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

If you have sold or transferred all your shares in **Suzhou Novosense Microelectronics Co., Ltd**., you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

NOVOSENSE
纳芯微电子

Suzhou Novosense Microelectronics Co., Ltd.
蘇州納芯微電子股份有限公司

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

(Stock code: 2676)

(1) PROPOSED ADOPTION OF THE 2026 H SHARE SCHEME AND RELATED MATTERS;
(2) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME AND RELATED MATTERS;
AND
(3) NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING

Capitalized terms used in this cover shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A letter from the Board is set out on pages 7 to 45 of this circular.

A notice convening the ESM of the Company to be held physically at 3:00 p.m. on Thursday, July 23, 2026 at the Company's Conference Room, No. 9, Dongdangtian Alley, Suzhou Industrial Park, Jiangsu Province, the PRC is set out on pages ESM-1 to ESM-2 of this circular.

A form of proxy for use at the ESM is enclosed herewith. The notice of the ESM and the form of proxy are also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.novosns.com).

Whether or not you intend to attend the ESM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for holding the ESM (i.e. before 3:00 p.m. on Wednesday, July 22, 2026) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the ESM or any adjournment thereof should you so wish.

July 3, 2026

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In this circular and the enclosed appendices, the following words and expressions shall, unless the context otherwise requires, have the following respective meanings:

"2022 A Share Restricted Share Incentive Plan"	the A Share restricted share incentive plan approved by the Shareholders on May 30, 2022, please refer to the section headed "Statutory and General Information – D. Restricted Share Incentive Plans" in Appendix VI to the Company's prospectus dated November 28, 2025 for details
"2023 A Share Restricted Share Incentive Plan"	the A Share restricted share incentive plan approved by the Shareholders on August 31, 2023, please refer to the section headed "Statutory and General Information – D. Restricted Share Incentive Plans" in Appendix VI to the Company's prospectus dated November 28, 2025 for details
"2026 A Share Restricted Share Incentive Scheme" or "Incentive Scheme"	the 2026 A Share Restricted Share Incentive Scheme (《2026年A股限制性股票激勵計劃》) to be adopted by the Company at the ESM
"2026 H Share Scheme"	the 2026 H Share Scheme to be adopted by the Company at the ESM
"2026 H Share Scheme Rules"	relevant rules of the 2026 H Share Scheme (as amended from time to time)
"Administrative Measures for Implementation and Appraisal"	The Administrative Measures for the Implementation and Appraisal of the 2026 A Share Restricted Share Incentive Scheme (《2026年A股限制性股票激勵計劃實施考核管理辦法》) to be adopted by the Company at the ESM
"Administrative Measures on Equity Incentives of Listed Companies"	Administrative Measures on Equity Incentives of Listed Companies (《上市公司股權激勵管理辦法》)(Revised in 2025) issued by the CSRC
"A Share(s)"	domestic share(s) of the Company with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange and traded in Renminbi
"Adoption Date"	the date on which the 2026 H Share Scheme is adopted by the Shareholders in the ESM, or if applicable, the date on which any other requisite approval(s) for the adoption of the 2026 H Share Scheme as required under the Listing Rules is obtained, whichever is later
"Applicable Laws"	all Applicable Laws, regulations, ordinances or requirements of the relevant regulatory authorities including without limitation the PRC Company Law, the PRC Securities Law, the SFO, the Listing Rules and the relevant provisions of the Articles of Association

"Appraisal Period"	in respect of the 2026 A Share Restricted Share Incentive Scheme, the three fiscal years from 2026 to 2028
"Articles of Association"	the Articles of Association of the Company, as amended from time to time
"associate(s)"	shall have the meaning ascribed to it in the Listing Rules
"Award Letter"	in respect of the 2026 H Share Scheme, an award letter issued by the Company setting out the terms and conditions of the H Share Award granted to a Grantee
"Board"	the board of Directors of the Company
"Board of Supervisors"	the board of Supervisors of the Company
"Business Day"	any day on which the Hong Kong Stock Exchange is open for the business of dealing in securities
"Company"	Suzhou Novosense Microelectronics Co., Ltd. (蘇州納芯微電子股份有限公司), a company established in the PRC on May 17, 2013, the A Shares of which are listed on the Shanghai Stock Exchange (stock code: 688052), and the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2676)
"connected person"	shall have the meaning given to it in the Listing Rules
"CSDC"	the China Securities Depository and Clearing Corporation Limited
"CSRC"	the China Securities Regulatory Commission
"Director(s)"	the director(s) of the Company
"Dividend Adjustment"	in respect of the 2026 A Share Restricted Share Incentive Scheme, the adjustments to the Grant Price for dividend distribution
"ESM"	the extraordinary Shareholders' meeting of the Company to be held physically at 3:00 p.m. on Thursday, July 23, 2026 at the Company's Conference Room, No. 9, Dongdangtian Alley, Suzhou Industrial Park, Jiangsu Province, the PRC for approving the resolutions as set out in this circular
"Eligible Participant"	in respect of the 2026 H Share Scheme, an Employee Participant, or a Service Provider Participant

"Employee Participant"	in respect of the 2026 H Share Scheme, any person who is an employee (whether full-time or part-time), director or officer of the Company or any member of the Group on the Grant Date
"Grant Date"	in respect of the 2026 H Share Scheme, the date on which the grant of an H Share Award is made to a Grantee, being the date of the Award Letter in respect of such H Share Award, which must be a Business Day; in respect of the 2026 A Share Restricted Share Incentive Scheme, the date on which the Company grants the Restricted Shares to the Incentive Participants, which must be a trading day
"Grant Price"	in respect of the 2026 A Share Restricted Share Incentive Scheme, the price determined by the Company when granting each Restricted Share to the Incentive Participants, at which each Restricted Share of the Company is granted to the Incentive Participants
"Grantee"	in respect of the 2026 H Share Scheme, any Eligible Participant who has been approved for participation in the 2026 H Share Scheme and granted any H Share Award during the Scheme Period pursuant to the 2026 H Share Scheme Rules
"Granting Conditions"	in respect of the 2026 A Share Restricted Share Incentive Scheme, the conditions that the Incentive Participants must satisfy in order to be granted Restricted Shares pursuant to the 2026 A Share Restricted Share Incentive Scheme
"Group"	the Company and its Subsidiaries from time to time, and the expression "member of the Group" shall be construed accordingly
"H Share(s)"	overseas listed foreign ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
"H Share Award"	in respect of the 2026 H Share Scheme, an award granted by the Board or Scheme Administrator to a Grantee which, subject to the fulfilment of the conditions as may be specified in the Award Letter, entitles the Grantee to receive such number of H Shares as the Scheme Administrator may determine
"H Share Award Shares"	in respect of the 2026 H Share Scheme, the H Share(s) underlying an H Share Award, including newly allotted and issued H Share(s) at nil consideration or otherwise
"Holding Company"	a company of which the Company is a Subsidiary
"Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Incentive Participants"	in respect of the 2026 A Share Restricted Share Incentive Scheme, key technical personnel, middle-level management, core personnel and other employees of the Group who have obtained the Restricted Shares in accordance with the requirements of the 2026 A Share Restricted Share Incentive Scheme
"Latest Practicable Date"	June 30, 2026, being the latest practicable date prior to the publication of this circular of ascertaining certain information therein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"New Shares"	new H Shares to be allotted and issued by the Company and that are not already recorded on the register of members of the Company and treasury shares to be transferred by the Company
"PRC" or "China"	the People's Republic of China (for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
"PRC Company Law"	the Company Law of the People's Republic of China (《中華人民共和國公司法》)
"PRC Securities Law"	the Securities Law of the People's Republic of China (《中華人民共和國證券法》)
"Purchase Price"	in respect of an H Share Award, the price per share a Grantee is required to pay for obtaining the H Shares comprising the H Share Award (if any), which will be stated in the Award Letter
"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Restricted Shares"	in respect of the 2026 A Share Restricted Share Incentive Scheme, based on the terms, conditions and prices stipulated in the 2026 A Share Restricted Share Incentive Scheme, the Company grants the Incentive Participants a certain number of A Shares. These A Shares are subject to being vested in certain vesting tranches and can only be vested after satisfying the Granting Conditions and Vesting Conditions as stipulated in the 2026 A Share Restricted Share Incentive Scheme

"RMB"	Renminbi, the lawful currency of the PRC
"Scheme Administrator"	in respect of the 2026 H Share Scheme, any committee of the Board or other person(s) to whom the Board has delegated its authority to administer the 2026 H Share Scheme
"Scheme Period"	in respect of the 2026 H Share Scheme, the period of ten (10) years commencing on the Adoption Date and ending on the tenth anniversary of the Adoption Date, unless terminated earlier in accordance with the 2026 H Share Scheme Rules
"Self-Regulatory Guidance No. 4"	the Self-Regulatory Guidelines No. 4 for Listed Companies on the STAR Market – Disclosure of Equity Incentive Information (《科創板上市公司自律監管指南第4號 – 股權激勵信息披露》)
"Service Provider Participant(s)"	in respect of the 2026 H Share Scheme, any person(s) providing services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, including the following categories, as determined by the Scheme Administrator pursuant to the criteria set out in the 2026 H Share Scheme Rules, subject to compliance with any Applicable Laws, rules and regulations: (i) technology research and development service providers; and (ii) sales and market expansion service providers, provided that (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall be excluded from such category
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
"Share(s)"	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising A Shares and H Shares
"Shareholder(s)"	holder(s) of Share(s)
"STAR Market Listing Rules"	The Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》)
"Subsidiary" or "Subsidiaries"	any subsidiary (as such term is defined in the Listing Rules) of the Company
"substantial shareholder"	has the meaning given to it in the Listing Rules

"treasury shares"	has the meaning ascribed to it in the Listing Rules; references to new Shares include treasury shares, and references to the issue of new Shares include the transfer of treasury shares
"Trust(s)"	in respect of the 2026 H Share Scheme, one or more trusts established by the Company to hold H Shares pursuant to the 2026 H Share Scheme Rules
"Trustee(s)"	in respect of the 2026 H Share Scheme, professional trustee(s) from time to time appointed by the Company for the purpose of the Trust(s)
"Unique Term"	in respect of the 2026 H Share Scheme, grants to any Director or chief executive of the Company, which are made on terms with a vesting period less than twelve (12) months or without a performance target or without a clawback mechanism
"Validity Period"	in respect of the 2026 A Share Restricted Share Incentive Scheme, the period commencing from the Grant Date of the Restricted Shares to the date when all the Restricted Shares have vested or have lapsed and become invalid
"Vesting Conditions"	in respect of the 2026 A Share Restricted Share Incentive Scheme, the conditions that the Incentive Participants must satisfy in order for the Restricted Shares to be vested pursuant to the 2026 A Share Restricted Share Incentive Scheme
"Vesting Date"	in respect of the 2026 H Share Scheme, the date or dates, as determined from time to time by the Scheme Administrator, on which an H Share Award (or part thereof) is to vest in the relevant Grantee and upon which the Grantee may exercise the H Share Award as determined by the Scheme Administrator pursuant to the 2026 H Share Scheme Rules, unless a different Vesting Date is deemed to occur; in respect of the 2026 A Share Restricted Share Incentive Scheme, the date on which the granted Restricted Shares are registered after the Incentive Participants have satisfied the Granting Conditions and the Vesting Conditions, which must be a trading day
"%"	per cent

NOVOSENSE
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Suzhou Novosense Microelectronics Co., Ltd.
蘇州納芯微電子股份有限公司

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

(Stock code: 2676)

Executive Directors:
Mr. Wang Shengyang
Mr. Sheng Yun
Mr. Wang Yifeng
Mr. Jiang Chaoshang

Non-executive Director:
Mr. Wu Jie

Independent Non-executive Directors:
Dr. Hong Zhiliang
Dr. Chen Xichan
Mr. Wang Ruwei
Ms. Du Linlin

Registered office:
No. 9, Dongdangtian Alley
Suzhou Industrial Park
Jiangsu Province
China

Headquarters and Principal Place of Business in the PRC:
No. 9, Dongdangtian Alley
Suzhou Industrial Park
Jiangsu Province
China

Principal Place of Business in Hong Kong:
40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

July 3, 2026

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED ADOPTION OF THE 2026 H SHARE SCHEME AND RELATED MATTERS;
(2) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME AND RELATED MATTERS;
AND
(3) NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING

1. INTRODUCTION

Reference is made to the announcement of the Company dated June 22, 2026 in relation to the proposed adoption of the 2026 H Share Scheme and the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme.

