING

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

Capital 9 Limited

Capitalised terms used in this cover page shall have the same meanings as defined in this circular unless otherwise specified.

A notice convening the EGM of the Company to be held physically on Friday, 26 June 2026 at 11:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 10:30 a.m. on the same day and at the same place) at the conference room of the Company, 11/F, 11-24 Tianfu Software Site E1, 1268 Tianfu Avenue, High-tech Zone, Chengdu, Sichuan Province, PRC is set out on pages EGM-1 to EGM-3 of this circular and a form of proxy for the EGM is disseminated together with this circular. Whether or not you are able to attend the EGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company, 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 48 hours before the time appointed for the holding of the EGM or any adjournment meeting (as the case may be). The completion of a form of proxy will not preclude you from attending and voting at the EGM in person should you so wish, and in such case, the authority of your proxy will be revoked.

4 June 2026

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NOTICE OF EXTRAORDINARY GENERAL MEETING EGM-1

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

"360 Group"	360 Security and its subsidiaries, including 360 Technology Group
"360 Security"	360 Security Technology Inc.(三六零安全科技股份有限公司), a joint stock company with limited liability established in the PRC, whose shares are listed on the Shanghai Stock Exchange(上海證券交易所) (stock code: 601360), and one of the substantial shareholders of the Company
"360 Technology"	360 Technology Group Co., Ltd.*(三六零科技集團有限公司), a limited liability established in the PRC and directly wholly-owned by 360 Security. As at the Latest Practicable Date, 360 Technology, through its direct wholly-owned subsidiary, True Thrive, is holding 45,496,082 Shares of the Company, representing approximately 16.91% of the total issued share capital of the Company. 360 Technology, which is wholly-owned by 360 Security, is one of the substantial shareholders of the Company
"360 Technology Group"	360 Technology and its subsidiaries
"Advertising Traffic Services"	advertising traffic services including homepage directing services, banner advertising services and others for online advertising business, a type of online traffic monetization service
"Announcement"	the announcement of the Company dated 29 April 2026 in respect of the continuing connected transactions pursuant to the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028
"Annual Caps"	the respective maximum aggregate proposed annual value for the continuing connected transactions under each of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 for each of the three years ending 31 December 2028
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Chengdu Qilu"	Chengdu Qilu Technology Company Limited*(成都奇魯科技有限公司), a limited liability company established in the PRC and is deemed to be a wholly-owned subsidiary of the Company pursuant to the Contractual Arrangements

"Chengdu Qilu Shareholder Rights Entrustment Agreement"	the agreement dated 15 January 2018 and taking effect from 29 December 2016 among Mr. Tian Ye, Qihu Technology and Chengdu Qilu, pursuant to which Mr. Tian Ye is entrusted by Qihu Technology to exercise all of Qihu Technology's rights as a shareholder of Chengdu Qilu (including but not limited to Qihu Technology's voting power at general meetings of Chengdu Qilu)
"Company"	360 Ludashi Holdings Limited (360魯大師控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3601)
"Company Shareholder Rights Entrustment Agreement"	the agreement dated and taking effect on 4 September 2018 between Dashi Technology and True Thrive, pursuant to which Dashi Technology is entrusted by True Thrive to exercise all of True Thrive's rights as a Shareholder (including but not limited to True Thrive's voting power at general meetings of the Company)
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Contractual Arrangements"	a series of contractual arrangements entered into among Chengdu Anyixun Technology Company Limited*(成都安易迅科技有限公司), Chengdu Qilu and the registered shareholders of Chengdu Qilu, i.e. Qihu Technology, Mr. Tian Ye, Shanghai Dongfangwang Digital Technology Company Limited*(上海東方網數字科技股份有限公司) ("**Dongfangwang Digital Technology**") and Chengdu Qilu Haochen Enterprise Management Consulting Company Limited*(成都奇魯昊宸企業管理諮詢有限公司)
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Dashi Technology"	Dashi Technology Holdings Limited(大師控股有限公司), a company incorporated in the British Virgin Islands with limited liability and directly wholly owned by Mr. Tian Ye, one of the Company's controlling Shareholders
"Director(s)"	the director(s) of the Company

"EGM"	the extraordinary general meeting of the Company to be held physically on Friday, 26 June 2026 at 11:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 10:30 a.m. on the same day and at the same place) at the conference room of the Company, 11/F, 11-24 Tianfu Software Site E1, 1268 Tianfu Avenue, High-tech Zone, Chengdu, Sichuan Province, PRC to consider and, if appropriate, to approve the resolutions contained in the notice of meeting which is set out on pages EGM-1 to EGM-3 of this circular, or any adjournment thereof
"Entrustment Arrangements"	the entrustment arrangements under the Company Shareholder Rights Entrustment Agreement and the Chengdu Qilu Shareholder Rights Entrustment Agreement in relation to the shareholder rights of True Thrive in the Company in favour of Dashi Technology and the shareholder rights of Qihu Technology in Chengdu Qilu in favour of Mr. Tian Ye, respectively, details of which are set out in the paragraph headed "History, Reorganization and Corporate Structure – Entrustment Arrangements" in the Prospectus
"Game Traffic Services"	online traffic directing services that generate online user traffic by exhibiting the online games on the game platforms operated by the service provider, a type of online traffic monetization service
"Gross Billing"	total amount paid by users during a given period of time for purchase of virtual items
"Group"	the Company, its subsidiaries and the PRC Operating Entities
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board, comprising Mr. Li Yang, Mr. Wang Xinyu and Ms. Hu Qin, all of whom are independent non-executive Directors, formed to advise the Independent Shareholders as to (i) the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder; and (ii) the Annual Caps

"Independent Financial Adviser"	Capital 9 Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), which has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder; and (ii) the Annual Caps
"Independent Shareholders"	the Shareholders other than True Thrive, Dashi Technology and their respective associates
"Independent Third Party(ies)"	any person or company and their respective ultimate beneficial owner(s), to the best knowledge, information and belief of the Directors and having made all reasonable enquiries, third party(ies) who is/are independent of, and not connected with, the Company and its connected persons
"Latest Practicable Date"	2 June 2026, being the latest practicable date prior to the dissemination of this circular, for ascertaining certain information for inclusion in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"New 360 Master Purchase Agreement 2026-2028"	the master agreement dated 29 April 2026 entered into between the Company and 360 Security in relation to the provision of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services by 360 Group to the Group for the period commencing from 1 July 2026 to 31 December 2028
"New 360 Master Sales Agreement 2026-2028"	the master agreement dated 29 April 2026 entered into between the Company and 360 Security in relation to the provision of online traffic monetization services and Other Internet Services by the Group to 360 Group for the period commencing from 1 July 2026 to 31 December 2028
"Old 360 Master Purchase Agreement 2025-2027"	the master agreement dated 6 November 2024 entered into between the Company and 360 Technology in relation to the provision of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services by 360 Technology Group to the Group for the period commencing from 1 January 2025 to 31 December 2027
"Old 360 Master Sales Agreement 2025-2027"	the master agreement dated 6 November 2024 entered into between the Company and 360 Technology in relation to the provision of online traffic monetization services by the Group to 360 Technology Group for the period commencing from 1 January 2025 to 31 December 2027

"Other Internet Services"	IT maintenance services, code management services, software development kit, data base services, data security system services and provision of smart hardware big database services
"PRC"	the People's Republic of China, for the purpose of this circular only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"PRC Operating Entities"	collectively, Chengdu Qilu and its subsidiaries (and "PRC Operating Entity" means any of them), the financial results of which have been consolidated and accounted for as the subsidiaries of the Company by virtue of the Contractual Arrangements
"Prospectus"	the prospectus of the Company dated 26 September 2019
"Qihu Technology"	Beijing Qihu Technology Company Limited*(北京奇虎科技有限公司), a limited liability company established in the PRC, and directly wholly-owned by 360 Technology, one of the Company's substantial Shareholders
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) with a par value of HK$0.01 each in the issued share capital of the Company
"Shareholder(s)"	holder(s) of Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"True Thrive"	True Thrive Limited(誠盛有限公司), a limited liability company incorporated in the Cayman Islands, wholly-owned by 360 Technology, and one of the Company's substantial Shareholders
"%"	per cent

The English transliteration of the Chinese name(s) in this circular, where indicated with "", is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese names.*

360 LUDASHI HOLDINGS LIMITED
360魯大師控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3601)

Executive Directors:
Mr. Tian Ye *(Chairman)*
Ms. Jian Lu

Non-executive Directors:
Mr. Li Xin
Mr. Zhao Dan
Mr. Huang Jian

Independent non-executive Directors:
Mr. Li Yang
Mr. Wang Xinyu
Ms. Hu Qin

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai, Hong Kong

Headquarters and principal place of business in the PRC
11/F, 11-24 Tianfu Software Site E1
1268 Tianfu Avenue, High-tech Zone
Chengdu, Sichuan Province
PRC

4 June 2026

To the Shareholders,

Dear Sirs/Madams,

CONTINUING CONNECTED TRANSACTIONS AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement in relation to the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 with 360 Security, and the transactions contemplated thereunder for the three financial years commencing from 1 July 2026 to 31 December 2028.

The purpose of this circular is to provide you with (i) further information on the details of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps; (ii) the letter from the Independent Board Committee which contains its recommendation to the Independent Shareholders; (iii) the letter of advice from the Independent Financial Adviser which contains its recommendation to the Independent Board Committee and the Independent Shareholders; (iv) other information as required under the Listing Rules; and (v) the notice of the EGM to the Shareholders on convening the EGM.

(A) Procurement of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from 360 Group

Background

As disclosed in the announcement of the Company dated 6 November 2024 and the circular of the Company dated 3 December 2024, the Company and 360 Technology have entered into the Old 360 Master Purchase Agreement 2025-2027 for the procurement of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from 360 Technology Group by the Group, which validity of such agreement will expire on 31 December 2027.

Although the Old 360 Master Purchase Agreement 2025-2027 has not expired and remains in force until 31 December 2027, in order to cater for expansion of potential new business of the Group (in terms of new product matrix) and to enable the Group to have the flexibility to develop such potential business relationships and dealings with additional members of 360 Group (on top of 360 Technology Group), the Group requested for the counterparty in the Old 360 Master Purchase Agreement 2025-2027 to be changed from 360 Technology to 360 Security (for itself and on behalf of 360 Group) so that the Group is not limited to deal only with 360 Technology Group as per the Old 360 Master Purchase Agreement 2025-2027, but is able to deal with the entire 360 Group (including 360 Technology Group). Thus, on 29 April 2026, the Company entered into the New 360 Master Purchase Agreement 2026-2028 with 360 Security in relation to the provision of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services by 360 Group to the Group, and the termination agreement to the Old 360 Master Purchase Agreement 2025-2027 with 360 Technology to terminate the Old 360 Master Purchase Agreement 2025-2027 with effect from the date on which the New 360 Master Purchase Agreement 2026-2028 becomes effective. As at the Latest Practicable Date, the Group was actively engaged in discussions with 1 additional member of 360 Group (on top of its existing business relationships with 360 Technology Group), with the objective of establishing new business collaborations (including but not limited to the purchase of new services under the Other Internet Services).

Save for the changes in (i) the counterparty from 360 Technology to 360 Security; (ii) the term of the contract is revised to 1 July 2026 to 31 December 2028; (iii) the revised expanded scope of Other Internet Services, which include new services of data security system services; and (iv) the revision of the annual caps, all other terms of the New 360 Master Purchase Agreement 2026-2028 remain unchanged and substantially the same as the Old 360 Master Purchase Agreement 2025-2027.

The key terms of the New 360 Master Purchase Agreement 2026-2028 are as follows:

Date:	29 April 2026
Parties:	(i) the Company (for itself and on behalf of the Group) (ii) 360 Security (for itself and on behalf of 360 Group)
Term:	The period commencing from 1 July 2026 to 31 December 2028.
Nature of transactions:	Pursuant to the New 360 Master Purchase Agreement 2026-2028, the Group has agreed to procure Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from 360 Group.
Consideration:	The price for the services to be paid by the Group to the 360 Group shall be determined with reference to the prevailing market price upon fair negotiation in accordance with normal commercial terms and market customs, and such price shall be no higher than the price paid by the Group to Independent Third Parties in respect of obtaining similar services.
Conditions Precedent:	The New 360 Master Purchase Agreement 2026-2028 and the transactions contemplated thereunder are conditional upon approval by the Independent Shareholders.

Annual Caps

The annual transaction amount for the procurement of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services under the New 360 Master Purchase Agreement 2026-2028 shall not exceed the following annual caps:

For the year ending 31 December	**Annual Cap** *(RMB'000)*
2026	23,000*
2027	46,000
2028	46,000

* Being the pro rata adjustment of the annual transaction amount of RMB46 million for the 6 months period from 1 July 2026 to 31 December 2026

Existing annual caps for the procurement of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from 360 Group

The existing annual caps for the procurement of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from 360 Group for the three years ending 31 December 2026 are as follows:

For the year ended/ending 31 December	Existing annual cap *(RMB'000)*	Actual transaction amount *(RMB'000)*
2024	264,500	54,258
2025	130,000	24,456
2026	130,000	5,080*

* up to 31 March 2026, being the latest practicable date for the purpose of ascertaining the actual transaction amount

The Directors confirmed that the existing annual caps for the procurement of Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from 360 Group for the three years ending 31 December 2026 have not been exceeded up to the Latest Practicable Date and are not expected to be exceeded before the EGM.