The purpose of this circular is to provide you with, among other things, the notice of the ESM, and to provide relevant details to enable you to make informed decisions on the special resolutions proposed at the ESM.

The Board has resolved to adopt both the 2026 H Share Scheme and the 2026 A Share Restricted Share Incentive Scheme, having considered that the Company is listed in both the A Share and H Share markets. Given the differences between the two markets in employees' familiarity with, and acceptance of, different incentive mechanisms, the operation of the two schemes in parallel will provide the Company with greater flexibility to tailor the most appropriate incentive instruments for participants in different regions and employee categories. In particular, certain PRC-based employees may be more familiar with the A Share market and may regard awards involving A Shares as a more appropriate and effective form of incentive in light of their familiarity with, and understanding of, the domestic capital market. Such arrangement allows the Company to achieve more refined and targeted incentive outcomes across diverse employee groups, thereby supporting the Company's long-term development strategy.

The simultaneous adoption of the 2026 H Share Scheme and the 2026 A Share Restricted Share Incentive Scheme allows the Company to:

(1) achieve comprehensive coverage and fairness of incentives: the adoption of both schemes ensures that core talents across the globe are included within the incentive framework, thereby avoiding situations where certain key personnel are unable to receive effective incentives due to the geographic limitations of a single scheme;

(2) fully leverage equity resources in both A-Share and H-Share markets: by using A Shares and H Shares respectively as the underlying incentive shares, the Company can provide more abundant incentive tools and greater flexibility without excessively diluting the share capital of any single market;

(3) align with talent competition dynamics in different markets: employees in domestic markets tend to focus more on A-share price performance, while employees in overseas markets place greater emphasis on H-share price performance. Using Shares from markets with which employees are familiar enables them to directly perceive the incentive effects, thereby enhancing the relevance and effectiveness of the incentives granted;

(4) enhance the flexibility of the incentive arrangements: the two schemes can be designed with different features in terms of granting conditions, exercise arrangements, vesting periods and performance targets, taking into account the characteristics and regulatory requirements of each market, so as to better cater to the practical needs of business development in different regions.

Summaries of the terms of the 2026 H Share Scheme and the 2026 A Share Restricted Share Incentive Scheme are set out below.

2. PROPOSED ADOPTION OF THE 2026 H SHARE SCHEME

The Board has resolved to propose the adoption of the 2026 H Share Scheme for approval by the Shareholders. In approving the adoption of the 2026 H Share Scheme, the Board has considered factors including the Group's need to attract, motivate and retain talents.

Operation of the 2026 H Share Scheme is conditional upon:

(1) the passing of the special resolution by the Shareholders at the ESM to approve and adopt the 2026 H Share Scheme and to authorize the Board to grant H Share Award Shares to the Eligible Participants and to allot, issue and deal with the H Shares which fall to be issued by the Company in respect of the H Share Award Shares granted under the 2026 H Share Scheme; and

(2) the Listing Committee of the Hong Kong Stock Exchange granting approval of listing of, and permission to deal in, the H Shares to be allotted and issued as the source of the H Share Award Shares under the 2026 H Share Scheme.

Application will be made to the Hong Kong Stock Exchange for the approval of the listing of, and permission to deal in, the H Shares to be allotted and issued as the source of the H Share Award Shares under the 2026 H Share Scheme.

The Grantees have not yet been identified as of the Latest Practicable Date. After the 2026 H Share Scheme has been approved at the ESM, the Company may convene a Board meeting (if needed) to determine the list of specified Grantees. Further announcement(s) will be made by the Company as and when appropriate.

Summary of the principal terms of the 2026 H Share Scheme

A summary of the principal terms of the 2026 H Share Scheme is set out in Appendix I to this circular. This serves as a summary of the terms of the 2026 H Share Scheme but does not constitute the full terms of the same.

Purposes

The purposes of the 2026 H Share Scheme are: (i) to provide the Company with a flexible means of attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to Eligible Participants; (ii) to align the interests of Eligible Participants with those of the Company and Shareholders by providing such Eligible Participants with the opportunity to acquire proprietary interests in the Company and become Shareholders; and (iii) to encourage Eligible Participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

Source of the H Share Award Shares

The H Share Award Shares shall be satisfied by (i) treasury shares; (ii) the new H Shares to be allotted and issued by the Company to the Trustee(s) under the Trust only when specified participants are identified under the 2026 H Share Scheme pursuant to Rule 17.01(1)(a) of the Listing Rules; or (iii) existing H Shares purchased or acquired on-market or off-market by the Trustee(s) under the Trust.

The Scheme Mandate Limit as set out in resolution no. 4.2 is proposed at the ESM for Shareholders' consideration and approval to allot and issue new H Shares and transfer treasury shares to satisfy the H Share Award Shares.

As of the Latest Practicable Date, no Trustee has been appointed under the 2026 H Share Scheme. None of the Directors will be the Trustee of the 2026 H Share Scheme or will have any direct or indirect interest in the Trustee.

Eligible Participants and Basis for Determining Eligibility

Eligible Participants as determined by the Board or the Scheme Administrator from time to time comprise:

(a) any Employee Participant(s);

(b) any Service Provider Participant(s), who shall provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group.

The eligibility of any Eligible Participant for a grant of H Share Awards shall be determined by the Board or the Scheme Administrator from time to time on the basis of the Board's or the Scheme Administrator's opinion as to the Eligible Participant's contribution to the development and growth of the Group in accordance with the 2026 H Share Scheme Rules.

With respect to the eligibility of Employee Participants, the Board or the Scheme Administrator, will consider, among other things, educational background, professional experience, qualifications, skills, knowledge, the length of service, job position, job duties, contribution to the Group and performance evaluation results of the Employee Participant. With respect to the part-time employees, they are primarily experienced industry experts and other professionals handling functions such as research and development, accounting and marketing, whom the Company is currently unable to engage on a full-time employment basis. Nevertheless, the Company wishes to retain and attract such individuals so as to strengthen its talent pool and reinforce its core competitiveness. Given the intense competition for talents in the industry, while the Company pays such individuals certain remuneration for their services, the Board considers that it is fair and reasonable, and consistent with the Company's talent strategy, to grant H Share Awards to such individuals in order to retain them, notwithstanding the constraints arising from their employment status.

Service Provider Participants eligible to participate in the 2026 H Share Scheme include any service provider engaged by the Group who, on a continuous and regular basis, provides services in the ordinary course of business of the Group that are conducive to the long-term growth of the Group. The Group is an analog chip provider in China and offers to its customers, primarily consisting of distributors and direct sales customers, a comprehensive portfolio of high-performance and reliable products and solutions for application sectors such as (i) automotive electronics, (ii) energy and industrial automation and (iii) consumer electronics. Three core product categories – sensor products, signal chain chips and power management chips – form a complete chain that covers (i) sensing, (ii) signal processing and (iii) system power supply and power drive. The Group from time to time engages the following categories of service providers whose services provided are closely linked to and support the Group's core business operations, including analog chip research and development and production and application business (designing, developing and selling related products, including sensor products, signal chain chip and power management chip products as well as other related technologies and products):

(1) Technology Research and Development Service Providers

Such service providers, as an extension of the Group's core technological capabilities, provide specialized and multi-scenario customized technology development and research and development support for analog chips. Their scope of services includes but is not limited to: (i) participating in application scenario implementation and development services for the Group's core products, namely sensor products, signal chain chips and power management chips, in the fields of automotive electronics, pan-energy and consumer electronics, enriching the product matrix and technology accumulation to assist the Company in swiftly entering emerging sectors and enhancing the product matrix; (ii) supporting product iteration, system maintenance, performance optimization and compliance-related technology enhancement, primarily including specialty wafer fabrication process providers, so as to strengthen the Company's underlying technological capabilities; (iii) assisting with intellectual property strategies, technical documentation preparation and standardization of research and development processes; and (iv) collaborating closely with the Group's internal engineering teams under agile development frameworks to ensure timely delivery and high-quality output.

The services provided by such service providers are highly specialized, continuous and strategically critical, and their deliverables directly impact the competitiveness of the Group's product portfolio, underlying technology extensibility and innovation capabilities. Given the highly technical nature of the analog chip industry, the pool of qualified technology research and development service providers with the requisite depth of expertise is limited, the grant of H Share Awards to such service providers helps to facilitate a long-term collaboration to drive technological breakthroughs that benefit the Group's development in the long run.

The services provided by such technology research and development service providers are (i) provided exclusively to the Group; (ii) material and relevant to the operations of the Group; and (iii) provided on a regular or recurring basis, with the continuity and frequency of their services being comparable to those of employees. The Board considers that such technology research and development service providers are in substance akin to an extension of the Group's technology and research and development functions, and that the inclusion of such service providers as Eligible Participants under the 2026 H Share Scheme is fair and reasonable and in the overall interests of the Company.

(2) Sales and Market Expansion Service Providers

Such service providers primarily undertake end-market expansion and customer acquisition responsibilities on behalf of the Company. Depending on their respective capabilities, each such service provider provide all or some of the following services to the Group: (i) formulating and executing go-to-market strategies for specific application scenarios, such as the humanoid robotics sector; (ii) identifying application requirements of potential end customers and collaborating with the Company to co-design products; (iii) maintaining key customer relationships and assisting in sales negotiations and contract execution; (iv) gathering market intelligence, competitive insights and customer feedback to support the Group in optimizing product positioning and marketing strategies; (v) assisting and supporting the timely delivery of the Group's products and services, thereby facilitating revenue realization; (vi) enhancing the Group's brand promotion and market influence, particularly in countries and regions outside Mainland China; and (vii) providing after-sales services to customers (including communicating customers' feedback on the Group's products to the Group, coordinating product returns or exchanges, providing technical trainings on the use of the Group's products, and acting as a channel between customers and the Group to address concerns or complaints). Such service providers possess established customer networks and resources for the purpose of customer acquisition for the Group, whereas the Group's in-house marketing team would not have access to such existing networks and resources at the outset. It is in line with industry practice for market participants to engage such professionals for customer acquisition. Given that service providers with both relevant technical knowledge and established customer networks are limited, the grant of H Share Awards to such service providers helps to facilitate a long-term collaboration to drive market penetration that benefits the Group's development in the long run.

In view of the direct contribution of such service providers to revenue growth and market share expansion, and the high correlation between the performance of such service providers and the long-term business outcomes of the Group, the grant of H Share Awards to them helps align their interests with those of the Company and encourages them to drive value enhancement from a shareholder perspective. The services provided by such market expansion service providers are (i) provided exclusively to the Group; (ii) material and relevant to the operations of the Group; and (iii) provided on a regular or recurring basis, with the continuity and frequency of their services being comparable to those of employees. The Board considers that such market expansion service providers are in substance akin to an extension of the Group's market expansion functions, and that the inclusion of such service providers as Eligible Participants under the 2026 H Share Scheme is fair and reasonable and in the overall interests of the Company.

The Service Provider Participants are all senior professionals with extensive business networks in their respective fields. The Group may not be able to engage them as employees, as they generally prefer to work on a self-employed basis, which is consistent with the market norms and industry practices of the countries or regions in which they are located. The Service Provider Participants have provided professional services to the Company where such specialized services had to be outsourced because the Company's internal resources were unable to provide the required support. This is consistent with the industry practice of the sector in which the Group operates, which is highly dependent on the assessments of relevant experts in relation to specific market developments and changes. The Company may also, from time to time, be unable to obtain similar professional support from its internal resources due to various constraints.

Furthermore, given the high costs of maintaining overseas branches and meeting local compliance requirements, the Company may not maintain legal entities (which would be necessary for hiring employees) in the countries and regions in which it operates. By engaging service providers rather than hiring them as employees, the Company is able to provide sales services and after-sales services to local customers while facilitating the Group's global marketing and research and development activities.

The service providers currently engaged by the Company in Mainland China and for its overseas operations are as follows:

(a) in countries and regions outside Mainland China, the Company engages market expansion service providers and technology research and development service providers through employers of record, so as to control the administrative costs associated with establishing branches in the respective countries concerned; and

(b) on a global basis, certain technology professionals and marketing experts and consultants provide continuous and long-term services to the Company on a self-employed or outsourced basis, which is a common market practice given their specialized nature.

The Company may in the future, based on its business needs, engage market expansion service providers and research and development service providers in other countries or regions to better support the Company's business growth plans. The Company currently engages and has been regularly engaging such service providers. Accordingly, the Service Provider Participants have played an important role in the historical development and growth of the Group as well as in the current ordinary course of business, and the services continuously provided by the Service Provider Participants are comparable to those of the Group's employees.

The scope of Service Provider Participants shall not include any placing agents, financial advisors providing advisory services for fundraising, mergers or acquisitions, or professional service providers who provide attestation services or are required to perform services impartially and objectively (such as auditors or valuers).

Where a service provider qualifies for one of the above service provider types and meets the initial eligibility criteria to fall within the above categories, the below will be considered:

(i) Whether one qualifies as a Service Provider Participant

Whether a potential service provider participant will be eligible to qualify as a Service Provider Participant will be determined by the Board or the Scheme Administrator based on qualitative and quantitative performance indicators on a case-by-case basis in accordance with the eligibility criteria set out below, including (i) the materiality and nature of the business relationship between the Service Provider Participant and the Group (such as whether the services provided relate to the core functions of the Group and the Company's focus areas and whether such business dealings could be readily replaced by third parties); (ii) the track record in the quality of services provided to and/or cooperation with the Group; and (iii) the scale of business dealing with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider Participant.

(ii) Whether a Service Provider Participant provides services to the Group on a continuing basis

In assessing whether a Service Provider Participant provides services to the Group on a continuing basis, the Scheme Administrator will take into account factors such as: (i) length and type of services provided or will be provided to the Group, as well as the recurrence and regularity of such services; (ii) the Group's objectives in engaging the Service Provider Participant and how granting awards to the Service Provider Participant would align with the purpose of the 2026 H Share Scheme or benefit the Group; and (iii) remuneration packages of comparable listed peers with respect to similar Service Provider Participants, if any, based on available industry information.

The Board (including the independent non-executive Directors) is of the view that the inclusion of Service Provider Participants as Eligible Participants under the 2026 H Share Scheme is fair and reasonable and aligns with the purpose of the 2026 H Share Scheme and the long-term interests of the Company and its Shareholders as a whole. The reason for rewarding the Service Provider Participants is that the Company recognizes the importance of their past and future contributions and considers that the inclusion of the Service Provider Participants as Eligible Participants will provide the Company with the flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are Service Provider Participants, and who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group or improve the Group's performance and enhance the Group's market position. In particular, the Board is of the view that:

(i) the proposed categories of Service Provider Participants are in line with the Group's business needs and consistent with industry norms for the following reasons:

(a) granting awards to service providers is a common industry practice in the analog integrated circuits industry, where the principal business of the Company is the research and development and design of chips. Engaging technology research and development service providers with specialised skills and knowledge as independent contractors is common industry practice and essential to advancing the Group's business success;

(b) the Group has collaborated with sales and market expansion service providers who provide specialised services in market research and market strategy, product design, assistance in sales negotiations and contract execution as well as brand promotion. These service providers contribute critical expertise, industry experience, networks and strategic guidance that materially support the Group's development and operations;

(ii) the criteria for selecting Service Provider Participants within each category are sufficiently specific to ensure that only those whose engagement would support the ordinary and usual course of business of the Group on a recurring and continuing basis and are essential to operations as well as the sustainable and successful development of the Group will be included; and

(iii) the terms of any grants will be determined by the Scheme Administrator with reference to the purpose of the 2026 H Share Scheme and each Service Provider Participant's contribution to the Group.

Scheme Mandate Limit and Service Provider Sublimit

Subject to the refreshment of the limits and separate approval of the Shareholders as stipulated in the 2026 H Share Scheme Rules, assuming that the total number of issued Shares remains unchanged from the date of this circular and as of the Adoption Date, (i) the total number of New Shares which may be issued in respect of all options and awards to be granted under the 2026 H Share Scheme and any other schemes of the Company (including under the 2026 A Share Restricted Share Incentive Scheme) will be 16,124,957 Shares, representing approximately 10.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the Adoption Date (the "**Scheme Mandate Limit**"); and (ii) within the Scheme Mandate Limit, the total number of New Shares that may be issued in respect of all options and awards to be granted to Service Provider Participants under the 2026 H Share Scheme shall not exceed 3,224,991 H Shares, representing approximately 2.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the Adoption Date (the "**Service Provider Sublimit**").

The Service Provider Sublimit was determined based on the maximum possible number of Shares that the Company intends to grant to Service Provider Participants and the Company's future business and development plans. The Service Provider Sublimit is determined based on a range of factors, including (i) that the Service Provider Sublimit would not lead to significant dilution effect of voting rights while providing a sufficient number of H Shares as an incentive to Service Provider Participants; (ii) the need to balance the objective of incentivising the Service Provider Participants with the protection of Shareholders from disproportionate dilution; (iii) the extent of use of services of Service Provider Participants in the Group's businesses, the current payment and/or settlement arrangement with the Service Provider Participants; (iv) the actual or potential commercial and/or financial contributions to be brought by the Service Provider Participants, as well as the expected reduction in costs of the Group; (v) the Company's intention that a majority of H Share Awards will be granted to Employee Participants and as such reserving a larger portion of the Scheme Mandate Limit for Employee Participants; (vi) the Company estimates that both the percentage of the number of potential service providers it intends to incentivize and the percentage of the number of H Shares it intends to grant to Service Provider Participants will not be more than 2.00%; and (vii) the fact that a sublimit of 2.00% is consistent with prevailing market practice among peer companies operating in similar industries. Taking into account the above, the Board considers that the Service Provider Sublimit would not lead to an excessive dilution of voting rights of the existing Shareholders and is appropriate and reasonable. The Board considers the grant to Service Provider Participants to be in line with industry norms and appropriate for enhancing the long-term relationship with these Service Provider Participants by aligning their interests with those of the Company and the Shareholders, as well as consistent with the purpose of the 2026 H Share Scheme, taking into account:

(a) the rationale behind the scope and eligibility criteria of Service Provider Participants, as detailed above;

(b) the extent of use of services of Service Provider Participants in the Group's businesses, the current payment and/or settlement arrangement with the Service Provider Participants;

(c) that the Service Provider Sublimit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or directors of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the 2026 H Share Scheme;

(d) that the Service Provider Sublimit represents a maximum limit and that the Company retains the flexibility to allocate H Share Awards from the Service Provider Sublimit to satisfy H Share Awards to other Eligible Participants depending on business growth and needs in the future as and when appropriate. For example, where the Company considers that the business needs of the Group at a future point in time suggests that the full Service Provider Sublimit is no longer needed for Service Provider Participants and that it would be more appropriate and beneficial to serve the purpose of the 2026 H Share Scheme to allocate a portion of the H Share Awards under this sublimit to other Eligible Participants; and

(e) the service provider sublimit proposed or adopted by other companies listed on the Hong Kong Stock Exchange.

The Board (including the independent non-executive Directors) is of the view that the Service Provider Sublimit is appropriate, reasonable and consistent with the purpose of the 2026 H Share Scheme. In reaching this view, the Directors have considered: (i) there are no other share schemes of the Company involving New Shares; (ii) the Group depends on sustained collaboration with a broad network of external suppliers, business partners, consultants and other service providers, who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to bring valuable expertise and strategic benefits to the Group; and (iii) the Service Provider Sublimit provides the Group with a measured and flexible mechanism for offering equity incentives to non-employee participants, without requiring the deployment of cash resources as monetary consideration, thereby preserving the Group's financial flexibility.

H Share Awards lapsed in accordance with the terms of the 2026 H Share Scheme (or the terms of any other share schemes of the Company) will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and/or the Service Provider Sublimit. For the avoidance of doubt, H Share Awards cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and/or the Service Provider Sublimit.

Individual Limit

Where any grant to an Eligible Participant would result in the total number of Shares issued and to be issued pursuant to all H Share Awards to be granted under the 2026 H Share Scheme, and all options and awards under all other share schemes of the Company (excluding those lapsed in accordance with the terms of the 2026 H Share Scheme and any other share schemes of the Company) in any 12 month period up to and including the date of such grant to exceed 1.00% of the relevant class of Shares in issue (excluding treasury shares) as of the date of such grant, such grant shall be subject to relevant requirements under Chapter 17 of the Listing Rules.

Any grant of H Share Awards funded by New Shares to Directors, chief executives or substantial shareholders of the Company, or any of their respective associates, shall be subject to the approval of the Scheme Administrator (excluding any member who is a proposed recipient of the grant of the H Share Awards) and the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of H Share Awards).

Where any grant of H Share Awards funded by New Shares to any Director (other than an independent non-executive Director) or chief executive of the Company or any of their respective associates would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the relevant scheme rules) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Hong Kong Stock Exchange) of the total number of the relevant class of Shares in issue at the date of such grant (excluding treasury shares, if any) under the 2026 H Share Scheme and any other share schemes of the Company, such further grant of H Share Awards will not be effective unless it has been approved by Shareholders in Shareholders' meeting in the manner required, and it has complied with the relevant requirements set out in Chapter 17 of the Listing Rules.

Where any grant of H Share Awards funded by New Shares to an independent non-executive Director or substantial shareholder of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the relevant scheme rules) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Hong Kong Stock Exchange) of the total number of the relevant class of Shares in issue at the date of such grant (excluding treasury shares, if any) under the 2026 H Share Scheme and any other share schemes of the Company, such further grant of H Share Awards will not be effective unless it has been approved by Shareholders in Shareholders' meeting in the manner required, and it has complied with the relevant requirements set out in Chapter 17 of the Listing Rules.