Basis for the Annual Caps for the New 360 Master Purchase Agreement 2026-2028

The Annual Caps for the three years ending 31 December 2028 were determined with reference to:

(i) the historical actual transaction amount for the procurement of Game Traffic Services, server leasing services, Advertising Traffic Services and other internet services from 360 Technology Group for the two years ended 31 December 2025 and the three months ended 31 March 2026;

(ii) since 2026, the Group engages Independent Third Party distributors to distribute the new exclusive licensed online game developed using the "Kung Fu Panda（功夫熊貓）" licence with its animated character together with the distribution licence which was formally released at the end of 2025, thereby reducing the quantity of Group's procurement for Game Traffic Services from 360 Group. Therefore, in considering the Annual Caps, the Group no longer takes into account the Game Traffic Services to be procured from 360 Group for "Kung Fu Panda（功夫熊貓）" as the Group estimates the transaction amount involving 360 Group will be minimal, which shall be not more than RMB100,000 per year;

(iii) the continuous offer of existing exclusive licensed online games (including the three well-performing exclusive licensed online games that were developed using a famous martial arts intellectual property ("**Three Well-performing Online Games**")) and software by the Group in the next three years;

(iv) the strategy to expand business operations including the expected launch of one to two new exclusive licensed online games annually by the Group in the next three years; and

(v) the projected demand of the Group for Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from entire 360 Group, including but not limited to the new data security system services under the "Other Internet Services" to be procured from 360 Group.

For Game Traffic Services, for the year ended 31 December 2025 and up to the Latest Practicable Date, there were a total of 3 and 3, respectively, exclusive licensed online games being displayed on 360 Group's game platforms. For the year ended 31 December 2025 and the three months ended 31 March 2026, the historical transaction amount generated from the Three Well-performing Online Games was approximately RMB23.9 million and RMB5.1 million, respectively. Projecting with reference to the transaction amount generated from the Three Well-performing Online Games (with the assumption that the Group is able to continue to renew its such exclusive licence from the relevant licence owners on an annual basis) and the additional amount from one to two new exclusive licensed online games to be launched each year, which the Group estimated based on the average historical amount of around RMB10 million for each exclusive licensed online game launched in the two years ended 31 December 2025, it is expected that the transaction amount in respect of Game Traffic Services will be approximately RMB44 million per year in each of the three years ending 31 December 2028.

For server leasing services, Advertising Traffic Services and Other Internet Services, the historical transaction amount in aggregate recorded for the year ended 31 December 2025 and the three months ended 31 March 2026 was approximately RMB0.6 million and RMB561.0, respectively. Based on the aforementioned historical transaction amount, which translated to an average monthly transaction amount of approximately RMB50,000 and given that (i) the Group expects to use more cloud services of other Independent Third Party providers thereby reducing the procurement quantity for server leasing services from 360 Group, and (ii) the fees for Advertising Traffic Services and Other Internet Services remain stable and there is no substantial seasonal fluctuation of the volume of transactions under Advertising Traffic Services and Other Internet Services, it is expected that the monthly transactions amount for the remaining three years ending 31 December 2028 would remain at similar level of approximately RMB50,000 per month. Potential new businesses with additional members of the 360 Group to be contributed by new data security system services under the "Other Internet Services" (being a type of computer security system) to be procured from 360 Group is expected in order to safeguard and protect the security of information assets of the Group, while the expected increase in transaction volume will not be substantial at the early stage of establishment of new business relationships with these additional members of the 360 Group primarily because the Group remains in the initial phase of developing potential new business opportunities relating to the use of such information assets of the Group before ramping up into a larger-scale commercialisation. Therefore, it is projected that such transaction amount of server leasing services Advertising Traffic Services and Other Internet Services would be approximately RMB1.0 million for each of the three years ending 31 December 2028.

Pricing policy

The Group adopts the following pricing policy in respect of the services to be obtained from 360 Group under the New 360 Master Purchase Agreement 2026-2028:

(i) As an overriding general principal, the fees payable by the Group to 360 Group shall not be more favourable than the price offered by Independent Third Party service providers for comparable services.

(ii) ***Game Traffic Services***

For Game Traffic Services, the fees in the form of commission payable by the Group are calculated progressively at the rate in the range of 70% to 80% over of the Gross Billing to be generated from the online games of the Group which are launched on the game platform operated by 360 Group, which is comparable to those charged by other Independent Third Party service providers to the Group for similar services in the range of 70% to 80%. The rate is determined having regards to (i) credit evaluation on 360 Group by the Group on 360 Group in terms of size, reputation and industry; (ii) historical transactions creditability (in terms of monetary value and quantity of usage); (iii) the level of impression or popularity of the online games of the Group on the online game platform operated by 360 Group; (iv) the prevailing market rate and industry practice for similar services offered in the market as charged by other online game platform service providers; and (v) the potential future business opportunities with 360 Group.

In a contract with our Game Traffic Services provider, whether it is a member of 360 Group or Independent Third Parties, there are progressive rates fixed for different level of Gross Billing in respect of the relevant game.

The Group is more willing to offer a higher rate of commission to service provider who (i) are more credible based on historical transactions because of the lower liquidity risks; (ii) have higher level of impression or popularity of the online games of the Group on the online game platform as it ultimately brings more revenue for the Group; and (iii) have more potential future business opportunities as maintaining a good business relationship with such platform would allow the Group more diversed opportunity to enhance its business.

The historical 70% to 80% commission rate offered by the Group to 360 Group for the year ended 31 December 2025 and the three months ended 31 March 2026 is consistent with industry norms and aligns with the commission rates offered by Independent Third Parties to the Group. As such, such commission rate is no less favourable than rates offered to the Company by other Independent Third Parties.

Gross Billing is the total amount paid by online game players for the purchase of virtual items in the online games of the Group through 360 Group's online game platform. The Gross Billing is accumulated at the end of every month. 360 Group will pay to the Group the balance of the Gross Billing after retaining 70% to 80% of the Gross Billing (as calculated at progressive rate) within a period of 30 days after receiving the invoice from the Group.

(iii) ***Server leasing services***

For server leasing services to be procured by the Group from 360 Group, the price payable to 360 Group will be determined based on the number of servers to be leased, traffic or bandwidth volume and storage space volume, with reference to the prevailing market price for the same server leasing services that can be obtained from Independent Third Party service providers on normal commercial terms. For the purpose of determining market prices, the Group obtained quotations from at least two other Independent Third Party service providers for server leasing services based on similar number of servers, traffic or bandwidth volume, storage space volume involved and quality of services. The fees to be paid by the Group to 360 Group will be accumulated and billed by 360 Group at the end of each quarter with a credit term of 30 days from the date of the invoice.

Other factors that the Group considered included: (i) the brand, and hardware specifications such as processor, memory and storage capacity of the proposed servers listed on the quotations; (ii) the proposed bandwidth, reliability, security and backup systems of the relevant servers; and (iii) the cost of and the possible interruptions that maybe caused by migrating the current servers of the Group from 360 Group to a new service provider.

(iv) ***Advertising Traffic Services and Other Internet Services***

The pricing mechanism and the charging rate for the Advertising Traffic Services and Other Internet Services of 360 Group are determined with reference to the prevailing market rate and industry practice for similar services offered in the market as charged by other Advertising Traffic Services and Other Internet Services service providers. The fee rate of Advertising Traffic Services is calculated based on the daily volume of traffic by adding up the quantity of advertisements displayed on the device and the amount of online user traffic and specific performance, as the case may be, created by 360 Group's Advertising Traffic Services. The fee for Other Internet Services is calculated based on the type and volume of internet products or services (including new data security system services required) by the Group. Depending on the types of services procured, the fees to be paid by the Group to 360 Group will be (a) accumulated and billed by 360 Group at the end of each quarter or (b) a fixed annual fee, and with a credit term of 20 days from the date of the invoice.

Reasons for and benefits of the New 360 Master Purchase Agreement 2026-2028

360 Group is one of the largest suppliers in the PRC for Internet security products and services. It has been providing reliable server leasing services (through 360 Technology) to the Group since 2016.

Further, the "360" brand is a relatively well-known brand with a large user base in the PRC. Benefiting from the brand recognition and large user base, the game platform operated by 360 Group also has a large active user base. The Group will continue to operate existing exclusive licensed online games and expects to launch one to two new exclusive licensed online games annually for the next three years. The Group intends to purchase new data security system services. Thus, the Group requested for the counterparty in the Old 360 Master Purchase Agreement 2025-2027, being 360 Technology, to be replaced with 360 Security (for itself and on behalf of 360 Group), so that the Group is not limited to deal only with 360 Technology as per the Old 360 Master Purchase Agreement 2025-2027, but has the flexibility to develop business relationships with the entire 360 Group, including but not limited to the purchase of new data security system services under the expanded scope of "Other Internet Services", being a type of computer security system, from other members in the 360 Group which are not in 360 Technology Group in order to safeguard and protect the security of information assets of the Group. This is primarily to facilitate the Group's expansion of new businesses (in terms of new product matrix) such as the provision of smart hardware big database services, or such other potential commercialisation relating to the use of information assets of the Group.

The Group intends to place all of its exclusive licensed online games to be developed on the game platform operated by the entire 360 Group (on top of 360 Technology), with an aim to increase the Group's game players and software products user base and enhance the Gross Billing of the games. The entering into of the New 360 Master Purchase Agreement 2026-2028 by the Group with 360 Security to replace the Old 360 Master Purchase Agreement 2025-2027 does not cause any disruptions to the existing operations of the Group but is expected to enable the Group to gain access to an additional supplier in the PRC for Internet security products and services as offered by the entire 360 Group (on top of 360 Technology), as well as to access their respective user base because the game platform operated by 360 Group has a large active user base. This arrangement is expected to increase the Group's game players and software products user base and enhance the Gross Billing of the online games in the longer run.

The Directors (excluding the independent non-executive Directors whose view are set out in "Letter from the Independent Board Committee" of this circular after taking into account the advice of the Independent Financial Adviser, and Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian who are interested in the New 360 Master Purchase Agreement 2026-2028) are of the view that the terms of the New 360 Master Purchase Agreement 2026-2028 have been negotiated and arrived at on an arms-length basis and in the ordinary and usual course of business of the Group and on normal commercial terms between the Group and 360 Group and/or its associates, are fair and reasonable, and in the interest of the Company and the Shareholders as a whole in line with, and with reference to, the industry practice and prevailing market prices.

The Directors (excluding the independent non-executive Directors whose view are set out in "Letter from the Independent Board Committee" of this circular) consider that (i) the continuing connected transactions contemplated under the New 360 Master Purchase Agreement 2026-2028; and (ii) the proposed Annual Caps for the three years ending 31 December 2028 under the New 360 Master Purchase Agreement 2026-2028 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

B. Provision of online traffic monetization services to 360 Group

Background

As disclosed in the announcement of the Company dated 6 November 2024 and the circular of the Company dated 3 December 2024, the Company and 360 Technology have entered into the Old 360 Master Sales Agreement 2025 – 2027 for the provision of online traffic monetization services by the Group to 360 Technology Group, which validity of such agreement will expire on 31 December 2027. During the period of the master agreement, the Group provided (i) Game Traffic Services whereby 360 Technology Group would place its online games on the game platforms operated by the Group; and (ii) Advertising Traffic Services, principally through homepage directing and to a lesser extent through banner advertising to 360 Technology Group.

Although the Old 360 Master Sales Agreement 2025-2027 has not expired and remains in force until 31 December 2027, in order to cater for expansion of potential new business of the Group (in terms of new product matrix) such as the provision of smart hardware big database services or such other potential commercialisation relating to the use of information assets of the Group, and to enable the Group to have the flexibility to develop such potential business relationships and dealings with additional members of 360 Group (on top of 360 Technology Group), the Group requested for the counterparty in the Old 360 Master Sales Agreement 2025-2027 to be changed from 360 Technology to 360 Security (for itself and on behalf of 360 Group) so that the Group is not limited to deal only with 360 Technology Group as per the Old 360 Master Sales Agreement 2025-2027, but is able to deal with the entire 360 Group (including 360 Technology Group). Thus, on 29 April 2026, the Company entered into the New 360 Master Sales Agreement 2026-2028 with 360 Security in relation to the provision of online traffic monetization services (by way of Game Traffic Services and Advertising Traffic Services) and Other Internet Services (by way of provision of smart hardware big database services) by the Group to 360 Group, and the termination agreement to the Old 360 Master Sales Agreement 2025-2027 with 360 Technology to terminate the Old 360 Master Sales Agreement 2025-2027 with effect from the date on which the New 360 Master Purchase Agreement 2026-2028 becomes effective. As at the Latest Practicable Date, the Group was actively engaged in discussions with 1 additional member of 360 Group (on top of its existing business relationships with 360 Technology Group), with the objective of establishing new business collaborations (including but not limited to the provision of smart hardware big database services under the Other Internet Services).

Save for (i) the change in the counterparty from 360 Technology to 360 Security; (ii) the term of the contract is revised to 1 July 2026 to 31 December 2028; and (iii) the additional scope of services to be provided to 360 Group to include Other Internet Services (for the provision of smart hardware big database services to 360 Group), all other terms of the New 360 Master Sales Agreement 2026-2028 (including the annual caps relating thereto) remain unchanged and substantially the same as the Old 360 Master Sales Agreement 2025-2027.

The key terms of the New 360 Master Sales Agreement 2026-2028 are as follows:

Date:	29 April 2026
Parties:	(i) the Company (for itself and on behalf of the Group) (ii) 360 Security (for itself and on behalf of 360 Group)
Term:	The period commencing from 1 July 2026 to 31 December 2028.
Nature of transactions:	Pursuant to the New 360 Master Sales Agreement 2026-2028, the Group has agreed to provide online traffic monetization services (including Game Traffic Services and Advertising Traffic Services) and Other Internet Services (including provision of smart hardware big database services) to 360 Group.
Consideration:	The price for the services to be charged by the Group to the 360 Group shall be determined with reference to the prevailing market price upon fair negotiation in accordance with normal commercial terms and market customs, and such price shall be no less favourable to the Group than the price charged by the Group to Independent Third Parties.
Conditions Precedent:	The New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder are conditional upon approval by the Independent Shareholders.