Performance Targets

Subject to the provisions of the 2026 H Share Scheme Rules and all Applicable Laws, rules and regulations, the Scheme Administrator may, from time to time, in its sole and absolute discretion select any Eligible Participant for participation in the 2026 H Share Scheme to be a Grantee, and grant H Share Award Shares to any Grantee subject to such performance targets, criteria or conditions as the Scheme Administrator may in its sole and absolute discretion determine. Any such performance targets, criteria or conditions shall be specified in the Award Letter. For the avoidance of doubt, an H Share Award shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Award Letter.

The Scheme Administrator shall specify in the Award Letter the person(s) of the Company that will assess whether such performance targets, criteria or conditions are satisfied.

Performance targets, criteria or conditions are to be specified in the relevant Award Letter. Performance targets may combine qualitative and quantitative requirements and include an annual assessment of an Eligible Participant (e.g. skills, expertise, key performance indicators of his or her division, contribution to the Company) and/or performance of the Company (e.g., achieved financial indicators, business and market capitalization milestones). The Scheme Administrator will conduct an annual assessment (and, in any event, prior to each applicable vesting date) to compare performance to pre-established targets in order to determine whether and to what extent such targets have been achieved. Such assessment may be conducted by reference to the Group's audited or management accounts, operational reports, project progress reports, individual performance appraisal records or other objective supporting materials considered relevant by the Scheme Administrator.

Following the assessment, if the Scheme Administrator determines that any of the specified performance targets have not been achieved, the unvested H Share Award Shares for the relevant vesting period will automatically lapse.

The Board (including the independent non-executive Directors) is of the view that it is not practicable to expressly set out a generic set of performance targets in the 2026 H Share Scheme Rules, as each Grantee will play different roles and contribute in different ways to the Group. Instead, the 2026 H Share Scheme Rules include factors to be considered by the Scheme Administrator for determining individual performance targets, if any, from time to time. The Scheme Administrator shall have regard to the purpose of the 2026 H Share Scheme in making such determinations and ensure that appropriate specific performance targets will be set under particular circumstances of the relevant Grantee(s).

Acceptance and Purchase Price

No consideration is payable by a Grantee to the Company for acceptance of the H Share Awards under the 2026 H Share Scheme. Unless otherwise specified in the Award Letter, the Grantee shall have thirty (30) Business Days from the Grant Date to accept the H Share Award.

The Purchase Price of H Share Awards shall be determined by the Scheme Administrator in their absolute discretion and notified to the Grantee in the Award Letter. The Purchase Price shall be set at different levels at nil, par value, the prevailing market price, or a discount to such market price, taking into account the purpose of the 2026 H Share Scheme, the intent of the relevant grant (including as a complement to remuneration) and the characteristics of the relevant Grantee (such as contributions made, milestones achieved and projects completed).

Considering that the Eligible Participants have contributed or will contribute to the Group, the Board is of the view that the Purchase Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Board considers that such arrangements enable the Eligible Participants to share in both the risks and rewards associated with the Company's future performance. By fostering a sense of ownership and promoting sustained commitments, these arrangements reflect the Company's incentive arrangement which corresponds to the objectives of the 2026 H Share Scheme in recognizing the Eligible Participants' contributions to the Group.

Scheme Period

Subject to early termination by the Board in accordance with the 2026 H Share Scheme Rules, the 2026 H Share Scheme shall remain in effect for a period of ten (10) years commencing on the Adoption Date.

Vesting of H Share Award Shares

The Scheme Administrator may, subject to all Applicable Laws, rules and regulations, determine vesting periods for vesting of any H Share Awards in its sole and absolute discretion. The Vesting Date in respect of any H Share Awards shall be not less than twelve (12) months from the Grant Date (including on the Grant Date), save and except that the H Share Awards to be granted to an Employee Participant may be subject to a vesting period of less than twelve (12) months in the following circumstances:

(a) grants of "make-whole" H Share Awards to new Employee Participants to replace share awards they forfeited when leaving the previous employers;

(b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event. In those circumstances the vesting of the H Share Awards may accelerate;

(c) grants of H Share Awards with performance-based vesting conditions provided in the 2026 H Share Scheme Rules, in lieu of time-based vesting criteria;

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

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

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

The Board is of the view that (i) there are certain instances where a rigid twelve (12)-month vesting requirement would not be practicable or would not be fair to the Employee Participants; (ii) the Group requires a degree of flexibility to address exceptional circumstances where such flexibility is justified; and (iii) the Group should have the discretion to develop its own talent acquisition and retention strategies in light of evolving market conditions and competitive pressures within the industry, and should therefore have the ability to adopt vesting conditions, including performance-based vesting conditions, instead of time-based vesting criteria, as may be appropriate having regard to the individual circumstances. For instance, (1) grants of "make-whole" H Share Awards to replace share awards that were forfeited upon an Employee Participant's departure from a previous employer reduces a material impediment to talent acquisition and supports the objective of establishing a competitive team; (2) accelerated vesting upon the occurrence of death, disability or force majeure promotes equitable treatment of Employee Participants whilst acknowledging their prior contributions to the Group, which is consistent with the Company's obligations as a responsible employer; and (3) a performance-based vesting arrangement of shorter duration, linked to the achievement of specified deliverables, is consistent with the objective of the 2026 H Share Scheme to foster the long-term growth of the Company. In light of the foregoing, the Board is of the view that the shorter vesting periods set out above are consistent with prevailing market practice, are appropriate in the circumstances and are aligned with the purpose of the 2026 H Share Scheme.

Clawback Mechanism

Under the 2026 H Share Scheme, there are specific circumstances where clawback or lapse of the H Share Awards may be triggered. These include: (i) the Grantee ceasing to be an Eligible Participant due to termination of employment or contractual engagement for cause, without notice, or for offences involving dishonesty or integrity issues; (ii) the Grantee committing material breaches of the Group's internal policies, agreements (including non-compete obligations); (iii) the Grantee engaging in serious misconduct or breaches of the 2026 H Share Scheme's terms; (iv) granting H Share Awards to a Grantee is no longer appropriate or in alignment with the 2026 H Share Scheme's purpose; or (v) the Company being required to exercise clawback under Applicable Laws, rules and regulations or at the request of regulatory authorities (such as the Hong Kong Stock Exchange). In the event of the above circumstances, the Scheme Administrator may, at its absolute discretion, determine that all H Share Awards granted but not yet vested shall lapse immediately, and require the Grantee to transfer back to the Company or its nominee (1) the equivalent number of H Shares, (2) an amount in cash equal to the market value of such H Shares or the cash payment, or (3) a combination of (1) and (2).

The Directors are of the view that such clawback mechanism in the 2026 H Share Scheme Rules provides a choice for the Company to claw back the equity incentives granted to Grantees culpable of misconduct, ensuring that H Share Award Shares are granted only to those who act in the Company's best interests, which aligns with the purpose of the 2026 H Share Scheme. It provides the Board or the Scheme Administrator with more flexibility in setting the terms and conditions of the H Share Award Shares under particular circumstances of each grant, which would facilitate the objective to offer meaningful incentives to attract, motivate and retain skilled and experienced individuals that are valuable to the development of the Group, and is in line with the purpose of the 2026 H Share Scheme and the interests of Shareholders as a whole.

In conclusion, the Directors are of the view that the terms of 2026 H Share Scheme are in line with the purpose of the 2026 H Share Scheme.

Listing Rules Implications

Pursuant to Chapter 17 of the Listing Rules, the 2026 H Share Scheme constitutes a share scheme of the Company involving the issue of New Shares and therefore the adoption of the 2026 H Share Scheme is subject to the approval of the Shareholders. The terms of the 2026 H Share Scheme are in accordance with the relevant requirements under Chapter 17 of the Listing Rules. The Company will comply with the applicable disclosure requirements under Chapter 17 of the Listing Rules in relation to the 2026 H Share Scheme.

The above resolution has been approved by the Board and is hereby proposed at the ESM for Shareholders' consideration and approval.

3. PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE SCHEME ADMINISTRATOR TO HANDLE MATTERS PERTAINING TO THE 2026 H SHARE SCHEME

In order to ensure the successful implementation of the 2026 H Share Scheme, the Board proposed that, subject to the approval of the 2026 H Share Scheme by the Shareholders at the ESM, the Shareholders also grant an authorization to the Board and/or the Scheme Administrator to deal with all relevant matters to approve and execute on behalf of the Company such documents as are necessary, appropriate or expedient for the purpose of giving effect and implementation of the 2026 H Share Scheme and to handle matters in relation to the 2026 H Share Scheme with full authority, including but not limited to the following:

(1) to manage and operate the 2026 H Share Scheme;

(2) subject to compliance with Chapter 17 of the Listing Rules (including but not limited to Rule 17.03(18)), to modify and/or amend the 2026 H Share Scheme from time to time, provided that (i) such modification and/or amendment shall be made in accordance with the provisions of the 2026 H Share Scheme relating to such modification and/or amendment; (ii) any alteration and/or amendment of a material nature shall be approved by the Shareholders in Shareholders' meeting; and (iii) such modification and/or amendment shall comply with Chapter 17 of the Listing Rules;

(3) to grant H Share Award Shares to Eligible Participants under the 2026 H Share Scheme, and to allot and issue from time to time such number of New Shares as required to be allotted and issued pursuant to the H Share Award Shares granted under the terms and conditions of the 2026 H Share Scheme and the Listing Rules;

(4) to make an application at the appropriate time or period to the Hong Kong Stock Exchange for listing and permission to trade any Shares which may be allotted and issued in connection with the H Share Award Shares granted under the terms and conditions of the 2026 H Share Scheme;

(5) subject to compliance with Chapter 17 of the Listing Rules (including but not limited to Rule 17.03(18)), to consent to such conditions, modifications and/or changes as may be required or imposed in relation to the 2026 H Share Scheme as deemed appropriate and expedient; and

(6) to increase the registered capital of the Company and to make appropriate and necessary amendments to the Articles of Association after completion of the allotment and issuance of New Shares under the 2026 H Share Scheme according to the method, type and number of New Shares allotted and issued by the Company, as well as the shareholding structure of the Company at the time of completion of the allotment and issuance.

The aforementioned authorization to the Board and/or the Scheme Administrator shall be valid for the period of the 2026 H Share Scheme.

The abovementioned resolution has been approved by the Board and is hereby proposed at the ESM for Shareholders' consideration and approval.

4. PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

This letter from the Board aims to provide a brief summary of the 2026 A Share Restricted Share Incentive Scheme to the Shareholders. A full summary of the 2026 A Share Restricted Share Incentive Scheme is set out in Appendix II to this circular. The 2026 A Share Restricted Share Incentive Scheme was prepared in the Chinese language. In the event of any discrepancy between the English translation and the Chinese version of the 2026 A Share Restricted Share Incentive Scheme, the Chinese version shall prevail.

Summary of the Restricted Share Incentive Scheme

The principal terms of the 2026 A Share Restricted Share Incentive Scheme are as follows:

Purpose of the 2026 A Share Restricted Share Incentive Scheme

The A Share Restricted Share Incentive Scheme is established to further enhance and perfect the Company's long-term incentive and restraint mechanisms, continuously attract and retain outstanding talents of the Company, fully mobilize the enthusiasm and creativity of the core team, and enhance their sense of belonging, achievement and responsibility. The 2026 A Share Restricted Share Incentive Scheme aims to effectively align the interests of Shareholders, the Company and individual members of the core team, thereby enabling all parties to jointly focus on the Company's long-term sustainable development and ensuring the realization of the Company's long-term development strategies and operational objectives.