Annual Caps

The annual transaction amount for the provision of online traffic monetization services (including Game Traffic Services and Advertising Traffic Services) and Other Internet Services under the New 360 Master Sales Agreement 2026-2028 shall not exceed the following annual caps:

For the year ending 31 December	**Annual Cap** *(RMB'000)*
2026	40,000*
2027	80,000
2028	80,000

* Being the pro rata adjustment of the annual transaction amount of RMB80 million for the 6 months period from 1 July 2026 to 31 December 2026

Existing annual caps for the provision of Game Traffic Services and Advertising Traffic Services to 360 Group

The existing annual caps for the provision of Game Traffic Services and Advertising Traffic Services to 360 Group for the three years ending 31 December 2026 are as follows:

For the year ended/ending 31 December	**Existing annual cap** *(RMB'000)*	**Actual transaction amount** *(RMB'000)*
2024	135,000	101,881
2025	80,000	61,770
2026	80,000	13,024*

* up to 31 March 2026, being the latest practicable date for the purpose of ascertaining the actual transaction amount

The Directors confirmed that the existing annual caps for the provision Game Traffic Services and Advertising Traffic Services to 360 Group for the three years ending 31 December 2026 have not been exceeded up to the Latest Practicable Date and are not expected to be exceeded before the EGM.

Basis for the Annual Caps for the New 360 Master Sales Agreement 2026-2028

The Annual Caps for the three years ending 31 December 2028 were determined with reference to:

(i) the historical actual transaction amount for the provision of Game Traffic Services and Advertising Traffic Services to 360 Group for the two years ended 31 December 2025 and the three months ended 31 March 2026;

(ii) in respect of Game Traffic Services, due to accounting treatment of the Group as elaborated below, the Group estimated the transaction amount generated from the Group's Three Well-performing Online Games (with the assumption that the Group is able to continue to renew its such exclusive licence from the relevant licence owners on an annual basis) and the additional amount from one to two new exclusive licensed online games to be launched by the Group each year;

(iii) the projected demand from the entire 360 Group for Advertising Traffic Services and Other Internet Services, having regard to:

(a) the provision of Advertising Traffic Services to 360 Technology Group by the Group since 2015, which is expected to continue and is now extended to the other members of the 360 Group;

(b) the Group's plan to provide smart hardware big database services, which can be provided to 360 Group under the "Other Internet Services" as new services to 360 Group; and

(c) the continuous updates and development of the Group's products so as to enhance the brand awareness of the Group's products and to capture and expand its user base.

For Game Traffic Services, in estimating the annual cap for the Game Traffic Services under the New 360 Master Sales Agreement 2026-2028, the Group has taken into account:

(i) the estimated Gross Billing relating to the Group's Three Well-performing Online Games recorded by the platform of 360 Group under the New 360 Master Purchase Agreement 2026-2028 as sales to 360 Group due to accounting treatment of the Group, and hence, being regarded as the transaction amount under the New 360 Master Sales Agreement 2026-2028 even though there is no actual provision of such Game Traffic Services by the Group to 360 Group; and

(ii) the estimated transaction amount from the online games placed by 360 Group on the Group's game platforms, which is expected to be minimal. During the year ended 31 December 2025 and the three months ended 31 March 2026, the online games placed by 360 Technology Group on the Group's game platforms have been minimal due to 360 Group strengthened its focus on internet and computer security business instead of online game business.

Based on the historical transaction amount generated from the Group's Three Well-performing Online Games (with the assumption that the Group is able to continue to renew its such exclusive licence from the relevant licence owners on an annual basis) and the additional amount from one to two new exclusive licensed online games to be launched by the Group each year, it is expected that the transaction amount in respect of Game Traffic Services will be approximately RMB55 million per year in each of the three years ending 31 December 2028. Such recognition of the Gross Billing of the Group's Three Well-performing Online Games recorded by the platform of 360 Group as sales to 360 Group under the New 360 Master Sales Agreement 2026-2028 is for the purpose of compliance with the relevant accounting policy adopted by the Company. In the event of any dispute between 360 Group and the Group regarding such transaction, it is to be determined under the New 360 Master Purchase Agreement 2026-2028.

For Advertising Traffic Services, for the year ended 31 December 2025 and the three months ended 31 March 2026, the transaction amounts from 360 Technology Group amounted to approximately RMB29.5 million and RMB6.1 million which is translated to an average of approximately RMB2.5 million per month and RMB2.0 million per month, respectively. For Other Internet Services, the Group intends to offer such new product offering to 360 Group by way of provision of smart hardware big database services. being data such as raw data, device performance trends, usage statistics, market intelligence, etc relating to computer hardware. It is expected that for the three years ending 31 December 2028, the transaction amount derived from Advertising Traffic Services and Other Internet Services will be approximately RMB25.0 million after considering the transaction amount with 360 Technology Group, and the additional members of the 360 Group but the expected increase in sales transaction volume will not be substantial at the early stage of establishment of new business relationships with these additional members of the 360 Group.

Prior to determination of the transaction amount under the abovementioned services, the Group discussed with and understood from 360 Group that the transaction volume for Game Traffic Services had remained stable compared with previous years and was not expected to experience a substantial increase. As at the Latest Practicable Date, the Group was still engaged in discussions with 360 Group on the potential collaboration in respect of the Other Internet Services, which had not yet been formalise into an executed contract.

Pricing policy

The fees payable by 360 Group for Game Traffic Services, Advertising Traffic Services and Other Internet Services shall be determined in accordance with the following general principles and sequence, but shall not be more favourable than the price offered by the Group to Independent Third Party customers for the comparable services:

(i) where there is a government-prescribed price or government-guidance price, with reference to the government-prescribed price or government-guidance price;

(ii) where there is neither government-prescribed price nor government-guidance price, the prevailing market price; or

(iii) where none of the aforesaid is available, the price determined after arm's length negotiations and in accordance with normal commercial terms.

Given that the services provided by the Group are not subject to any government-prescribed price or government-guidance price, in this connection, the fees charged by the Group to 360 Group for Advertising Traffic Services, Game Traffic Services and Other Internet Services are determined with reference to the general principles (ii) and (iii) above as elaborated below:

Game Traffic Services

For Game Traffic Services, the fees in the form of commission payable by 360 Group have historically been calculated at the rate of 70% over the Gross Billing generated from their online games which are launched on the game platforms operated by the Group, which agreed fixed rate is comparable to those charged by the Group to other Independent Third Party customers for similar services.

In practice, the same progressive rate of 70% to 80% determination mechanism may be applied to procurement of Game Traffic Services from the Company's services providers, including 360 Group and independent customers in accordance with the following factors: (i) credit evaluation of the customer in terms of size, reputation and industry of the customer involved; (ii) historical transactions creditability (in terms of monetary value and quantity of usage); (iii) the level of impression or popularity of the online games of the customer on the online game platforms operated by the Group; (iv) the prevailing market rate and industry practice for similar services offered in the market as charged by other online game platforms service providers; and (v) the potential future business opportunities with the customer. Gross Billing is the total amount paid by online game players for the purchase of virtual items in the online games of 360 Group through the Group's online game platforms. Such progressive rate of 70% to 80% is the prevailing industry rate and is the range of progressive rate within which the Group could agree with its service providers and customers for Game Traffic Services in accordance with the Group's pricing mechanism. When a progressive rate within this range is agreed with the specific services providers or customers, the contract with such service providers or customers would expressly specify the applicable progressive rates and the corresponding Gross Billing amounts.

The Group is more willing to charge a lower progressive rate with customers who (i) are more credible based on historical transactions because of the lower risk of potential disputes; (ii) has higher level of impression or popularity of the online games of the Group on the online game platform as it ultimately brings more revenue (in the form of fees) for the Group; and (iii) has more potential future business opportunities as maintaining a good business relationship with such platform would allow the Group more diversed opportunity to enhance its business. The historical commission rate and pricing basis offered by the Group to the 360 Group in the year ended 31 December 2025 and the three months ended 31 March 2026 is consistent with industry norms and is no less favourable than rates offered by the Company to other Independent Third Parties

The Gross Billing is accumulated at the end of every month. The Group is required to pay 360 Group the balance of the Gross Billing after retaining its commission within a period of 5 days after receiving the invoice from 360 Group. However, in practice, the Group generally has the flexibility to pay to 360 Group outside the 5 days period, which settlement period was similar with that to its independent customers. As such, the Group is of the view that the flexible credit term as outline above together with its well-established long-term business relationship with 360 Group, in practice, is fair and reasonable as it is similar with that offered to its independent customers. As at the Latest Practicable Date, the Group had not faced any legal implications and did not foresee any potential legal implications arising from such delay in settlement which deviated from its contractual term with 360 Group. Nevertheless, the Group has agreed with 360 Group to revise such credit term to 30 days after receiving the invoice from 360 Group, which terms are not less favourable to the Group than those with independent customers.

Advertising Traffic Services and Other Internet Services

Advertising Traffic Services to be provided by the Group to 360 Group under the New 360 Master Sales Agreement 2026-2028 comprise (i) homepage directing services; and (ii) banner advertising, the fees of which shall be charged to 360 Group on the basis of cost-per-thousand IP times and cost-per-mille in accordance with the online traffic volume at the standard charging rate of the Group for different devices as described below. Other Internet Services to be provided by the Group to 360 Group under the New 360 Master Sales Agreement 2026-2028 comprise the provision of smart hardware big database services, the fees of which shall be charged to 360 Group based on volume of such data provided to 360 Group.

Homepage directing services

For homepage directing services of the Advertising Traffic Services and Other Internet Services, the fees payable by 360 Group under the New 360 Master Sales Agreement 2026-2028 will be charged on a progressive pricing mechanism on the basis of cost-per-thousand IP times at the fixed standard charging rate in the range of RMB60/thousand IP to RMB90/thousand IP, depending on the daily volume of online traffic by adding up the number of every distinctive IPs that have been successfully directed to the customer's homepage. Such progressing pricing mechanism and the standard charging rate of the Group are fixed with reference to the prevailing market rate and industry practice for similar services offered in the market as charged by other homepage directing service providers. The Group has the right to cease to provide homepage directing services to 360 Group at any time if the Group determines that it is not commercially viable for the Group to continue such services (such as when the cost incurred by the Group in providing these services cannot be recovered by the fees payable by 360 Group).

The same pricing mechanism is offered by 360 Group as published on 360 Group's website, which is also applicable to all homepage directing service providers of 360 Group, including the Group. The fees to be paid by 360 Group to the Group will be calculated using the above pricing mechanism, which will be accumulated and billed by the Group, and settled by 360 Group, every month.

Banner advertising

For the banner advertising services of the Group's Advertising Traffic Services, the fees payable by 360 Group under the New 360 Master Sales Agreement 2026-2028 will be charged on the basis of cost-per-mille depending on the daily volume of online traffic by adding up the quantity of advertisements displayed on the device and the amount of online user traffic and specific performance, as the case may be, created by the Group's banner advertising services. Such pricing mechanism and the standard charging rate for banner advertising services of the Group are determined with reference to the price set by 360 Group to all its service providers for banner advertising services, being the price with reference to the prevailing market rate. The Group has the right to cease to provide banner advertising services to 360 Group at any time if the Group determines that it is not commercially viable for the Group to continue such services (such as when the cost incurred by the Group in providing these services cannot be recovered by the fees payable by 360 Group).

The same pricing mechanism is offered by 360 Group, as published on 360 Group's website, is applicable to all service providers of 360 Group, including the Group. The fees to be paid by 360 Group to the Group will be calculated using the above pricing mechanism, which will be accumulated and billed by the Group, and settled by 360 Group, every month.

Other Internet Services

For the provision of smart hardware big database services under the Other Internet Services, the fees payable by 360 Group under the New 360 Master Sales Agreement 2026-2028 will be charged to 360 Group on the basis of cost-per-valid data as determined with reference to prevailing market rate and industry practice for similar services offered in the market as charged by other service providers based on volume of valid smart hardware data provided to 360 Group. "Valid data" refers to data supplied by the Group that meets the criteria or requirements prescribed by 360 Group and has been delivered to and accepted by 360 Group. Such criteria or requirements (including but not limited to the types and scope of data, the period of coverage of the data, prescribed format of delivery, frequency of usage) will be agreed upfront by the Group and 360 Group and specified in each individual contract. As long as the Group supplied the data that meets the agreed criteria or requirements, 360 Group must accept and is deemed to have accepted the delivery of such data. The fees to be paid by 360 Group to the Group upon delivery of the data with a credit term of 30 days from the date of the invoice. The same pricing and payment terms will be offered by the Group to the Group's independent customers.

Reasons for and benefits of the New 360 Master Sales Agreement 2026-2028

The Group has been providing online traffic monetization services, including Advertising Traffic Services and Game Traffic Services in the ordinary course of business of the Group to 360 Group (through 360 Technology) since 2015.

The Group, being a leading computer and mobile device utility software developer, has accumulated a substantial database of smart hardware data derived from its extensive user base. As at 31 December 2025, the Group's computer and mobile device utility software recorded approximately 94.8 million active users. To facilitate the Group's expansion of new businesses (in terms of new product matrix) such as the provision of smart hardware big database services, the Group targets to sell provide such services to customers who are in information technology and/or internet security system industry, which include members of 360 Group. Thus, to enable the Group to have the flexibility to develop business relationships and dealings with additional members of 360 Group (on top of 360 Technology Group), the Group requested for the counterparty in the Old 360 Master Sales Agreement 2025-2027, being 360 Technology, to be replaced with 360 Security (for itself and on behalf of 360 Group), so that the Group is not limited to render services and conduct sales with 360 Technology only, but is able to expand its sales to the entire 360 Group (including 360 Technology) pursuant to the New 360 Master Sales Agreement 2026-2028. The entering into of the New 360 Master Sales Agreement 2026-2028 by the Group and 360 Security does not cause any disruptions to the existing operations of the Group but is expected to enable the Group to provide online traffic monetization services, including Advertising Traffic Services, Game Traffic Services and Other Internet Services in the ordinary course of business of the Group to a larger pool of customers including the entire 360 Group (on top of 360 Technology Group). This arrangement is expected to increase the Group's sales in the longer run because 360 Group is one of the largest suppliers in the PRC for Internet securities products and services, 360 Group requires online traffic monetization services from service providers, such as the Group, to provide Advertising Traffic Services, Game Traffic Services and Other Internet Services for its products and services. The New 360 Master Sales Agreement 2026-2028 will enable the Group to achieve greater synergies with the entire 360 Group.

The Directors (excluding the independent non-executive Directors whose view are set out in "Letter from the Independent Board Committee" of this circular after taking into account the advice of the Independent Financial Adviser, and Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian who are interested in the New 360 Master Sales Agreement 2026-2028) are of the view that the terms of the New 360 Master Sales Agreement 2026-2028 have been negotiated and arrived at on an arms-length basis and in the ordinary and usual course of business of the Group and on normal commercial terms between the Group and 360 Group and/or its associates, are fair and reasonable, and in the interest of the Company and the Shareholders as a whole in line with, and with reference to, the industry practice and prevailing market prices.

The Directors (excluding the independent non-executive Directors whose view are set out in "Letter from the Independent Board Committee" of this circular) consider that (i) the continuing connected transactions contemplated under the New 360 Master Sales Agreement 2026-2028; and (ii) the proposed Annual Caps for the three years ending 31 December 2028 under the New 360 Master Sales Agreement 2026-2028 are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

As a general principle, the price and terms of the individual service agreements in respect of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 will be determined in the ordinary course of business, on normal commercial terms, negotiated on arm's length basis, on similar basis as the Group transacts business with other independent service providers and shall be on terms which are no less favourable to the Group than those offered by other Independent Third Party service providers.

To ensure that all the continuing connected transactions are conducted on normal commercial terms and in accordance with the pricing policies of the Group and will not be prejudicial to the interests of the Company and the Shareholders as a whole, and the transactions amounts under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 will not exceed the Annual Caps, the Group has adopted the following internal control measures:

(i) before entering into individual procurement agreements contemplated under the New 360 Master Purchase Agreement 2026-2028, the procurement department or the project team will regularly, or at least once yearly, keep track of the offered prices for the Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services and, where available, compare with those offered by at least two Independent Third Parties in accordance with the Group's management systems on connected transaction, so as to ensure that the fees or prices for the aforementioned services are conducted on normal commercial terms and in accordance with the pricing policies in respect of the New 360 Master Purchase Agreement 2026-2028 and conform to the prevailing market rate and industry practice;

(ii) before entering into individual service agreements contemplated under the New 360 Master Sales Agreement 2026-2028, the sales department or the project team will be responsible for preparing the relevant agreements in accordance with the Group's management systems on connected transaction, so as to ensure that the standard charging price conforms to the prevailing market rate and industry practice. The sales department or the project team will review the pricing on a yearly basis before the end of each year, and make adjustments to the standard charging price if required. In the event that there have been significant changes in the market conditions, the standard charging price will be adjusted accordingly to reflect such changes in the market;

(iii) the Group's internal control department is responsible to conduct a yearly review on the pricing mechanism for the transactions under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 to ensure that the prices are determined in accordance with the pricing policies adopted by the Group on normal commercial terms, the Group's internal control department will report to the Board, the audit committee of the Board and the independent non-executive Directors at the end of each review period;

(iv) all individual agreements contemplated under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 must be entered into prior to the procurement/provision of such services. The Group's internal control department is responsible to review the pricing mechanism for the transactions under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 to ensure that the prices charged for a specific transaction are fair and reasonable and are determined in accordance with the applicable pricing policy and on normal commercial terms. The terms of the agreements and the prices will be reviewed by the Group's finance and legal departments to ensure that they are determined in accordance with the pricing policies and do not exceed the Annual Caps;

(v) the Group's finance department will be responsible to monitor the transaction amount of all the connected transaction agreements including the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 individually and collectively on a monthly basis to ensure that on a standalone basis and an aggregate basis, they would comply with the Listing Rules and will not exceed the Annual Caps. The Group's finance department will report to the Board and the audit committee of the Board on a yearly basis regarding the amounts conducted during the period to facilitate the Board to monitor the actual amount of transaction amount, assess whether the Annual Caps will be exceeded. In the event that the Annual Caps are expected to be exceeded, the Group shall halt the relevant continuing connected transaction and shall promptly negotiate with the relevant connected persons as regards the projected transaction amount for remaining period of the relevant year in order to determine a new annual caps. The Company will then re-comply with the relevant requirements of the Listing Rules for revision of Annual Caps prior to the entering into further transactions with the connected persons and will ensure the annual cap then in force shall not be exceeded;

(vi) the independent non-executive Directors will continue to review the transactions contemplated under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 and the auditors of the Company will also conduct an annual review on, among others, whether the pricing terms have been adhered to and whether the Annual Caps have been exceeded; and

(vii) any Directors related to 360 Group shall abstain from voting on the relevant Board resolutions in relation to such continuing connected transactions.

Accordingly, the Directors consider that the internal control mechanism is effective to ensure that the transactions contemplated under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 will be conducted on normal commercial terms and not prejudicial to the interests of the Company and the Shareholders as a whole on the basis of the following:

(i) there has been no breach of the internal control mechanism in the past since its adoption;

(ii) there has been no breach of the Listing Rules in relation to the continuing connected transactions conducted by the Company in the past;

(iii) the internal control mechanism ensures that the terms of the transactions conducted with connected persons will be no less favourable to the Group than terms available from Independent Third Parties; and

(iv) the internal control mechanism provides for routine and regular monitoring of the continuing connected transactions carried out by the Group.

RELATION WITH 360 SECURITY AND ITS SUBSIDIARIES

The Directors do not consider there is a material reliance on 360 Security and its subsidiaries and any change in the relationship with 360 Security and its subsidiaries will not have a material adverse impact on the business of the Group because:

(i) there are at least four other game platforms of similar size of active user base in China as that of 360 Group. The Group has no difficulties to substitute 360 Group with another readily available game platform with similar pricing and credit term, which in fact, it is the Group's practice to place all its online games on all of these five game platforms (including 360 Group) and these game platforms charge similar pricing and credit term. In addition, the Group also places online games on not less than 10 other smaller game platforms as at the Latest Practicable Date, it is ultimately up to the game users to decide which game platforms they would like to play their games at and to recharge the Gross Billing;

(ii) the New 360 Master Purchase Agreement 2026-2028 and the transactions contemplated thereunder are not exclusive. The Group is not restricted from working with other online platforms for game distribution, it is a matter of the Group's choice and it remains at the Group's absolute discretion as to whether or not to procure the Game Traffic Services by placing its online games on the game platform of 360 Group. Distributing the online games via 360 Group's online game platform corresponds with its market standing and reach to end users it provides as an online game platform. In addition, the projected transaction amount for server leasing services, Advertising Traffic Services and Other Internet Services would be approximately RMB1.0 million for each of the three years ending 31 December 2028, which is immaterial and only represents approximately 0.1% of the Group's cost of sales for the year ended 31 December 2025;

(iii) for the same contract duration of the New 360 Master Purchase Agreement 2026-2028, the Group also provides similar Game Traffic Services under the New 360 Master Sales Agreement 2026-2028 to 360 Group for them to place their online games on the game platforms operated by the Group as well as Advertising Traffic Services and Other Internet Services. While the Group only provides Advertising Traffic Services to 360 Group, the Directors do not consider it to be a material reliance on 360 Group because such services are integrated through 360 Group's official platform, and 360 Group maintains the same unit price and settlement method for each of its supplier. Such business has been stable since 2016 with an average monthly revenue of approximately RMB2 million or approximately RMB24 million a year, representing approximately 2.2% of the Group's revenue for the year ended 31 December 2025. As for Other Internet Services (by way of provision of smart hardware big database services), the Group intends to provide such services to customers who are in information technology and/or internet security system industry, which include members of 360 Group. Therefore, the continuous business cooperations between the Group and 360 Group are mutually beneficial to, and complementary to each other. Hence, the likelihood that the relationship between the Group and 360 Group will materially adversely change or terminate is low; and

(iv) further, the Annual Cap for the New 360 Master Sales Agreement 2026-2028 only represent approximately 7.3% of the Group's revenue for the year ended 31 December 2025.

INFORMATION OF THE PARTIES INVOLVED

The Group

The Company is incorporated in the Cayman Islands with limited liabilities. The Group develops a series of computer and mobile devices utility software and offer them to users free-of-charge in exchange of online traffic that the Group monetizes from online advertising services, online game platforms and operation of exclusive licensed online game business.

360 Security

360 Security is a joint stock company with limited liabilities established in the PRC, whose shares are listed on the Shanghai Stock Exchange (stock code: 601360) on 16 January 2012. 360 Group is principally involved in the research and development of Internet technology with a particular focus on Internet and computer security, and the provision of online advertising and other value-added services and commercialisation of intelligent devices based on its Internet security products.

360 Technology

360 Technology is a limited liability company established in the PRC on 15 September 2011 and is principally engaged in the research and development of Internet technology with a particular focus on Internet and computer security, and the provision of online advertising and other value-added services and commercialisation of intelligent devices based on its Internet security products. As at the Latest Practicable Date so far as is known to the Company, 360 Technology, through its direct wholly-owned subsidiary, True Thrive, is holding 45,496,082 Shares of the Company, representing approximately 16.91% of the total issued share capital of the Company. 360 Technology is a substantial shareholder of the Company. 360 Technology in turn is directly wholly-owned by 360 Security.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date and so far as is known to the Company, 360 Technology, through its direct wholly-owned subsidiary, True Thrive, is interested in approximately 16.91% of the total issued share capital of the Company, and is one of the substantial shareholders of the Company. 360 Technology in turn is wholly-owned by 360 Security. Hence, 360 Security is a connected person of the Company under the Listing Rules.

Accordingly, 360 Security is a connected person of the Company under the Listing Rules, and each of the transactions contemplated under the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (excluding profits ratio) under Rule 14.07 of the Listing Rules for the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 are, on an annual basis, over 5% and the related Annual Caps are more than HK$10,000,000, the continuing connected transactions contemplated thereunder are subject to reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for True Thrive and its associates (including Dashi Technology pursuant to the Entrustment Arrangements) held an aggregate of 91,415,057 Shares, representing approximately 33.98% of the issued share capital of the Company as at the Latest Practicable Date, will be required to abstain from voting at the EGM, no other Shareholders had a material interest and would be required to abstain from voting at the EGM in respect of the resolutions in relation to the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps.

Mr. Tian Ye, an executive Director, is the sole shareholder of Dashi Technology, which is deemed to be interested in all Shares and voting rights held by 360 Technology through True Thrive pursuant to the Entrustment Arrangements. Mr. Tian Ye is therefore deemed to be interested in all the Shares held by True Thrive. Mr. Zhao Dan is the vice president of 360 Group and Mr. Huang Jian is the vice president and president of commercialisation business of 360 Group. Accordingly, Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian abstained from voting on the Board resolutions in respect of (i) the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps; and (ii) the termination agreements in respect of the Old 360 Master Purchase Agreement 2025-2027 and the Old 360 Master Sales Agreement 2025-2027.

The Board confirms that except for Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian, none of the Directors have any material interest in (i) the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps; and (ii) the termination agreements in respect of the Old 360 Master Purchase Agreement 2025-2027 and the Old 360 Master Sales Agreement 2025-2027. Accordingly, none of the Directors (except for Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian who abstained as mentioned above) was required to abstain from voting on the Board resolutions in relation to (i) the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps; and (ii) the termination agreements in respect of the Old 360 Master Purchase Agreement 2025-2027 and the Old 360 Master Sales Agreement 2025-2027.

ESTABLISHMENT OF INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been established to advise the Independent Shareholders as to (i) the terms of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder; and (ii) the Annual Caps. No member of the Independent Board Committee has any material interest in the aforesaid transactions.

The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the terms of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder; and (ii) the Annual Caps.

EXTRAORDINARY GENERAL MEETING

The Company will convene the EGM or any adjourned meeting hereof at conference room of the Company, 11/F, 11-24 Tianfu Software Site E1, 1268 Tianfu Avenue, High-tech Zone, Chengdu, Sichuan Province, PRC on Friday, 26 June 2026 at 11:00 a.m. (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 10:30 a.m. on the same day and at the same place) to approve matters referred to in this circular at which relevant resolutions will be proposed to the Shareholders to consider, and if thought fit, approve the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions as contemplated thereunder and the Annual Caps. The notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use in connection with the EGM is enclosed herewith. Whether or not you intend to be present and vote at the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). The completion and delivery of a form of proxy will not preclude you from attending and voting at the EGM (or any adjourned meeting thereof) in person should you so wish, and in such case, the authority of your proxy will be revoked.