Administration of the 2026 A Share Restricted Share Incentive Scheme

The Shareholders' meeting, as the highest authority of the Company, shall be responsible for considering and approving the implementation, modification and termination of the 2026 A Share Restricted Share Incentive Scheme. The Shareholders' meeting may, within its powers and authority, authorize the Board to handle certain matters relating to the 2026 A Share Restricted Share Incentive Scheme.

The Board shall act as the executive management body for the 2026 A Share Restricted Share Incentive Scheme and be responsible for the implementation of the 2026 A Share Restricted Share Incentive Scheme. The Remuneration and Appraisal Committee shall be responsible for drafting and revising the 2026 A Share Restricted Share Incentive Scheme, and submitting the 2026 A Share Restricted Share Incentive Scheme to the Board for consideration. Upon consideration and approval by the Board, the 2026 A Share Restricted Share Incentive Scheme shall be submitted to the Shareholders' meeting for consideration and approval. The Board may handle matters relating to the 2026 A Share Restricted Share Incentive Scheme within its scope of authority as delegated by the Shareholders' meeting.

The Remuneration and Appraisal Committee shall act as the supervisory authority of the 2026 A Share Restricted Share Incentive Scheme, and shall issue opinions on whether the 2026 A Share Restricted Share Incentive Scheme is conducive to the sustainable development of the Company, or is materially detrimental to the interests of the Company and the Shareholders as a whole. The Remuneration and Appraisal Committee shall supervise the implementation of the 2026 A Share Restricted Share Incentive Scheme as to ensure its compliance with the Applicable Laws, administrative regulations, normative documents and operational rules of the Shanghai Stock Exchange. The Remuneration and Appraisal Committee is also responsible for verifying the list of Incentive Participants under the 2026 A Share Restricted Share Incentive Scheme.

Scope and List of Incentive Participants

The 2026 A Share Restricted Share Incentive Scheme covers a total of 528 Incentive Participants, accounting for 39.26% of the Company's total number of 1,345 employees as of December 31, 2025, including:

1. Key technical personnel;

2. Middle-level management;

3. Core personnel; and

4. Other employees of the Group.

The Incentive Participants do not include Directors, senior management, Shareholders or actual controllers (and their spouses, parents and children) individually or collectively holding more than 5% of the Shares. All Incentive Participants are employees signing a labor contract or an employment contract with the Company, a branch company of the Company or a controlled subsidiary of the Company during the Appraisal Period of the 2026 A Share Restricted Share Incentive Scheme.

The 528 Incentive Participants are determined in accordance with PRC Company Law, the PRC Securities Law, the Administrative Measures on Equity Incentives of Listed Companies, the STAR Market Listing Rules, the Self-Regulatory Guidance No. 4, and other Applicable Laws, administrative regulations, normative documents, and the Articles of Association, taking into account the actual situation of the Company.

The 528 Incentive Participants are selected based on their positions within the Group and their respective contributions, which are considered by the Remuneration and Appraisal Committee to be required to be incentivized. Aligned with the Company's strategic development and business needs, the 2026 A Share Restricted Share Incentive Scheme focuses on the core management, technical and business positions. The selection of Incentive Participants is primarily based on the importance of the employee's position within the Company, their contribution to the Company's performance and long-term development, their own individual performance and their future growth potential. The Remuneration and Appraisal Committee will propose a list of persons who are covered under the scope of Incentive Participants, as well as verify and confirm such list.

Among the 528 Incentive Participants, 527 Incentive Participants are PRC nationals, and the remaining one Incentive Participant is a foreign national who has entered into an employment contract with the Company and is working in the PRC. Such Incentive Participant is a core personnel of the Company and plays an important role in the Company in technology research and development and business development. Therefore, the Company believes that including this foreign national as an Incentive Participant in the Incentive Scheme is consistent with the Company's actual situation and future development needs, complies with Applicable Laws, and is necessary and reasonable. The grant of Restricted Shares to a foreign national does not violate any applicable PRC laws and regulations.

The scope of Incentive Participants under the 2026 A Share Restricted Share Incentive Scheme is expressly defined to further its aim of attracting and retaining outstanding talents of the Company, incentivizing employee performance and aligning the interests of Shareholders, the Company and individual members of the core teams. By covering key technical personnel, middle-level management, core personnel and other employees, while expressly excluding individuals subject to regulatory prohibitions, the 2026 A Share Restricted Share Incentive Scheme ensures that only individuals who comply with the Applicable Laws and regulations are eligible to participate. This arrangement is intended to safeguard the rights and interests of Shareholders and promote sustained corporate development, which aligns with the purpose of the 2026 A Share Restricted Share Incentive Scheme.

The number and identities of the 528 Incentive Participants are fixed and will not be subject to change, save as to the early termination of such Incentive Participants.

The Company will publish announcements upon the grant of Restricted Shares in accordance with Rules 17.06A, 17.06B and 17.06C of the Listing Rules.

Source of Restricted Shares and Number of Restricted Shares

(1) Source of Restricted Shares

The incentive instrument to be used in the 2026 A Share Restricted Share Incentive Scheme is second-class restricted shares. The source of the Restricted Shares shall be treasury shares and/or new A Shares to be specifically issued to the Incentive Participants.

(2) Number of Restricted Shares to be Granted and Proportion of Total Shares

The total number of Restricted Shares to be granted to the Incentive Participants under the 2026 A Share Restricted Share Incentive Scheme is 464,953 Shares, accounting for approximately 0.29% of the Company's total share capital of 162,623,433 Shares as of the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme. The grant is a one-off grant with no reserved grant.

The total number of Shares issued pursuant to options and awards granted under the 2026 A Share Restricted Share Incentive Scheme, 2026 H Share Scheme and any other incentive schemes of the Company during the Validity Period shall, in aggregate, not exceed 10.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the time the Incentive Scheme is submitted to the Shareholders' meeting for consideration. The cumulative number of Shares granted to any single Incentive Participant through all incentive schemes of the Company during the Validity Period does not exceed 1.00% of the relevant class of Shares in issue as of the time the Incentive Scheme is submitted to the Shareholders' meeting for consideration. During the period from the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme to the date before the Restricted Shares are granted to the Incentive Participants, and from the date after the Restricted Shares are granted to the Incentive Participants to the date before they vest, if the Company undergoes any matter such as capitalization of capital reserves, bonus issue, share subdivision, share consolidation or rights issue, the number of Restricted Shares to be granted will be adjusted accordingly.

(3) List of Incentive Participants and Allocation of Proposed Restricted Shares

Name	Nationality	Position	Number of Restricted Shares to be granted	Proportion of the total equity to be granted under the Incentive Scheme	Proportion of the total share capital as of the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme
Chen Qihui	Chinese	Key technical personnel	357	0.08%	0.0002%
Middle-level management, core personnel and other employees (Total: 527 persons)			464,596	99.92%	0.2857%
Total			**464,953**	**100.00%**	**0.2859%**

Notes:

(1) The cumulative number of Shares granted to any single Incentive Participant through all effective incentive schemes during the Validity Period does not exceed 1.00% of the relevant class of Shares in issue as of the time the Incentive Scheme is submitted to the Shareholders' meeting for consideration. The total number of Shares issued pursuant to options and awards granted under the 2026 A Share Restricted Share Incentive Scheme, the 2026 H Share Scheme and all other incentive schemes of the Company during the Validity Period shall, in aggregate, not exceed 10.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the time the Incentive Scheme is submitted to the Shareholders' meeting for consideration.

(2) The Incentive Participants under the Incentive Scheme do not include Directors, senior management, Shareholders or actual controllers (and their spouses, parents and children) individually or collectively holding more than 5% of the Shares.

(3) Future grant of Restricted Shares to a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates (if any) will comply with Rule 17.04 of the Listing Rules.

Validity Period, Grant Date, Vesting Schedule and Lock-Up Period

(1) Validity Period of the 2026 A Share Restricted Share Incentive Scheme

The Validity Period of the 2026 A Share Restricted Share Incentive Scheme shall commence from the Grant Date of the Restricted Shares and end on the date when all Restricted Shares granted to the Incentive Participants are vested or have lapsed and been rendered invalid by the Company, which shall not exceed 48 months. The life of the 2026 A Share Restricted Share Incentive Scheme is 48 months.

(2) Grant Date of the 2026 A Share Restricted Share Incentive Scheme

The Grant Date is determined by the Board after the 2026 A Share Restricted Share Incentive Scheme is approved by the Shareholders' meeting. The Grant Date must be an A Share trading day.

During the Validity Period of the 2026 A Share Restricted Share Incentive Scheme, in case there is any amendment to the requirements regarding the transfer of Shares by an employee of the Company under the PRC Company Law, the PRC Securities Law and other Applicable Laws, regulations, regulatory documents and the Articles of Association, such amended requirements thereunder shall apply to the Shares transferred by the Incentive Participants during the relevant time.

(3) Vesting Schedule

The Restricted Shares granted under the 2026 A Share Restricted Share Incentive Scheme shall be vested in multiple tranches according to the agreed proportions upon the Incentive Participants satisfying the corresponding Vesting Conditions. The Vesting Date must be a trading day, and shall not fall within the following periods:

1. within 15 days before the announcement date of the Company's annual report or interim report. If the announcement date of the annual report or interim report is postponed due to special reasons, the restricted period commences 15 days before the originally scheduled announcement date and ends on the day before the actual announcement date;

2. within 5 days before the announcement date of the Company's quarterly report, results forecast, or preliminary results announcement;

3. from the date of occurrence of a material event that may significantly affect the trading price of the Shares or their derivatives, or the date such event enters the decision-making process, until the date of its legal disclosure;

4. other periods stipulated by the CSRC and the Shanghai Stock Exchange.

The "material events" referred to above are transactions or other material events that the Company is required to disclose pursuant to the provisions of the STAR Market Listing Rules. During the Validity Period of the Incentive Scheme, if the relevant provisions concerning the above periods in the PRC Company Law, the PRC Securities Law, and other Applicable Laws, administrative regulations, normative documents, and the Articles of Association change, then the vesting of Restricted Shares by Incentive Participants must comply with the amended PRC Company Law, the Securities Law, and other Applicable Laws, regulations, normative documents and the Articles of Association.

The vesting schedule and vesting arrangements for the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme are as follows:

Vesting arrangement	Vesting time	Proportion of vested equity interests to total granted equity interests
First vesting tranche	From the first A Share trading day after 12 months following the Grant Date of the Restricted Shares to the last A Share trading day within 24 months from the Grant Date	34%
Second vesting tranche	From the first A Share trading day after 24 months following the Grant Date of the Restricted Shares to the last A Share trading day within 36 months from the Grant Date	33%
Third vesting tranche	From the first A Share trading day after 36 months following the Grant Date of the Restricted Shares to the last A Share trading day within 48 months from the Grant Date	33%

The vesting arrangements under the 2026 A Share Restricted Share Incentive Scheme are designed to strengthen the Company's long term incentive and restraint mechanisms by linking the vesting of Restricted Shares to the Incentive Participants' continued service over a vesting period of up to 48 months from the Grant Date. The 12 month initial vesting period provides effective short term incentives and operational flexibility, while the subsequent phased vesting supports long term retention and support of key strategic initiatives. This structure effectively aligns the interests of the Company, its Shareholders and members of the core teams, thereby facilitating the Company's long term sustainable development and the achievement of its strategic objectives, and aligns with the purpose of the 2026 A Share Restricted Share Incentive Scheme.