Pursuant to the Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, any votes of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith and in compliance with the Listing Rules, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll vote results will be published by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

The register of members of the Company will be closed, for the purpose of determining the Shareholders' entitlement to attend and vote at the meeting, from Tuesday, 23 June 2026 to Friday, 26 June 2026 (both days inclusive), during this period no transfer of shares will be registered. In order to attend and vote at the meeting, unregistered Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar and transfer office 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 Monday, 22 June 2026. The record date will be Friday, 26 June 2026.

RECOMMENDATION

The Board considers that the terms of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the ordinary resolutions as set out in the notice of the EGM. Your attention is drawn to the letter from the Independent Board Committee set out on pages 30 to 31 of this circular and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders set out on pages 32 to 51 of this circular in connection with the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder, the Annual Caps and the principal factors and reasons considered by the Independent Financial Adviser in arriving at such advice. The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned and on normal commercial terms or better and in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole.

ADDITIONAL INFORMATION

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

By Order of the Board
360 Ludashi Holdings Limited
Tian Ye
Chairman and executive Director



360 LUDASHI HOLDINGS LIMITED

360魯大師控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3601)

4 June 2026

To the Independent Shareholders,

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of the Company dated 4 June 2026 (the "**Circular**") to the Shareholders, of which this letter forms part. Capitalised terms used in this letter have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members to form the Independent Board Committee and to advise you the terms of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps, whether such terms are fair and reasonable and in the interests of the Company and the Shareholders as a whole and how to vote on the resolutions at the EGM approving the continuing connected transactions.

Capital 9 Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to (i) whether of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder are in the ordinary and usual cause of business of the Group and in the interest of the Company and the Shareholders as a whole; (ii) whether the terms of the New 360 Master Purchase Agreement 2026-2028 and the New Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned; and (iii) how the Independent Shareholders should vote in respect of the relevant resolution(s) to be proposed at the EGM. Details of its advice, together with the principal factors taken into consideration in arriving at such advice, are set out on pages 32 to 51 of the Circular.

We wish to draw your attention to the letter from the Board set out on pages 6 to 29 of the Circular and the additional information set out in the appendix of the Circular.

Having taken into account (i) the terms and conditions of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028; and (ii) the advice and recommendations of the Independent Financial Adviser as set out from pages 32 to 51 of the Circular, we are of the opinion that the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps are on normal commercial terms and the terms of thereof are fair and reasonable so far as the Independent Shareholders are concerned and are on normal commercial terms or better and in the ordinary and usual course of business of the Company and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM to approve the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps.

Yours faithfully,
Independent Board Committee
360 Ludashi Holdings Limited

Mr. Li Yang	**Mr. Wang Xinyu**	**Ms. Hu Qin**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

The following is the text of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the respective Annual Caps for the purpose of incorporation into this circular.



Capital 9 Limited

Unit 1219, 12/F,
Bank of America Tower,
12 Harcourt Road,
Central,
Hong Kong

4 June 2026

To the Independent Board Committee and the Independent Shareholders of
360 Ludashi Holdings Limited

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS

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 New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 and the respective Annual Caps, particulars of which are set out in the section headed "Letter from the Board" ("**Letter from the Board**") contained in the circular of the Company dated 4 June 2026 ("**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

Reference is made to the announcement of the Company dated 29 April 2026 in relation to the termination of the Old 360 Master Purchase Agreement 2025-2027 and the Old 360 Master Sales Agreement 2025-2027 and the entering into of the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 by the Company (for itself and on behalf of the Group) with the 360 Security (for itself and on behalf of the 360 Group) for the period commencing from 1 July 2026 to 31 December 2028.

As at the Latest Practicable Date and so far as is known to the Company, 360 Technology, through its direct wholly-owned subsidiary, True Thrive, is interested in approximately 16.91% of the total issued share capital of the Company, and is one of the substantial shareholders of the Company. 360 Technology in turn is wholly-owned by 360 Security. Hence, 360 Security is a connected person of the Company under the Listing Rules.

As one or more of the applicable percentage ratios (excluding profits ratio) under Rule 14.07 of the Listing Rules for the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 are, on an annual basis, over 5% and the related Annual Caps are more than HK$10,000,000, the continuing connected transactions contemplated thereunder are subject to reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, save for True Thrive and its associates (including Dashi Technology pursuant to the Entrustment Arrangements) held an aggregate of 91,415,057 Shares, representing approximately 33.98% of the issued share capital of the Company as at the Latest Practicable Date, will be required to abstain from voting at the EGM, no other Shareholders had a material interest and would be required to abstain from voting at the EGM in respect of the resolutions in relation to the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps.

Mr. Tian Ye, an executive Director, is the sole shareholder of Dashi Technology, which is deemed to be interested in all Shares and voting rights held by 360 Technology through True Thrive pursuant to the Entrustment Arrangements. Mr. Tian Ye is therefore deemed to be interested in all the Shares held by True Thrive. Mr. Zhao Dan is the vice president of 360 Group and Mr. Huang Jian is the vice president and president of commercialisation business of 360 Group. Accordingly, Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian abstained from voting on the Board resolutions in respect of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps, the termination agreements in respect of the Old 360 Master Purchase Agreement 2025-2027 and the Old 360 Master Sales Agreement 2025-2027.

The Board confirms that except for Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian, none of the Directors have any material interest in the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps, the termination agreements in respect of the Old 360 Master Purchase Agreement 2025-2027 and the Old 360 Master Sales Agreement 2025-2027. Accordingly, none of the Directors (except for Mr. Tian Ye, Mr. Zhao Dan and Mr. Huang Jian who abstained as mentioned above) was required to abstain from voting on the Board resolutions in relation to the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, and the transactions contemplated thereunder and the Annual Caps.

The Independent Board Committee has been established to advise the Independent Shareholders as to (i) the terms of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder; and (ii) the Annual Caps. No member of the Independent Board Committee has any material interest in the aforesaid transactions.

As the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, our role is to give independent opinion to the Independent Board Committee for it to advise the Independent Shareholders in this regard.

BASIS OF OUR OPINION

In formulating our view and recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on (i) the information, facts and representations provided, and the opinions and views expressed, to us by the Company, the Directors and/or the management of the Group, and (ii) the information, facts, representations, opinions and views of the Company, the Directors and/or the management of the Group contained or referred to in the Circular, including but not limited to the Letter from the Board contained therein, all of which have been assumed to be true, accurate and complete at the time they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, view and intention made by the Company, the Directors and/or the management of the Group in the Circular, including but not limited to the Letter from the Board contained therein, were reasonably made after due and careful enquiry and the expectations and intentions made by the Company, the Directors and/or the management of the Group will be met or carried out as the case may be. We consider that we have received and reviewed sufficient information to reach an informed view and have no reason to believe that any material information has been omitted or withheld, or to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company, the Directors and/or the management of the Group. We have been confirmed by the Company that no material facts have been withheld or omitted from the information provided to us, the opinion expressed to us, and/or information or opinion contained or referred to in the Circular.

We have not, however, carried out any independent verification of the information provided by the Company, the Directors and/or the management of the Group, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group, the counter-party to the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028, or any of its respective subsidiaries, controlled entities, jointly controlled entities or associates. We consider that we have performed our duties with impartiality and independence from the Company.

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 the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in the Circular misleading.

As at the Latest Practicable Date, we were not aware of any relationships between us and, nor any interests held by us in, the Company or the counter-parties to the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 that could reasonably be regarded as hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser. In the past two years preceding the Latest Practicable Date, there was no engagement between the Company and us. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exist whereby we had received any fees or benefits from the Company. Accordingly, we are independent pursuant to Rule 13.84 of the Listing Rules and are qualified to give independent advice in respect of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps.

PRINCIPAL REASONS AND FACTORS CONSIDERED

In arriving at our recommendation to the Independent Board Committee and the Independent Shareholders in respect of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028, the transactions contemplated thereunder and the Annual Caps, we have reviewed transaction record and samples of contracts relating to the services contemplated under the Old 360 Master Purchase Agreement 2025-2027 and the Old 360 Master Sales Agreement 2025-2027, the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 and other information contained in the Circular, and taken into consideration the following principal reasons and factors:

New 360 Master Purchase Agreement 2026-2028

(1) Reasons and benefits for entering into the New 360 Master Purchase Agreement 2026-2028

Business relationship with the 360 Technology Group

The Group creates a range of utility software for both PC and mobile devices, offering these tools to users at no cost. In return, it generated revenue by monetising the online traffic through various channels, including online advertising services, game platforms, and the operation of exclusively licensed online games. It has been purchasing Game Traffic Services, server leasing service, Advertising Traffic Services and other internet services, from the 360 Technology Group for around 10 years, required in its business under master purchase agreements previously entered into with the 360 Technology Group, including the Old 360 Master Purchase Agreement 2025-2027.

New services required from other members in the 360 Group

As stated in the Letter from the Board and advised by the Company, the Group intends to expand into the provision of smart hardware big database services and thus requires to purchase new data security system services. The 360 Group is one of the largest suppliers in the PRC for internet security products and services. The change of counterparty from 360 Technology under the Old 360 Master Purchase Agreement 2025-2027 to 360 Security under the New 360 Master Purchase Agreement 2026-2028 enables the Group to have the flexibility to develop business relationships with the entire 360 Group, including but not limited to the purchase of aforesaid new services under the expanded scope of "Other Internet Services" from other members in the 360 Group which are not in the 360 Technology Group.

Taking into account (i) the Group's established stable business relationship with the 360 Group through the 360 Technology Group; (ii) the requirement of the Group to purchase additional services from other members in the 360 Group, we concur with the Director's view that the entering into of the New 360 Master Purchase Agreement 2026-2028 to facilitate the Group's purchase from the entire 360 Group for its business expansion is in the ordinary and usual course of business and in the interests of the Company and its Shareholders as a whole.

(2) Principal terms

On 29 April 2026, the Company (for itself and on behalf of the Group) and 360 Security (for itself and on behalf of the 360 Group) entered into the New 360 Master Purchase Agreement 2026-2028, pursuant to which the Group has agreed to procure Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from the 360 Group.

Pricing policy

As stated in the Letter from the Board, as an overriding general principal, the fees payable by the Group to the 360 Group under the New 360 Master Purchase Agreement 2026-2028 shall not be more favourable than the price offered by Independent Third Party for comparable services.

(i) Game Traffic Services

As stated in the Letter from the Board, the fees in the form of commission payable by the Group are calculated progressively at the rate in the range of 70% to 80% of the Gross Billing to be generated from the online games of the Group which are launched on the game platform operated by the 360 Group, and such rate is comparable to those charged by Independent Third Party to the Group for similar services. The agreed rate is determined having regards to (i) credit evaluation on the 360 Group by the Group in terms of size, reputation and industry; (ii) historical transactions creditability (in terms of monetary value and quantity of usage); (iii) the level of impression or popularity of the online games of the Group on the online game platform operated by the 360 Group; (iv) the prevailing market rate and industry practice for similar services offered in the market as charged by other online game platform service providers; and (v) the potential future business opportunities with the 360 Group.

We have reviewed the transaction record regarding these services and noted that the Group has placed five exclusive online games on both the platform of the 360 Technology Group and independent service providers in 2024, and has placed three of them in 2025 and the first quarter in 2026. We noted from the aforesaid record that the commission payable by the Group to the 360 Technology Group and independent service providers was generally 70% to 80% of the Gross Billing.

We have reviewed the contracts entered into by the Group with the 360 Technology Group for placing all its five online games from 2024 to the first quarter in 2026 ("**FY24-1Q26**"). The Group's has purchased services from over 80 independent service providers for its online games in FY24-1Q26. We have selected contracts of the top three independent service providers (other than the 360 Technology Group) in terms of commission payable by the Group in each of 2024, 2025 and the first quarter in 2026 respectively for review. Including additional contracts provided by the Company, 19 sets of contracts with independent service providers in total which were effective in FY24-1Q26 have been reviewed. As shown in the contracts reviewed, commission payable by the Group to each of the 360 Technology Group and independent service providers was both generally 70% to 80% of the Gross Billing. Given (i) contracts with the 360 Technology Group for all the five online games of the Group and (ii) contracts with independent service providers in FY24-1Q26, including but not limited to the top three, have been reviewed and compared, the samples are considered fair and reasonable.

Regarding the payment terms, we noted from the contracts reviewed that the Gross Billing is accumulated at the end of every month. The 360 Technology Group will pay the Group the balance of the Gross Billing after retaining its commission within a period of 30 days after receiving the invoice from the Group. We noted similar payment terms between the Group and the independent service providers and the credit period is 10 to 45 days after receiving the invoice from the Group.

Further, we have compared the contract terms for a same online game of the Group entered into by the Group with the 360 Technology Group and an independent servicer provider respectively, and noted that (i) the commission rate of the 360 Technology Group is 70% to 80% based on the level of the Gross Billing, while that of such independent service provider for placing the game on a website operated by a Chinese multinational technology conglomerate is fixed at 80% regardless of the level of Gross Billing; and (ii) the 360 Technology Group shall pay the Group the balance of the Gross Billing after retaining its commission within the credit period of 30 days as mentioned above, while the credit period offered to such independent service provider is up to 45 days.

(ii) Server leasing services

As stated in the Letter from the Board, the price payable to the 360 Group will be determined based on the number of servers to be leased, traffic or bandwidth volume and storage space volume, with reference to the prevailing market price for the same server leasing services that can be obtained from Independent Third Party on normal commercial terms.