Any Restricted Shares that do not vest during the aforesaid agreed periods, or that cannot apply for vesting due to the failure to meet the Vesting Conditions, shall not vest and will lapse and be rendered invalid by the Company.

After the Vesting Conditions are met, the Company will handle the vesting matters for those Restricted Shares that meet the Vesting Conditions in a unified manner.

The Restricted Shares granted to Incentive Participants under the 2026 A Share Restricted Share Incentive Scheme must be personal to the respective Incentive Participant. The Restricted Shares granted to Incentive Participants shall not be transferred, assigned, pledged for guarantees, or used for repayment of debts before vesting. Any Shares increased due to a capitalization of capital reserves, bonus issue, or other circumstances in respect of the Restricted Shares that have been granted but not yet vested shall be subject to the same Vesting Conditions and shall not be transferred, assigned, pledged for guarantees or used for repayment of debts before vesting. If the Restricted Shares are not eligible to vest at the relevant time, the Shares derived from the aforementioned events shall also not be eligible to vest. The Restricted Shares shall be identical to all issued A Shares and shall be granted subject to all the provisions of the Articles of Association in force for the time being and will rank pari passu with the other fully paid A Shares in issue on the date the vesting of the Restricted Shares is registered with the CSDC, save that the Incentive Participants shall not enjoy the voting rights, rights of resolution, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) in respect of such Shares prior to the registration of the vesting of the Restricted Shares.

(4) Lock-up period of the 2026 A Share Restricted Share Incentive Scheme

As no Directors or senior management of the Company are participating in the Incentive Scheme, no lock-up period is set for the Restricted Shares granted to Incentive Participants after they vest.

Grant Price of the Restricted Shares and the Basis of its Determination

(1) Grant Price of the Restricted Shares

The Grant Price of the Restricted Shares shall be RMB139.87 per Share.

(2) Basis of determination for the Grant Price of the Restricted Shares

The Grant Price of the Restricted Shares shall not be lower than the par value of the Shares, nor lower than the higher of the following prices:

1. 50% of the average trading price of the Company's A Shares on the trading day before the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme (calculated as the total trading value/total trading volume on that day), which is RMB139.87 per Share; and

2. 50% of the average trading price of the Company's A Shares over the 20 trading days before the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme (calculated as the total trading value/total trading volume over those 20 trading days), which is RMB125.45 per Share.

By offering Restricted Shares at a discounted price, the Grant Price enables Incentive Participants to share in both the risks and rewards of the Company's future performance, fostering a sense of ownership and sustained commitment that aligns with the purpose of the 2026 A Share Restricted Share Incentive Scheme.

No consideration is payable by the Incentive Participants to the Company for the acceptance of Restricted Shares. The Incentive Participants shall have 60 days from the Grant Date to accept the Restricted Shares.

Granting Conditions, Clawback Mechanism and Vesting Conditions of the Restricted Shares

(1) Granting Conditions and clawback mechanism

The Company may grant the Restricted Shares to the Incentive Participants only when the following Granting Conditions are met simultaneously. Conversely, if any of the following Granting Conditions are not met, the Restricted Shares shall not be granted to the Incentive Participants:

1. None of the following events has occurred with respect to the Company:

   (i) the financial accounting report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

   (ii) the internal control of the financial report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

   (iii) failure to conduct profit distribution in accordance with the Applicable Laws and regulations, the Articles of Association and public undertakings during the last 36 months after listing;

   (iv) prohibition from implementation of an equity incentive scheme by the Applicable Laws and regulations; or

   (v) other circumstances as determined by the CSRC.

2. None of the following events has occurred with respect to the Incentive Participant:

   (i) he or she has been determined by the Shanghai Stock Exchange as an unsuitable candidate in the last 12 months;

   (ii) he or she has been identified by the CSRC and its dispatched offices as an unsuitable candidate in the last 12 months;

(iii) he or she has been subjected to administrative penalties or market entry bans by the CSRC or its dispatched offices due to material illegal or non-compliant acts in the last 12 months;

(iv) he or she has circumstances as stipulated in the PRC Company Law that prohibit a person from serving as a Director or senior management of the Company;

(v) he or she has been prohibited by the Applicable Laws and regulations from participating in equity incentives of listed companies; or

(vi) other circumstances as determined by the CSRC.

The clawback mechanisms under the Incentive Scheme provide the Company with the ability to recover Restricted Shares or related benefits in circumstances involving false records, misleading statements or material omissions in information disclosure documents. Such mechanisms ensure that equity incentives are ultimately retained only by Incentive Participants whose grants and vesting are based on lawful, true and complete disclosures and whose conduct is consistent with the Company's best interests.

In the event that one of the circumstances set forth in (1) above occurs to the Company, the 2026 A Share Restricted Share Incentive Scheme shall be terminated, and all Restricted Shares that have been granted to the Incentive Participants but not vested shall not vest and shall be cancelled by the Company. In the event that one of the clawback circumstances set forth in 2 above occurs to an Incentive Participant, the Restricted Shares that have been granted to such Incentive Participant shall not vest and shall be cancelled by the Company. By strengthening accountability and safeguarding the integrity of the incentive structure, these arrangements empowering the Company to cancel the Restricted Shares granted to an Incentive Participant in the event of the aforesaid circumstances align with the purpose of the Incentive Scheme to promote sustainable, value-driven performance and long-term development of the Company while protecting the interests of Shareholders as a whole.

If the Company fails to meet the conditions for granting or vesting of Restricted Shares due to false records, misleading statements or material omissions in the information disclosure documents, the Restricted Shares granted to Incentive Participants but not yet vested shall not vest and shall be cancelled by the Company. For Restricted Shares that have already vested, all Incentive Participants shall return the equity interests they have been granted. The Board shall recover the proceeds from the Incentive Participants in accordance with the preceding provisions. Where the Incentive Participants who are not responsible for the above matters suffer from losses due to the return of equity, they may recover such losses from the Company or the responsible parties in accordance with the relevant arrangements under the Incentive Scheme.

(2) Vesting Conditions

Restricted Shares granted to the Incentive Participants by the Company shall be vested in tranches upon simultaneously satisfying the following Vesting Conditions:

1. None of the following events has occurred with respect to the Company:

   (i) the financial accounting report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

   (ii) the internal control of the financial report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

   (iii) failure to conduct profit distribution in accordance with the Applicable Laws and regulations, the Articles of Association and public undertakings during the last 36 months after listing;

   (iv) prohibition from implementation of an equity incentive scheme by the Applicable Laws and regulations; or

   (v) other circumstances as determined by the CSRC.

2. None of the following events has occurred with respect to the Incentive Participant:

   (i) he or she has been identified by the Shanghai Stock Exchange as an unsuitable candidate in the last 12 months;

   (ii) he or she has been identified by the CSRC and its dispatched offices as an unsuitable candidate in the last 12 months;

   (iii) he or she has been subjected to administrative penalties or market entry bans by the CSRC or its dispatched offices due to material illegal or non-compliant acts in the last 12 months;

   (iv) he or she has circumstances as stipulated in the PRC Company Law that prohibit a person from serving as a Director or senior management of the Company;

   (v) he or she has been prohibited by the Applicable Laws and regulations from participating in equity incentives of listed companies; or

   (vi) other circumstances as determined by the CSRC.

In case the Company falls under any of the circumstances specified in the sub-paragraph 1 above, the Restricted Shares that have been granted to all Incentive Participants under the Incentive Scheme but not vested shall not vest and shall be cancelled by the Company. In case any Incentive Participant falls under any of the circumstances specified in the sub-paragraph 2 above, the Restricted Shares that have been granted to such Incentive Participant under the 2026 A Share Restricted Share Incentive Scheme but not vested shall not vest and shall be cancelled by the Company.

Tenure Requirement

Before the vesting of each batch of Restricted Shares granted to an Incentive Participant, the Incentive Participant must have completed an employment period of more than 12 months.

Performance Appraisal Requirements

The performance appraisal indicators for the 2026 A Share Restricted Share Incentive Scheme are divided into two levels, at the Company-level and at the individual-level. At the Company-level, the performance appraisal indicator is operating revenue, which is an important indicator for measuring the Company's operating conditions and market competitiveness, for forecasting trends in business expansion and for reflecting the Company's growth potential. In setting the performance appraisal targets, the Company has fully taken into account a combination of composite factors, including its historical performance, its current operating conditions and future development plans. The performance appraisal indicators are reasonable and scientific, and are conducive to motivating employees, ensuring the achievement of the Company's future development strategies and operating objectives, and delivering more efficient and sustainable returns to shareholders. At the individual-level, the Company has established a rigorous position-specific and responsibility-based individual-level performance appraisal system for all Incentive Participants. This system enables a relatively accurate and comprehensive overall appraisal of the work performance of each Incentive Participant, ensuring that individual capabilities are fully reflected and that Incentive Participants receive equity incentive rewards commensurate with their efforts and contributions. The Company shall determine whether the Incentive Participant has met the Vesting Conditions based on the results of the Incentive Participant's performance appraisal for the previous appraisal year.

(1) Company-level Performance Appraisal Requirements

The 2026 A Share Restricted Share Incentive Scheme shall assess the Company's performance appraisal indicators annually during the Appraisal Period, being the three fiscal years from 2026 to 2028. The Company-level vesting ratio for each year is calculated based on the achievement of the Company's performance appraisal targets. The performance appraisal targets at the Company-level for the Restricted Shares granted under the 2026 A Share Restricted Share Incentive Scheme are as follows:

Unit: RMB hundred million

Vesting arrangement	**Corresponding appraisal year**	**Annual operating revenue target (Am)**	**Annual operating revenue threshold (An)**
First vesting tranche	2026	45.00	40.50
Second vesting tranche	2027	55.00	49.50
Third vesting tranche	2028	68.00	61.20

Performance appraisal indicator	Achievement of performance appraisal indicator	Corresponding coefficient for the performance appraisal indicator
Actual operating revenue achieved for the corresponding assessment year (A)	A≥Am	X=100%
	An≤A<Am	X= A/Am*100%
	A<An	X=0%

Note:

(1) The scope of the above "operating revenue" shall be based on the audited consolidated financial statements issued by the accounting firm.

(2) The above performance appraisal targets do not constitute the Company's performance forecast or a substantive commitment by the Company to investors.

If the Company fails to achieve the above performance appraisal targets, all Restricted Shares scheduled to vest in the corresponding appraisal year for all Incentive Participants shall not vest and such shares will lapse and be rendered invalid by the Company.

(2) Individual-level Performance Appraisal Requirements for the Incentive Participants

The performance appraisal results of the Incentive Participants are classified into three (3) grades, namely "A", "B" and "C". At the relevant time, the actual number of Restricted Shares to be vested to each Incentive Participant shall be determined based on the individual-level vesting ratio corresponding to their appraisal grade as set out in the following appraisal grading table:

Performance appraisal result	A	B	C
Individual-level vesting ratio (Y)	100%	100%	0

If the Company-level performance appraisal target for the current year is achieved, the actual number of Restricted Shares vested to the Incentive Participants in the relevant year = the quota of Restricted Shares scheduled to be vested to the individual in the relevant year × Company-level vesting ratio (X) × individual-level vesting ratio (Y). If the Restricted Shares scheduled to vest for an Incentive Participant in the current period cannot vest or cannot fully vest due to appraisal reasons, such Shares will lapse and be rendered invalid by the Company and shall not be carried forward or deferred to subsequent years.