We have obtained service contracts and transaction documents for similar server leasing services with the 360 Technology Group (one contract for the services from 2023 to 2025) and two out of four independent service providers (3 sets of contracts in total) in FY24-1Q26 for comparison. It is noted that the price offered by the 360 Technology Group was higher as shown in those transactions. As understood from the Company, compared to the purchase from independent service providers, the purchase amount from the 360 Technology Group in recent years was small and thus a lower discount could be obtained by the Group. A small amount of users currently access the software of the Group through the software portal of the 360 Group, thus the Group has to lease a server from the 360 Group to ensure those users can log in normally. The Group will continue to make effort to redirect them to the software portal of the Group or its existing server providers. Regarding payment terms, according to the Company, the fees payable by the Group will be accumulated and billed by the 360 Group quarterly, and the credit term is 30 days from the date of the invoice as offered by the 360 Group. We have reviewed and noted from the previous transaction documents credit terms offered by Independent Third Parties to the Group ranged from 20 days to 2 months after the date of invoice. Given the contracts with the 360 Technology Group and two out of four independent service providers have been reviewed as mentioned above, it is considered that the samples are fair and reasonable.

(iv) Advertising Traffic Services and Other Internet Services

As stated in the Letter from the Board, the pricing mechanism and the charging rate for the Advertising Traffic Services and Other Internet Services of the 360 Group are determined with reference to the prevailing market rate and industry practice for similar services offered in the market as charged by other Advertising Traffic Services and Other Internet Services service providers.

We understood from the Group its demand for Advertising Traffic Services is substantial. For FY25, its purchase of Advertising Traffic Services from Independent Third Parties amounted to over RMB600 million. While no purchase has been made by the Group from the 360 Technology Group in recent years, the Group may require such services from it in the near future for promoting the Group's products and services. Hence, the Group consider that it is in the interest of the Company and the Shareholders as a whole to include the Advertising Traffic Services in the New 360 Master Purchase Agreement 2026-2028 to provide flexibility for the Group's marketing activities to cater for the possible business needs of the Group.

As expected by the Group, similar to the Advertising Traffic Services currently provided by the Group to the 360 Technology Group, the fee rate of Advertising Traffic Services, if any, will be calculated based on the daily volume of traffic by adding up the quantity of advertisements displayed on the device and the amount of online user traffic and specific performance as the case may be, created by 360 Group's Advertising Traffic Services. We noted from three agreements with independent service providers that credit terms of 20 days were offered by those providers. The Company shall make reference to the prevailing market rate and industry practice for similar services offered in the market and/or terms offered by other service providers before entering into definitive agreement for the Advertising Traffic Services with the 360 Group in the coming years. As no Advertising Traffic Services were purchased by the Group from the 360 Technology Group in recent years, comparison with the price recently offered by the independent service provider cannot be made. Nevertheless, we noted that it is stipulated in the New 360 Master Purchase Agreement 2026-2028 that the price for the services to be paid by the Group to the 360 Group shall be no higher than the price paid by the Group to Independent Third Parties in respect of obtaining similar services. Further, the Group will not be obliged to purchase these services from the 360 Group should the pricing and payment terms offered by the 360 Group are considered to be less favourable to the Group than those offered by independent service provider.

For Other Internet Services, the fee shall be calculated based on the type and volume of internet products or services (including the new data security system services as mentioned below) required by the Group. Depending on the types of services procured, the fees payable by the Group to the 360 Group will be (a) accumulated and billed by the 360 Group at the end of each quarter or (b) a fixed annual fee, and with a credit term of 20 days from the date of the invoice. We have reviewed all the four contracts of the Other Internet Services with the 360 Technology Group for FY24-1Q26. We have compared two quotations from independent service providers for similar products or services purchased by the Group from the 360 Technology Group, and noted that the fee charged by the 360 Technology Group was lower than that quoted by the independent service providers. Given contracts with terms of each type of the Other Internet Services required by the Group have been reviewed and compared, it is considered that the samples reviewed are fair and reasonable.

Taking into account the above, we concur with the Directors' view that the pricing and payment terms for the aforesaid services under the New 360 Master Purchase Agreement 2026-2028 are on normal commercial terms and no less favourable to the Group compared to those offered by Independent Third Parties.

(3) Annual Caps

As stated in the Letter from the Board, the Annual Caps for the services under the New 360 Master Purchase Agreement 2026-2028 for the three years ending 31 December 2028 ("**FY26-28**") shall not exceed RMB46 million, of which the amount for the year ending 31 December 2026 ("**FY26**") shall be a pro rata amount of the aforesaid annual cap, which were determined with reference to:

(i) the historical actual transaction amount for the aforesaid services from the 360 Technology Group for FY24-1Q26;

(ii) since 2026, the Group engages Independent Third Party distributors to distribute the new exclusive licensed online game developed using the "Kung Fu Panda(功夫熊貓)" licence with its animated character together with the distribution license which was formally released at the end of 2025, thereby reducing the quantity of Group's procurement for Game Traffic Services from the 360 Group. Therefore, in considering the Annual Caps, the Group no longer takes into account the Game Traffic Services to be procured from the 360 Group for "Kung Fu Panda(功夫熊貓)" as the Group estimates the transaction amount involving 360 Group will be minimal, which shall be not more than RMB100,000 per year;

(iii) the continuous offer of existing exclusive licensed online games (including the Three Well-performing Online games) and software by the Group in FY26-28;

(iv) the strategy to expand business operations including the expected launch of one to two new exclusive licensed online games annually by the Group in FY26-28; and

(v) the projected demand of the Group for Game Traffic Services, server leasing services, Advertising Traffic Services and Other Internet Services from the entire 360 Group, including but not limited to new data security system services under the "Other Internet Services" to be procured from the 360 Group.

The table below sets out the actual transaction amount for the year ended 31 December 2024 ("**FY24**") and 2025 ("**FY25**") and the three months ended 31 March 2026:

	FY24	**FY25**	**For the three months ended 31 March 2026**
	RMB'000	*RMB'000*	*RMB'000*
Game Traffic Services	53,637	23,852	5,079
Server leasing services	25	5	–*
Advertising Traffic Services and other internet services	596	599	–
Total	**54,258**	**24,456**	**5,080**

* *less than RMB1,000*

Game Traffic Services

As stated in the Letter from the Board, the accounting treatment of the Group treats the amount of Gross Billing generated by exhibiting the Group's online games on the game platforms operated by the 360 Group as sales to 360 Group, and hence, being regarded as the transaction amount under the New 360 Master Sales Agreement 2026-2028, and the corresponding amount of commission payable to the 360 Group as purchase from the 360 Group, that is, regarded as the transaction amount under the New 360 Master Purchase Agreement 2026-2028.

As stated in the section headed "New 360 Master Sales Agreement 2026-2028 – Game Traffic Services" below, the Group expects that its Three Well-performing Online Games currently placed on the platform of the 360 Group will continue to contribute Gross Billing in the coming years of a similar annual amount as that in the previous years. It will launch one to two new exclusive licensed online games in the market and have them placed on the 360 Group's platform in FY26-28. In addition, commission will be received from the 360 Group for placing its online games on the Group's platform as in previous years. Based on the above, the Group estimated that Gross Billing of up to RMB55 million in aggregate can be achieved. Given the rate of commission payable to the 360 Group of 70% to 80% of the Gross Billing, the annual cap of purchase of the Game Traffic Services from the 360 Group is estimated to be up to approximately RMB44 million.

As advised by the Group, a breakout-hit game may achieve an outstanding level of Gross Billing, as evidenced by the annual Gross Billing of over RMB300 million recorded by the Three Well-performing Online Games in 2022, 2023 and/or 2024 respectively. We have reviewed the transaction record of the Group which shows that Gross Billing of over RMB300 million was recorded by one of the Three Well-performing Online Games in 2024 and around RMB200 million in 2025. And it is stipulated in the contract of such game that commission of up to 80% of the Gross Billing was offered to the 360 Technology Group. We understood from the Company that,

according to their years of operating experience, it is normal that the popularity of an online game, including one with outstanding performance previously, will decrease gradually after launch in the market for a few years as new online games will continue to be launched in the market for players to choose. And it is the reason why the Group has to continue to launch new online games. Hence, notwithstanding the performance of any online game will decline which is considered normal, the estimation of the Annual Caps of these services by the Group assuming that outstanding performance may be achieved by the Three Well-performing Online Games and the new online games to be launched in the coming years is justifiable.

Taking into account (i) the transaction amount of Game Traffic Services for FY25 under the Old 360 Master Sales Agreement 2025-2027 was approximately RMB32.3 million, and thus over RMB10.8 million in average was contributed by each of the Group's Three Well-performing Online Games; (ii) up to five exclusive online games of the Group will be placed on the platform of the 360 Group; (iii) as advised by the Group, a breakout-hit game may achieve an outstanding level of Gross Billing, as evidenced by the annual Gross Billing of over RMB300 million recorded by the Three Well-performing Online Games in 2022, 2023 and/or 2024; and (iv) the commission rate of up to 80% of Gross Billing payable to the 360 Group, we concur with the Directors' view that the estimated annual sales to the 360 Group of up to approximately RMB55 million in FY26-28, and thus the estimated annual purchase from the 360 Group (that is, commission payable to it) of up to approximately RMB44 million is justifiable.

Server leasing services

As stated in the table above, the transaction amount of server leasing services with the 360 Technology Group decreased from FY24 to FY25 and the amount for the first quarter in 2026 was immaterial. As stated in the 2025AR and further advised by the Company, the Group has substantial demand of server leasing services for its business operation which costed the Group over RMB10 million annually for FY24 and FY25. While the Group has purchased a major portion of such services from independent service providers which are industry giants as considered by the Group rather than from the 360 Technology Group in recent years, the Group may increase its purchase of such services from the 360 Group in the coming years if it is considered in the interest of the Group to switch a portion of its purchase from the independent service providers to the 360 Group after taking into account various factors, including but not limited to, stability of services and transaction terms offered by independent service providers to the Group in the coming years. As further advised by the Company, notwithstanding no business plan of replacement of any procurement from independent third parties by the 360 Group has been formulated, it would be in the interest of the Company and the Shareholders as a whole if the Group can maintain the 360 Group as one of its alternative suppliers. Also, the Group has the right to decide whether to purchase these services from the 360 Group. As confirmed by the Group, any replacement would only be made if it is in the interest of the Group, after considering a variety of factors, including but not limited to fairness and reasonableness of the terms and service quality of the 360 Group as well as quotation from independent supplier at the relevant time.

Advertising Traffic Services and other internet services

As mentioned above, while no purchase of Advertising Traffic Services has been made by the Group from the 360 Technology Group in recent years, demand of such services of the Group was substantial which amounted to over RMB600 million for FY25. Depending on the development and marketing plan of the Group, the Group may require Advertising Traffic Services from the 360 Group in the coming years.

The transaction amount of other internet services with the 360 Technology Group, mainly IT maintenance services, code management services and software development kit, were stable and amounted to approximately RMB0.6 million for FY24 and FY25. We understood from the Company that the contract for services for 2026 has yet been signed and thus nil transaction amount was recorded for the first quarter in 2026. As further advised by the Company, the Group intends to purchase additional security internet services from the 360 Group to cater for its business needs.

We have discussed and understood from the Company that it intends to purchase new data security system services for use by over 200 staff in the Group. It obtained two quotations from independent service providers, which indicated that the aforesaid new services may cost around RMB1 million annually.

Taking into account (i) the estimated annual purchase amount of Game Traffic Services of RMB44 million is considered justifiable as discussed above; (ii) the possible demand of the Group for server leasing services from the 360 Group of up to RMB10 million annually should the Group place its purchase orders to the 360 Group instead of independent service providers; and (iii) the possible annual transaction amount of Other Internet Services with the 360 Group given the historical transaction amount with the 360 Technology Group in FY24 and FY25 and quotation of the new services from the independent service providers, we concur with the Directors' view that the determination basis and thus the Annual Caps are fair and reasonable so far as the Independent Shareholders are concerned.

New 360 Master Sales Agreement 2026-2028

(1) Reasons and benefits for entering into the New 360 Master Sales Agreement 2026-2028

Principal business of the Group and its business relationship with the 360 Technology Group

The Group is principally engaged in the provision of online advertising services, online game platforms, operation of exclusive licensed online game business and smart accessories sales in the PRC, and generated revenue of over RMB1 billion for the year ended 31 December 2025. It has been providing online traffic monetization services, including Advertising Traffic Services and Game Traffic Services, in the ordinary course of business of the Group to the 360 Technology Group since 2015.

Development of new business relationship with other members of the 360 Group

As stated in the Letter from the Board, the Group intends to expand into the provision of smart hardware big database services under the "Other Internet Services" required by other members of the 360 Group for its development of digital security system.

In light of the potential development of new business relationships with other members of the 360 Group (on top of the 360 Technology Group), the Group requested for the counterparty in the Old 360 Master Sales Agreement 2025-2027, being 360 Technology, to be replaced with 360 Security (for itself and on behalf of the 360 Group), so that the Group is able to expand its sales to the entire 360 Group (including 360 Technology) pursuant to the New 360 Master Sales Agreement 2026-2028.

Taking into account (i) it is the principal business of the Group to provide the aforesaid services; (ii) established stable business relationship with the 360 Group (through 360 Technology previously) for over 10 years; and (iii) the entering into the New 360 Master Sales Agreement 2026-2028 allows the group to provide services to the entire 360 Group, we concur with the Director's view that the entering into of the New 360 Master Sales Agreement 2026-2028 is in the ordinary and usual course of business and in the interests of the Company and its Shareholders as a whole.

(2) Principal terms

On 29 April 2026, the Company (for itself and on behalf of the Group) and 360 Security (for itself and on behalf of the 360 Group) entered into the New 360 Master Sales Agreement 2026-2028, pursuant to which the Group has agreed to provide online traffic monetization services and Other Internet Services to the 360 Group.