Where changes in economic conditions, market trends or other factors result in changes to the Company and/or its Shares such that the continued implementation of the 2026 A Share Restricted Share Incentive Scheme is unlikely to achieve its incentivizing purpose, the Company may, upon consideration and approval by the Board and/or the Shareholders' meeting, determine that one or more unvested tranches of Restricted Shares shall not vest or terminate the 2026 A Share Restricted Share Incentive Scheme in its entirety.

The performance appraisal requirements under the 2026 A Share Restricted Share Incentive Scheme are designed to ensure that the vesting of Restricted Shares is closely linked to the Company's operating performance and the individual contributions of Incentive Participants, thereby aligning their interests with those of the Company and its Shareholders. Where the relevant Company-level or individual-level performance conditions are not satisfied, the Restricted Shares scheduled to vest for the corresponding appraisal year shall lapse and be rendered invalid. Such arrangements reinforce the Company's focus on sustainable, value-driven performance and uphold the effectiveness and integrity of the Company's long-term incentive mechanism, which is consistent with the purpose of the 2026 A Share Restricted Share Incentive Scheme.

Adjustment Method and Procedures of the 2026 A Share Restricted Share Incentive Scheme

(1) Methods of adjusting the number of Restricted Shares to be granted and vested

In the event of any capitalization of capital reserves, bonus issue, share subdivision, rights issue or share consolidation, during the period from the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme to the date of completion of the vesting registration of Restricted Shares by the Incentive Participants, the number of Restricted Shares granted/vested shall be adjusted accordingly. The adjustment methods are as follows:

(i) Capitalization of capital reserves, bonus issue, share subdivision

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

Where: Q_0 represents the number of Restricted Shares granted/vested before the adjustment; n represents the ratio of capitalization of capital reserves, bonus issue or subdivision of share capital (i.e. the increase in number of shares per Share upon capitalization of capital reserves, bonus issue and subdivision of the share capital); and Q represents the adjusted number of Restricted Shares granted/vested.

(ii) Rights issue

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

Where: Q_0 represents the number of Restricted Shares granted/vested before adjustment; P_1 represents the closing price of the Restricted Shares as of the record date; P_2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e. the ratio of the number of Shares to be issued under the rights issue to the total share capital of the Company before the rights issue); and Q represents the adjusted number of Restricted Shares granted/vested.

(iii) Share consolidation

$Q = Q_0 \times n$

Where: Q_0 represents the number of Restricted Shares granted/vested before adjustment; n represents the ratio of share consolidation (i.e. one Share of the Company shall be consolidated into n shares); and Q represents the adjusted number of Restricted Shares granted/vested.

(iv) Additional issue

In the event of the Company's additional issue of new Shares, no adjustment will be made on the number of Restricted Shares granted/vested.

(2) Methods of adjusting the Grant Price of the Restricted Shares

In the event that any capitalization of capital reserves, bonus issue, share subdivision, rights issue, share consolidation or dividend distribution has been made by the Company during the period from the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme to the date of the completion of the vesting registration of Restricted Shares by the Incentive Participants, an adjustment to the Grant Price of the Restricted Shares shall be made accordingly. The adjustment methods are as follows:

(i) Capitalization of capital reserves, bonus issue, share subdivision

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

Where: P_0 represents the Grant Price before the adjustment; n represents the per share ratio of capitalization of capital reserves, bonus issue and share subdivision; and P represents the adjusted Grant Price.

(ii) Rights issue

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

Where: P_0 represents the Grant Price prior to the adjustment; P_1 represents the closing price as of the record date; P_2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e. the ratio of the number of Shares to be issued under the rights issue to the total share capital of the Company before the rights issue); and P represents the adjusted Grant Price.

(iii) Share consolidation

$P = P_0 \div n$

Where: P_0 represents the Grant Price before the adjustment; n represents the ratio of share consolidation; and P represents the adjusted Grant Price.

(iv) Dividend distribution

$P = P_0 - V$

Where: P_0 represents the Grant Price before the adjustment; V represents the dividend per Share; and P represents the adjusted Grant Price. After the adjustment of dividend distribution, P shall still be greater than 1.

Pursuant to Rule 17.03(13) of the Listing Rules, the scheme document must include a provision for adjustment of the exercise or purchase price and/or the number of shares subject to options or awards granted under the scheme in the event of a capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital. Note to Rule 17.03(13) of the Listing Rules states that any adjustment required under Rule 17.03(13) must give a participant the same proportion of the equity capital as that to which that person was previously entitled.

In addition to the adjustment to the Grant Price as required under Rule 17.03(13) of the Listing Rules, the 2026 A Share Restricted Share Incentive Scheme also provides for an adjustment to the Grant Price in the event of dividend distribution by the Company (the "**Dividend Adjustment**"). The Dividend Adjustment is a mandatory requirement for the Company to comply with article 46 of the Administrative Measures on Equity Incentives of Listed Companies issued by the CSRC, which states that "where adjustments to the equity price or quantity are required due to ex-rights, ex-dividend, or other reasons, the Board shall make the adjustment in accordance with the principles, methods and procedures stipulated in the equity incentive plan".

The Company has applied for, and the Stock Exchange has granted, a waiver from strict compliance with Rule 17.03(13) of the Listing Rules in relation to the Dividend Adjustment due to the following factors:

(a) the 2026 A Share Restricted Share Incentive Scheme only entitles the Incentive Participants to acquire A Shares but not H Shares. According to the opinion from Jia Yuan Law Offices (北京市嘉源律師事務所), the legal advisor to the Company as to the PRC laws, (i) the proposed terms of the 2026 A Share Restricted Share Incentive Scheme are prepared in accordance with the related regulations of the PRC laws and the requirements of the relevant regulatory authorities of the PRC (including but not limited to the CSRC and the Shanghai Stock Exchange), including the PRC Company Law, the PRC Securities Law, the Administrative Measures on Equity Incentives of Listed Companies, the STAR Market Listing Rules and the Self-Regulatory Guidance No. 4; and (ii) the Board shall make adjustments and discharge disclosure obligations in relation to the Dividend Adjustment in accordance with the requirements of the Administrative Measures on Equity Incentives of Listed Companies;

(b) the Dividend Adjustment is in line with the market practice in the PRC;

(c) the proposed terms of the 2026 A Share Restricted Share Incentive Scheme, including the Dividend Adjustment, have been reviewed by Jia Yuan Law Offices (北京市嘉源律師事務所), and approved by the independent non-executive Directors and the Board;

(d) the adjusted Grant Price will be equal to the Grant Price minus the dividend to be paid by the Company. The Company does not expect that the Dividend Adjustment will have any material adverse impact on the interests of Shareholders; and

(e) the terms of the 2026 A Share Restricted Share Incentive Scheme will be under close scrutiny by the aforesaid regulatory authorities of the PRC, and they are also subject to approval by the Shareholders at the Shareholders' meeting. The Shareholders will be given the opportunity to make an informed decision as to the adoption of the 2026 A Share Restricted Share Incentive Scheme at the Shareholders' meeting.

(v) Additional issue

In the event of the Company's additional issue of new Shares, no adjustment will be made to the Grant Price of the Restricted Shares.

(3) Adjustment Procedures for the 2026 A Share Restricted Share Incentive Scheme

Pursuant to the authorization of the Shareholders' meeting, when the circumstances set forth in the above sub-paragraphs (1) and (2) occur, the Board shall deliberate and approve the proposal regarding the adjustment of the number of Restricted Shares granted/vested and the Grant Price. The Company shall engage a law firm to issue a professional opinion to the Board on whether the aforementioned adjustments comply with the provisions of the Administrative Measures on Equity Incentives of Listed Companies, the Articles of Association, and the Incentive Scheme. After the adjustment proposal is deliberated and approved by the Board, the Company shall promptly disclose the announcement of the Board resolution and publish the legal opinion simultaneously.

Amendment of the 2026 A Share Restricted Share Incentive Scheme

If the Company proposes to amend the 2026 A Share Restricted Share Incentive Scheme before it is considered and approved by the Shareholders' meeting, the amendment must be considered and approved by the Board. If the Company amends the 2026 A Share Restricted Share Incentive Scheme after it has been approved by the Shareholders' meeting, the amendment proposal shall be submitted to the Shareholders' meeting for consideration, and shall not include the following circumstances:

1. circumstances that would lead to early vesting; or

2. circumstances that would lower the Grant Price (except for reductions in the Grant Price resulting from capitalization of capital reserves, bonus issue, rights issue, dividend distribution or other similar events).

The Remuneration and Appraisal Committee shall issue an opinion on whether the amended 2026 A Share Restricted Share Incentive Scheme is conducive to the Company's sustainable development and whether there exists any circumstance that would materially damage the interests of the Company and all Shareholders.

A law firm shall issue a professional opinion on whether the amended Incentive Scheme complies with the provisions of the Administrative Measures on Equity Incentives of Listed Companies and the Applicable Laws and regulations, and whether there exists any circumstance that would materially damage the interests of the Company and all Shareholders.

Termination of the 2026 A Share Restricted Share Incentive Scheme

If the Company proposes to terminate the implementation of the 2026 A Share Restricted Share Incentive Scheme before it is considered by the Shareholders' meeting, such termination must be considered and approved by the Board. If the Company terminates the implementation of the 2026 A Share Restricted Share Incentive Scheme after it has been considered and approved by the Shareholders' meeting, such termination shall be decided by the Shareholders' meeting.

A law firm shall issue a professional opinion on whether the Company's termination of the implementation of the Incentive Scheme complies with the provisions of the Administrative Measures on Equity Incentives of Listed Companies and the Applicable Laws and regulations, and whether there exists any circumstance that would materially damage the interests of the Company and all Shareholders.

Upon termination of the 2026 A Share Restricted Share Incentive Scheme, any Restricted Shares that have not yet vested shall lapse and be rendered invalid by the Company.

Listing Rules Implications

Pursuant to Chapter 17 of the Listing Rules, the 2026 A Share Restricted Share Incentive Scheme constitutes a share scheme involving the issue of new Shares and therefore the adoption of the 2026 A Share Restricted Share Incentive Scheme is subject to the approval of the Shareholders. The terms of the 2026 A Share Restricted Share Incentive Scheme are in accordance with the relevant requirements under Chapter 17 of the Listing Rules. The above resolution has been approved by the Board and is hereby proposed at the ESM for Shareholders' consideration and approval.

The terms of the 2026 A Share Restricted Share Incentive Scheme do not require the Company to appoint a trustee to administer the 2026 A Share Restricted Share Incentive Scheme. As of the Latest Practicable Date, the Company does not intend to appoint a trustee to the 2026 A Share Restricted Share Incentive Scheme. Accordingly, none of the Directors will be a trustee of the 2026 A Share Restricted Share Incentive Scheme or will have any direct or indirect interest in the trustee of the 2026 A Share Restricted Share Incentive Scheme. The Company will comply with the Hong Kong Listing Rules if and when a trustee is appointed to the 2026 A Share Restricted Share Incentive Scheme.

The Incentive Participants of the 2026 A Share Restricted Share Incentive Scheme do not include any Directors, the chief executive or substantial Shareholders, or any of their respective associates. As such, the Company will not be subject to the relevant requirements under Chapter 17 of the Listing Rules.