Pricing policy

As stated in the Letter from the Board, the price for the services to be charged by the Group to the 360 Group shall be determined with reference to the prevailing market price upon fair negotiation in accordance with normal commercial terms and market customs, and such price shall be no less favourable to the Group than the price charged by the Group to Independent Third Parties. While it is the Group's pricing policy that the fees shall be determined in accordance with the following general principles and sequence: government-prescribed price or government-guidance price, the prevailing market price; or the price determined after arm's length negotiations, the services provided by the Group are not subject to any government-prescribed price or government-guidance price as stated in the Letter from the Board.

Game Traffic Services

As stated in the Letter from the Board, the fees in the form of commission payable by the 360 Group have historically been calculated at the rate of 70% of the Gross Billing generated from their online games which are launched on the game platforms operated by the Group, which agreed fixed rate is comparable to those charged by the Group to other Independent Third Party for similar services.

We have reviewed the transaction record regarding these services and noted that the Group provided services to 14 online games in total of the 360 Technology Group during the period FY24-1Q26, of which four of them have been placed on the Group's game platform throughout the whole period.

We have reviewed contracts entered into by the Group with the 360 Technology Group relating to eight online games of the 360 Technology Group, and contracts with the Group's top three independent customers in terms of commission payable to the Group in 2024, 2025 and the first quarter in 2026, which show that the Group charged commission of 70% of the Gross Billing from the 360 Technology Group and 70%-80% of the Gross Billing from the independent customers. Including additional contracts provided by the Company, 14 sets of contracts with independent customers in total which were effective in FY24-1Q26 have been reviewed. Given the size of samples reviewed and compared, including (i) contracts of a majority of the online games (that is, eight out of 14 online games) of the 360 Technology Group and (ii) contracts with the Group's independent customers including but not limited to the top three independent customers in terms of commission payable to the Group, the samples are considered representative, fair and reasonable.

As advised by the Company, while a lower rate was charged by the Group from the 360 Group currently compared to that charged from independent customers due to the unsatisfactory level of Gross Billing generated by the online games of the 360 Technology Group currently placed on the platform of the Group to attract players, the Group may negotiate with the 360 Group for a higher commission rate of up to 80% should there be increment in the Gross Billing generated by the online games of the 360 Group. The commission rate offered to the 360 Group falls within the range offered to independent customers and thus is considered fair and reasonable. We also noted from the aforesaid transaction record that the actual commission charged by the Group from certain independent customers was 70% only notwithstanding the range offered was 70%-80%.

As stated in the Letter from the Board and further confirmed by the Company, in practice, whether it is a member of the 360 Group or Independent Third Parties, the Group may offer progressive rates between 70% to 80% fixed for different level of Gross Billing in respect of the relevant game. The Group is willing to charge a lower progressive rate with customers who (i) are more credible based on historical transactions because of the lower risk of potential disputes; (ii) has higher level of impression or popularity of the online games of the Group on the online game platform as it ultimately brings more revenue (in the form of fees) for the Group; and (iii) has more potential future business opportunities as maintaining a good business relationship with such platform would allow the Group more diversed opportunity to enhance its business.

Regarding the payment terms, we noted from the contracts above that the Gross Billing is accumulated at the end of every month. Based on the contracts reviewed, we noted that the Group is required to pay the 360 Technology Group the balance of the Gross Billing after retaining its commission within a period of 5 days after receiving the invoice from the 360 Technology Group, and pay independent customers within a period of 15 days generally, as shown in 8 out of 14 contracts reviewed. Nevertheless, we further understood from the Group and noted from the transaction documents that, in practice, payment to the 360 Technology Group were made by the Group 16 or 17 days after receiving the invoice from the 360 Technology Group, which was similar with that to the independent customers by the Group as mentioned above. We have also reviewed eight sets of transaction records, which indicated that the Group sometimes paid its independent customers before or after, rather than on, the deadline of the relevant credit period. For example, we noted from two sets of transaction records which showed that the Group settled its payment to the same independent customer on 13 days or 23 days after date of invoice (that is, 2 days before, or 8 days after, the deadline of the 15-day payment period). We understood from the Company that the aforesaid flexible payment practice is normal and allowed by the relevant customers based on mutual trust, and the actual payment date made to the same customer in next transaction may not be the same. We understood from the Company that it has agreed with the 360 Group to revise the credit period to "a period of 30 days after receiving the invoice from the 360 Group" for transactions relating to these services to be contemplated under the New 360 Master Sales Agreement 2026-2028. Taking into account the above, we concur with the Directors' view that the terms with the 360 Group are not less favourable to the Group than those with independent customers.

Advertising Traffic Services

As stated in the Letter from the Board, the Advertising Traffic Services to be provided by the Group to the 360 Group under the New 360 Master Sales Agreement 2026-2028 comprise (a) homepage directing services and (b) banner advertising services, the fees of which shall be charged to the 360 Group on the basis of cost-per-thousand IP times and cost-per-mille respectively in accordance with the online traffic volume as follows:

(a) Homepage directing services

The homepage directing service is a technical function that directs visitors to the homepage of the 360 Group. The fees payable by the 360 Group will be charged on a progressive pricing mechanism on the basis of cost-per-thousand IP times at the fixed standard charging rate in the range of RMB60/thousand IP to RMB90/thousand IP, depending on the daily volume of online traffic by adding up the number of every distinctive IPs that have been successfully directed to the homepage of the 360 Group. Payment shall be billed and settled by the 360 Group monthly.

As stated in the Letter from the Board, the same pricing mechanism is published on 360 Group's website which applies to all homepage directing service providers of the 360 Group. The 360 Group invites the public as its business partner to provide homepage directing services to the 360 Group. The Group has applied as a business partner at the website of the 360 Group. We have reviewed the website of the 360 Group and noted the aforesaid invitation from the 360 Group to the public for joining as business partner providing homepage directing services to the 360 Group. We understood from the Group it has not provided similar services to independent customers in recent years and thus no comparison can be made. Nevertheless, taking into account that the pricing and payment terms offered by the 360 Group to the Group and Independent Third Party who apply as the business partner at the website of the 360 Group shall be the same as understood by the Group from the 360 Group, we concur with the Company's view that the terms are considered fair and reasonable. We further discussed and understood from the Company that, should the transactions to be contemplated is considered not fair and reasonable to the Group (for example, the cost incurred by the Group in providing these services cannot be covered by the fees payable by the 360 Group), the Group has the right to cease to provide these services to the 360 Group any time.

(b) Banner advertising services

The banner advertising currently provided to the 360 Technology Group by the Group mainly includes lockscreen advertising services, in which the Group delivers marketing content such as advertisement of the 360 Group directly to a device's lock screen. The fees payable by the 360 Group will be charged on the basis of cost-per-mille for the quantity of advertisements displayed on the device created by the Group's banner advertising services which will vary depending on the kinds of products or services being promoted in the advertisements at the relevant time, and thus the range would be wide which ranged from less than RMB1 to around RMB4 in FY24-1Q26. Payment shall be billed and settled by the 360 Group monthly.

We understood from the Company that, same as homepage directing services above, the 360 Group invites the public as business partner of the 360 Group to provide banner advertising services to the 360 Group. The Group has applied as a business partner at the website of the 360 Group. We have reviewed the website of the 360 Group and noted the aforesaid invitation from the 360 Group to the public for joining as business partner providing lockscreen advertising services to the 360 Group. We understood from the Group it has not provided similar services to independent customers in recent years and thus no comparison can be made. Nevertheless, taking into account that the pricing and payment terms offered by the 360 Group to the Group and Independent Third Party who apply as the business partner at the website of the 360 Group shall be the same as understood by the Group from the 360 Group, we concur with the Company's view that the terms are considered fair and reasonable. We further discussed and understood from the Company that, should the transactions to be contemplated is considered not fair and reasonable to the Group (for example, the cost incurred by the Group in providing these services cannot be covered by the fees payable by the 360 Group), the Group has the right to cease to provide these services to the 360 Group any time.

Other Internet Services

The provision of Other Internet Services is a new service expected to be provided to the 360 Group in FY26-28. As advised by the Company, the fee shall be calculated based on the volume of smart hardware data to be provided to the 360 Group.

As to the payment terms, the Group expect that the fee will be accumulated and billed by the Group at the end of every month with a credit term of 30 days from the date of the invoice. As confirmed by the Company, should the Company provide Other Internet Services to independent customers in the future, the same pricing and payment terms will be offered by the Group.

Taking into the above, we concur with the Directors' view that the pricing and payment terms for the aforesaid services under the New 360 Master Sales Agreement 2026-2028 are on normal commercial terms and no less favourable than that offered to the Company by other Independent Third Parties.

(3) Annual Caps

As stated in the Letter from the Board, the Annual Caps for the services under the New 360 Master Sales Agreement 2026-2028 shall not exceed RMB80 million for FY26-28, of which the amount for FY26 shall be a pro rata amount of the aforesaid annual cap, which were determined with reference to:

(i) the historical actual transaction amount for the provision of the Game Traffic Services and Advertising Traffic Services to the 360 Group for FY24-1Q26;

(ii) in respect of Game Traffic Services, the accounting treatment of the Group treats the amount of Gross Billing relating to the Group's online game recorded by the platform of the 360 Group as sales to 360 Group, and hence, being regarded as the transaction amount under the New 360 Master Sales Agreement 2026-2028. Accordingly, in estimating the annual cap for the Game Traffic Services under the New 360 Master Sales Agreement 2026-2028, the Group has taken into account the historical transaction amount generated from the Group's Three Well-performing Online Games (with the assumption that the Group is able to continue to renew its such exclusive licence from the relevant licence owners on an annual basis) and the additional amount from one to two new exclusive licensed online games to be launched by the Group each year;

(iii) in respect of Advertising Traffic Services and Other Internet Services, the projected demand from the entire 360 Group having regard to:

  (a) the provision of the Advertising Traffic Services to the 360 Technology Group by the Group since 2015, which is expected to continue and is now extended to the entire 360 Group;

  (b) the Group's plan to provide smart hardware big database services, which can be provided to the entire 360 Group as new services under the "Other Internet Services"; and

(c) the continuous updates and development of the Group's products so as to enhance the brand awareness of the Group's products and to capture and expand its user base.

As advised by the Company, the actual transaction amount of the Game Traffic Services and Advertising Traffic Services in FY24 and FY25 and the three months ended 31 March 2026 are as follows:

	FY24	**FY25**	**For the three months ended 31 March 2026**
	RMB'000	*RMB'000*	*RMB'000*
Game Traffic Services	71,569	32,310	6,882
Advertising Traffic Services			
(a) Homepage directing services	29,878	28,296	5,823
(b) Banner advertising services	434	1,164	319
Total	**101,881**	**61,770**	**13,024**

Game Traffic Services

As mentioned in the paragraphs headed "New 360 Master Purchase Agreement 2026-2028 – Game Traffic Services" above, the accounting treatment of the Group treats the amount of Gross Billing generated by exhibiting the Group's online games on the game platforms operated by the 360 Group as sales to 360 Group, and hence, being regarded as the transaction amount under the New 360 Master Sales Agreement 2026-2028.

The Group expects that the three exclusive licensed online games currently placed on the platform of the 360 Group will continue to contribute Gross Billing in the coming years of a similar annual amount as that in the previous years. Meanwhile, it expects to launch one to two new exclusive licensed online games in the market and have them placed on the 360 Group's platform each year in FY26-28. In addition, commission will be received from the 360 Group for placing its online games on the Group's platform as in previous years. The Group expects that annual transaction amount of up to RMB55 million can be achieved in FY26-28, which is derived based on (i) the estimated annual transaction amount per online game of approximately RMB10.8 million (historical transaction for FY25 of RMB32.3 million divided by three online games in FY25), (ii) five online games in total estimated to be placed on the 360 Group's platform each year in FY26-28; and (iii) a buffer of around RMB1.2 million in light of the outstanding level of Gross Billing previously achieved by the Three Well-performing Online Games. We understood from the Company that the transaction amount to be contributed by the online games of the 360 Group on the Group's platform is expected to be not significant and thus has not been taken into account in deriving the estimated transaction amount for FY26-28.

Further, as mentioned above, while a breakout-hit game may achieve an outstanding level of Gross Billing of over RMB300 million as evidenced by the record made by the Three Well-performing Online Games previously, we also understood from the Company that, according to their years of operating experience, it may take time for an online game to attract players and become a breakout-hit game and the timing may vary between different online games. Taking into account the above, we concur with the Director's view that it is justifiable to regard the outstanding record made by its breakout-hit game as a supporting of the estimated annual transaction amount of the Game Traffic Services for FY26-28, rather than as a factor used to calculate the estimated annual transaction amount.

Taking into account (i) the annual transaction amount of Game Traffic Services with the 360 Technology for FY25 of approximately RMB32.3 million and thus over RMB10.8 million in average was contributed by each of the Three Well-performing Online Games; (ii) up to five exclusive online games of the Group will be placed on the platform of the 360 Group; (iii) the buffer in the estimated annual transaction amount can be supported by the outstanding level of Gross Billing previously achieved by each of the Three Well-performing Online Games in recent years; and (iv) the 360 Group will continue to place its online games on the Group's platform, we concur with the Directors' view that the estimated annual transaction amount of up to RMB55 million in FY26-28 is justifiable.

Advertising Traffic Services

The transaction amount of the Advertising Traffic Services, including homepage directing services and banner advertising services, amounted to approximately RMB29.5 million in total for FY25. By annualizing the transaction amount for the first quarter in 2026, the Group estimated that the annual transaction amount in FY26-28 will be approximately RMB25 million.

Other Internet Services

For Other Internet Services, the Group intends to offer smart hardware big database services to the 360 Group. Given this service is new to the Group, the Company has not taken it into account in deriving the Annual Caps.

After considering (i) the historical transaction amount for the aforesaid services; (ii) one to two new online games each year may be launched by the Group in FY26-28; and (iii) potential transaction with other members of the entire 360 Group and the new services to be offered under Other Internet Services, we concur with the Directors' view that the determination bases and thus the Annual Caps for FY26-28 are fair and reasonable so far as the Independent Shareholders are concerned.

Internal control measures

As stated in the Letter from the Board, the Company has adopted internal control measures to ensure that all the transactions between the Group and the 360 Group under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 will be conducted in accordance with the Group's pricing policies, on normal commercial terms and will not be less favourable to the Group compared to those with Independent Third Parties.

Before entering into individual procurement agreement, the procurement department of the Group will keep track of the prices offered by the 360 Group regularly and, where available, compare that with those offered by at least two independent service providers. As to the sales, the sales department will prepare the individual sales agreement in accordance with the Group's management systems on connected transaction to ensure the standard charging price conforms to the prevailing market rate and industry practice. Regular review of the standard charging price by the sales department of the Group will be conducted, and adjustments in accordance with market conditions will be made if required.

Regular review on the pricing mechanism and terms of the aforesaid agreements to ensure they are determined in accordance with the applicable pricing policy and on normal commercial terms and do not exceed the Annual Caps will be conducted by the Group's internal control department, finance and legal departments. Report will be made to the Board, the audit committee of the Board and the independent non-executive Directors at the end of each review period. In the event that the Annual Caps are expected to be exceeded, the Group shall halt the relevant transaction, negotiate with the 360 Group as regards the projected transaction amount in the remaining period of the year to determinate a new annual cap, and re-comply with the relevant requirements of the Listing Rules.

The independent non-executive Directors will conduct regular review on the aforesaid transactions if those transactions have been entered on normal commercial terms or better, fair and reasonable and are in the interests of the Company and the Shareholders as a whole. The auditors of the Company will conduct annual review on, among others, whether the pricing terms have been adhered to and whether the Annual Caps have not been exceeded.

The Directors are of the view that there are adequate measures in place to monitor the transactions to be contemplated under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028. Taking into account the measures above which govern the execution, review, reporting and monitoring of the transactions with the 360 Group which are undertaken by different departments of the Group, the Board, the audit committee of the Board, independent non-executive Directors and the auditors of the Company respectively, we concur with the Directors' view that interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having considered the principal factors and reasons discussed above, in particular, (i) the Group's established stable business relationship with the 360 Group through the 360 Technology Group; (ii) it is the principal business of the Group to provide the Game Traffic Services and Advertising Services; (iii) the new services, Other Internet Services particularly, required between the 360 Group and the Group for their business; (iv) the pricing and payment terms with the 360 Group are expected to be fair and reasonable after comparing the terms in historical transactions with the 360 Technology Group and independent customers/suppliers of the Group for similar services; and (v) the basis of determining the Annual Caps taking into account the historical actual transaction amounts and the projected demand of the services under the New 360 Master Purchase Agreement 2026-2028 and the New 360 Master Sales Agreement 2026-2028 as discussed above, we are of the view that the entering into of the New 360 Master Purchase Agreement 2026-2028, the New 360 Master Sales Agreement 2026-2028 and the transactions contemplated thereunder are in the ordinary and usual course of business of the Group, on normal commercial terms or better, and together with the related Annual Caps, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we recommend, the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Capital 9 Limited

Chan Man Yee
Director

Chan Man Yee are licensed person and responsible officer of Capital 9 Limited registered with the Securities and Futures Commission to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and has over 15 years of experience in the corporate finance industry.

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 as 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 OF DIRECTORS

(a) Directors' interest or short positions in shares and underlying shares of the Company and its associated corporations

As at the Latest Practicable Date, save as disclosed below, none of the Directors or the chief executive of the Company or their respective associates had or was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) 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 interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules:

Long position in shares and underlying shares of the Company

Name of Director	Nature of interest	Number of ordinary shares	Approximate percentage of holding
Mr. Tian Ye[(1)]	Interest in controlled corporations	91,415,057	33.98%

Notes:

1. Dashi Technology and True Thrive hold approximately 17.07% and 16.91% of the issued share capital of the Company, respectively. Pursuant to the Entrustment Arrangements under the Company Shareholder Rights Entrustment Agreement and the Chengdu Qilu Shareholder Rights Entrustment Agreement, True Thrive has entrusted its shareholder rights including its voting power at general meetings with respect to its shareholding in the Company to Dashi Technology. Dashi Technology is deemed to be interested in all the Shares and voting rights held by True Thrive. Dashi Technology is directly and wholly owned by Mr. Tian Ye who is therefore deemed to be interested in all the Shares held by Dashi Technology.

As at the Latest Practicable Date, save for (i) Mr. Tian Ye who is a director of Dashi Technology; (ii) Mr. Zhao Dan is a vice president of 360 Group; and (iii) Mr. Huang Jian is the vice president and president of commercialisation business of 360 Group, none of the Directors is a director or employee of a company which has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders

So far as was known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, persons other than a Director or chief executive of the Company who had interests or short positions in the Shares and underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, were as follows:

Long position in shares of the Company

Name of Shareholder	Capacity/ Nature of interest	Number of ordinary shares	Approximate percentage of holding
Dashi Technology *(Notes 1 and 3)*	Beneficial owner	91,415,057	33.98%
True Thrive *(Notes 2 and 3)*	Beneficial owner	45,496,082	16.91%
360 Technology *(Notes 2 and 3)*	Interest in a controlled corporation	45,496,082	16.91%
360 Security *(Notes 2 and 3)*	Interest in a controlled corporation	45,496,082	16.91%
Tianjin Qixin Zhicheng Technology Company Limited*（天津奇信志成科技有限公司）(“**Qixin Zhicheng**”) *(Notes 2 and 3)*	Interest in a controlled corporation	45,496,082	16.91%
Zhou Hongyi（周鴻禕） *(Notes 2 and 3)*	Interest in a controlled corporation	45,496,082	16.91%
Songchang International Limited (“**Songchang International**”) *(Note 4)*	Beneficial owner	47,282,819	17.58%
Hong Kong Songyuan International Limited (“**Songyuan International**”) *(Note 4)*	Interest in a controlled corporation	47,282,819	17.58%

Name of Shareholder	Capacity/ Nature of interest	Number of ordinary shares	Approximate percentage of holding
Shanghai Gaoxin Computer System Company Limited*(上海高欣計算機系統有限公司) ("**Shanghai Gaoxin**") *(Note 4)*	Interest in a controlled corporation	47,282,819	17.58%
Dongfangwang Digital Technology *(Note 4)*	Interest in a controlled corporation	47,282,819	17.58%
Shanghai Dongfangwang Stock Company Limited*(上海東方網股份有限公司) ("**Shanghai Dongfangwang**") *(Note 4)*	Interest in a controlled corporation	47,282,819	17.58%

Notes:

1. Dashi Technology is directly and wholly-owned by Mr. Tian Ye. Mr. Tian Ye is therefore deemed to be interested in all the Shares held by Dashi Technology.

2. True Thrive is wholly-owned by 360 Technology, which is wholly-owned by 360 Security, which is ultimately held by Mr. Zhou Hongyi and Qixin Zhicheng. Each of 360 Technology, 360 Security, Mr. Zhou Hongyi and Qixin Zhicheng is therefore deemed to be interested in all the Shares held by True Thrive.

3. As at the Latest Practicable Date, Dashi Technology directly holds 45,918,975 Shares. Further, pursuant to the Entrustment Arrangements, True Thrive has entrusted its shareholder rights including its voting power at general meetings with respect to its shareholding in the Company to Dashi Technology. Dashi Technology is deemed to be interested in all the Shares and voting rights held by True Thrive.

4. Songchang International is directly and wholly-owned by Songyuan International, which is in turn directly and wholly-owned by Shanghai Gaoxin, which is in turn directly and wholly-owned by Dongfangwang Digital Technology, which is in turn controlled by Shanghai Dongfangwang. Songyuan International, Shanghai Gaoxin, Dongfangwang Digital Technology and Shanghai Dongfangwang are therefore deemed to be interested in all the Shares held by Songchang International. Shanghai Dongfangwang is the controlling shareholder of Dongfangwang Digital Technology, and directly and through its subsidiary, Shanghai Dongfangwang Investment Company Limited*(上海東方網投資有限公司), holds in aggregate approximately 34.3077% of Dongfangwang Digital Technology. Shanghai Dongfangwang is in turn controlled by Shanghai United Media Group.

Save as disclosed above, so far as was known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, no persons other than a Director or chief executive of the Company had any interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which would not expire or would not be determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTOR'S INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors has or had any interest, either directly or indirectly, in any assets which have since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

5. DIRECTORS' INTERESTS IN CONTRACT OR ARRANGEMENT OF SIGNIFICANCE

As at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.

6. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025 (being the date to which the latest published audited financial statements of the Group were made up).

7. COMPETING INTERESTS OF DIRECTORS AND ASSOCIATES

As at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder) or have or may have any other conflict of interest with the Group pursuant to the Listing Rules.

8. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance was pending or threatened against any member of the Group.

9. EXPERT QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
Capital 9 Limited	a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Capital 9 Limited did not have (i) any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (ii) any direct or indirect interest in any assets which had, since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Company were made up), been acquired or disposed of by, or leased to any member of the Group, or are proposed to be acquired or disposed of by, or leased to any member of the Group.

Capital 9 Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which it appears.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (https://www.hkexnews.hk) and the Company (https://www.ludashi.com) for no less than 14 days from the date of this circular up to and including the date of the EGM:

(a) the New 360 Master Purchase Agreement 2026-2028; and

(b) the New 360 Master Sales Agreement 2026-2028.

11. MISCELLANEOUS

(a) The Company's branch share registrar and transfer office in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(b) The Cayman Islands principal share registrar and transfer office is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1–1111, Cayman Islands.

(c) The company secretary of the Company is Mr. Cheng Ching Kit. Mr. Cheng is an associate member of both of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

(d) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

360 LUDASHI HOLDINGS LIMITED

360魯大師控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3601)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("**EGM**") of the shareholders of 360 Ludashi Holdings Limited (the "**Company**") will be held physically at 11:00 a.m. on Friday, 26 June 2026 (or as soon as practicable immediately following the conclusion or adjournment of the annual general meeting of the Company to be held at 10:30 a.m. on the same day and at the same place) at the conference room of the Company, 11/F, 11-24 Tianfu Software Site E1, 1268 Tianfu Avenue, High-tech Zone, Chengdu, Sichuan Province, PRC to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTION(S)

1. "**THAT**:

   (a) the New 360 Master Purchase Agreement 2026-2028 (as defined in the circular of the Company dated 4 June 2026 (the "**Circular**")) dated 29 April 2026 entered into between the Company and 360 Security Technology Inc.*(三六零安全科技股份有限公司), a copy of which has been produced at the EGM marked "A" and initialled by the chairman of the EGM for the purpose of identification, and the execution thereof and implementation of all transactions contemplated thereunder, as well as the relevant proposed annual caps contemplated thereof, be and are hereby approved, confirmed and ratified; and

   (b) the directors of the Company are authorised to do all such acts and/or things and/or execute all such documents incidental to, ancillary to or in connection with matters contemplated in or relating to the New 360 Master Purchase Agreement 2026-2028 and all transactions contemplated thereunder as they may in their absolute discretion consider necessary, desirable or expedient to give effect to the New 360 Master Purchase Agreement 2026-2028 and the implementation of all transactions contemplated thereby and thereunder and to agree to such variation, amendment or waiver as are, in the opinion of the directors of the Company, in the interest of the Company."

2. "**THAT**:

(a) the New 360 Master Sales Agreement 2026-2028 (as defined in the Circular) dated 29 April 2026 entered into between the Company and 360 Security Technology Inc.* (三六零安全科技股份有限公司), a copy of which has been produced at the EGM marked "B" and initialled by the chairman of the EGM for the purpose of identification, and the execution thereof and implementation of all transactions contemplated thereunder, as well as the relevant proposed annual caps contemplated thereof, be and are hereby approved, confirmed and ratified; and

(b) the directors of the Company are authorised to do all such acts and/or things and/or execute all such documents incidental to, ancillary to or in connection with matters contemplated in or relating to the New 360 Master Sales Agreement 2026-2028 and all transactions contemplated thereunder as they may in their absolute discretion consider necessary, desirable or expedient to give effect to the New 360 Master Sales Agreement 2026-2028 and the implementation of all transactions contemplated thereby and thereunder and to agree to such variation, amendment or waiver as are, in the opinion of the directors of the Company, in the interest of the Company."

* *For identification purpose only*

By Order of the Board
360 Ludashi Holdings Limited
Tian Ye
Chairman and executive Director

Hong Kong, 4 June 2026

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai, Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the EGM shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more Shares may appoint more than one proxy to attend and vote on the same occasion.

2. A form of proxy for use at the EGM is enclosed. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude members from attending and voting at the EGM or any adjournment thereof (as the case may be) should they so wish and in such event, the form of proxy shall be deemed to be revoked.

3. A form of proxy must be signed by you or your attorney duty authorized in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duty authorized to sign the same.

4. Where there are joint holders of any Share(s), any one of such persons may attend and vote at the EGM, either in person or by proxy in respect of such Share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM or any adjournment thereof (as the case may be), the more senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

5. On a poll, every shareholder present at the EGM shall be entitled to one vote for every fully paid-up share of which he is the holder. The result of such poll shall be deemed to be the resolution of the EGM at which the poll was so required

6. The register of members of the Company will be closed from Tuesday, 23 June 2026 to Friday, 26 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the EGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, 22 June 2026. The record date will be Friday, 26 June 2026.