5. ADMINISTRATIVE MEASURES FOR THE IMPLEMENTATION AND APPRAISAL OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

In order to ensure the smooth implementation of the 2026 A Share Restricted Share Incentive Scheme in accordance with the PRC Company Law, the PRC Securities Law, the Administrative Measures on Equity Incentives of Listed Companies, the STAR Market Listing Rules, the Self-Regulatory Guidance No. 4, other Applicable Laws, administrative regulations, rules, normative documents and the relevant provisions of the Articles of Association, and taking into account the actual conditions of the Company, the Administrative Measures for the Implementation and Appraisal of the 2026 A Share Restricted Share Incentive Scheme was formed by the Company. Full text of the Administrative Measures for Implementation and Appraisal is set out in Appendix III to this circular.

The above resolution has been approved by the Board and is hereby proposed at the ESM for Shareholders' consideration and approval.

6. PROPOSED AUTHORIZATION TO THE BOARD TO HANDLE MATTERS PERTAINING TO THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

To ensure the smooth implementation of the 2026 A Share Restricted Share Incentive Scheme, it is hereby submitted to the ESM to authorize the Board to handle the following matters related to the 2026 A Share Restricted Share Incentive Scheme:

(1) It is submitted to the ESM to authorize the Board to be responsible for the implementation of the following matters relating to the 2026 A Share Restricted Share Incentive Scheme:

(a) to determine the eligibility and conditions for the Incentive Participants to participate in the 2026 A Share Restricted Share Incentive Scheme, and to determine the Grant Date of the Restricted Shares;

(b) in the event of capitalization of capital reserves, bonus issue, share subdivision, rights issue or share consolidation, to make corresponding adjustments to the number of Restricted Shares in accordance with the methodology prescribed under the 2026 A Share Restricted Share Incentive Scheme;

(c) in the event of capitalization of capital reserves, bonus issue, share subdivision, rights issue, share consolidation or dividend distribution, to make corresponding adjustments to the Grant Price of the Restricted Shares in accordance with the methodology prescribed under the 2026 A Share Restricted Share Incentive Scheme;

(d) to grant Restricted Shares to Incentive Participants when they satisfy the relevant conditions, and handle all matters necessary for the grant of Restricted Shares, including signing the grant agreement with the Incentive Participants;

(e) to review and confirm the eligibility of Incentive Participants for vesting and the conditions for vesting, and to delegate such authority to the Remuneration and Appraisal Committee;

(f) to handle all matters necessary for the vesting of Restricted Shares by Incentive Participants, including but not limited to submitting vesting applications to the Shanghai Stock Exchange and/or the Hong Kong Stock Exchange, applying to the CSDC for the relevant registration and settlement procedures, amending the Articles of Association, and completing the registration of change in the Company's registered share capital;

(g) to determine the amendment and termination of the 2026 A Share Restricted Share Incentive Scheme, including but not limited to revoking the eligibility of Incentive Participants for the vesting of Restricted Shares, determining that the unvested Restricted Shares granted to Incentive Participants shall not vest, handling the lapsing and invalidating of unvested Restricted Shares of deceased Incentive Participants and matters relating to compensation and inheritance thereof, and terminating the 2026 A Share Restricted Share Incentive Scheme;

(h) to sign, execute, amend or terminate any agreement and other related agreements in connection with the 2026 A Share Restricted Share Incentive Scheme;

(i) to interpret the 2026 A Share Restricted Share Incentive Scheme;

(j) to administer and adjust the 2026 A Share Restricted Share Incentive Scheme, and formulate or amend from time to time the Administrative Measures for Implementation and Appraisal, provided that such Administrative Measures for Implementation and Appraisal are consistent with the terms of the 2026 A Share Restricted Share Incentive Scheme. However, if the Applicable Laws, regulations or relevant regulatory authorities require such amendments to be approved by the Shareholders' meeting and/or the relevant regulatory authorities, such amendments made by the Board must obtain the corresponding approvals; and

(k) if there are adjustments to the Applicable Laws, regulations or policies, to authorize the Board to make corresponding revisions and improvements to the 2026 A Share Restricted Share Incentive Scheme in accordance with such adjustments;

(2) It is submitted to the Shareholders' meeting to authorize the Board to, in connection with the 2026 A Share Restricted Share Incentive Scheme, handle approval, registration, filing, clearance, consent and other formalities with relevant government authorities and institutions; sign, execute, amend and complete documents to be submitted to relevant government authorities, institutions, organizations and individuals; amend the Articles of Association and complete the registration of change in the Company's registered share capital; and take all actions that it deems necessary, appropriate or suitable in connection with the 2026 A Share Restricted Share Incentive Scheme;

(3) It is submitted to the Shareholders' meeting to authorize the Board to appoint intermediary institutions such as receiving banks, accountants, lawyers and securities firms for the purpose of implementing the 2026 A Share Restricted Share Incentive Scheme; and

(4) It is submitted to the Shareholders' meeting to agree that the term of the above authorization granted to the Board shall be consistent with the Validity Period of the 2026 A Share Restricted Share Incentive Scheme.

With respect to the foregoing authorizations, except for matters that are expressly required to be resolved by the Board under the Applicable Laws, administrative regulations, rules and normative documents of the CSRC, the 2026 A Share Restricted Share Incentive Scheme or the Articles of Association, other matters may be directly exercised by the chairman of the Board or an appropriate person authorized by the chairman on behalf of the Board or appropriate person(s) authorized thereby.

The above resolution has been approved by the Board and is hereby proposed at the ESM for Shareholders' consideration and approval.

7. ESM AND PROXY ARRANGEMENT

A notice convening the ESM to be held physically at 3:00 p.m. on Thursday, July 23, 2026 at the Company's Conference Room, No. 9, Dongdangtian Alley, Suzhou Industrial Park, Jiangsu Province, the PRC, is set out on pages ESM-1 to ESM-2 of this circular for the purpose of considering and, if thought fit, passing the special resolutions approving the matters set out above. A form of proxy for use at the ESM (or any adjournment thereof) is enclosed with this circular. The form of proxy is also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.novosns.com).

Whether or not you are able to attend the ESM (or any adjournment thereof), you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event, no later than 24 hours before the time fixed for holding the ESM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the ESM (or any adjournment thereof) should you so desire. If you attend and vote at the ESM, the authority of your proxy will be revoked.

Pursuant to rule 13.39(4) of the Listing Rules, any voting by the Shareholders on any resolution at the ESM shall be taken by poll. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, none of the Shareholders has a material interest in any proposed resolution at the ESM and no Shareholders will be required to recuse from voting on such resolution to be proposed at the ESM.

For determining the H Shareholders' entitlement to attend and vote at the ESM, the H Share register of members of the Company will be closed from Monday, July 20, 2026 to Thursday, July 23, 2026 (both days inclusive), during which period no transfer of H Shares will be registered. Those H Shareholders whose names appear on the Company's register of members on Thursday, July 23, 2026 shall be entitled to attend and vote at the ESM.

In order to attend and vote at the ESM, H Shareholders whose transfer documents have not been registered are required to lodge all duly completed transfer documents, accompanied by the relevant share certificates, with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders) for registration by 4:30 p.m. on Friday, July 17, 2026.

8. RECOMMENDATION

The Board believes that the proposed resolutions set out in the Notice of ESM are on normal commercial terms, fair and reasonable and in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of the resolutions set out in the Notice of ESM.

9. DOCUMENTS AVAILABLE ON DISPLAY

A copy of the 2026 H Share Scheme and the 2026 A Share Restricted Share Incentive Scheme will be published on the Hong Kong Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.novosns.com) for display for a period of not less than 14 days prior to the date of the ESM and will be made available for inspection at the ESM.

10. RESPONSIBILITY STATEMENT

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

By order of the Board
Suzhou Novosense Microelectronics Co., Ltd.
Mr. Wang Shengyang
Chairman of the Board and Executive Director

The following is a summary of the principal terms of the 2026 H Share Scheme to be adopted at the ESM. It does not form part of, nor is it intended to be part of the terms of the 2026 H Share Scheme.

1. PURPOSES

The purposes of the 2026 H Share Scheme are:

(i) to provide the Company with a flexible means of attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to Eligible Participants;

(ii) to align the interests of Eligible Participants with those of the Company and Shareholders by providing such Eligible Participants with the opportunity to acquire proprietary interests in the Company and become Shareholders; and

(iii) to encourage Eligible Participants to contribute to the long-term growth, performance and profits of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

2. SOURCE OF THE H SHARE AWARD SHARES, PURCHASE PRICE AND SCHEME PERIOD

The H Share Award Shares under the 2026 H Share Scheme shall be satisfied by (i) treasury shares; (ii) the new H Shares to be allotted and issued by the Company to the Trustee(s) under the Trust only when specified participants are identified under the 2026 H Share Scheme pursuant to Rule 17.01(1)(a) of the Listing Rules; or (iii) existing H Shares purchased or acquired on-market or off-market by the Trustee(s) under the Trust.

The Scheme Mandate Limit as set out in resolution no. 4.2 is proposed at the ESM for Shareholders' consideration and approval to allot and issue new H Shares and transfer treasury shares to satisfy the H Share Award Shares.

The Purchase Price of H Share Awards shall be determined by the Scheme Administrator in their absolute discretion and notified to the Grantee in the Award Letter. The Purchase Price shall be set at different levels at nil, par value, the prevailing market price, or a discount to such market price, taking into account the purpose of the 2026 H Share Scheme, the intent of the relevant grant (including as a complement to remuneration) and the characteristics of the relevant Grantee. No consideration is payable by a Grantee to the Company for acceptance of the H Share Awards under the 2026 H Share Scheme.

Except for early termination as determined by the Board pursuant to the 2026 H Share Scheme Rules, the 2026 H Share Scheme shall be valid for a period of ten (10) years commencing on the Adoption Date and no further H Share Award Shares will be offered or granted under the 2026 H Share Scheme rules thereafter.

3. ELIGIBLE PARTICIPANTS AND BASIS FOR DETERMINING ELIGIBILITY

Eligible Participants as determined by the Board or the Scheme Administrator from time to time shall be eligible to participate in the 2026 H Share Scheme and shall comprise two categories:

(i) any person who is an employee (whether full-time or part-time), director or officer of the Company or any member of the Group on the Grant Date (the "**Employee Participants**");

(ii) any person providing services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, as determined by the Scheme Administrator pursuant to the criteria set out in the 2026 H Share Scheme Rules (the "**Service Provider Participants**").

I. Eligibility criteria of Employee Participants

In assessing the eligibility of the Employee Participant(s), the Board or the Scheme Administrator will consider, among other things, educational background, professional experience, qualifications, skills, knowledge, the length of service, job position, job duties, contribution to the Group and performance evaluation results of the Employee Participant.

II. Eligibility criteria of Service Provider Participants

Service Provider Participants eligible to participate in the 2026 H Share Scheme include any service provider who is engaged by the Group and who continuously and regularly provides services in the ordinary course of business of the Group that are conducive to the long-term growth of the Group for the Group's analog chip research and development, production and application business (designing, developing and selling related products, including sensor products, signal chain chip and power management chip products as well as other related technologies and products), and who falls within any of the following categories:

(1) Technology Research and Development Service Providers

Such service providers, as an extension of the Group's core technological capabilities, provide specialized and multi-scenario customized technology development and research and development support for analog chips. Their scope of services includes but is not limited to: (i) participating in application scenario implementation and development services for the Group's core products, namely sensor products, signal chain chips and power management chips, in the fields of automotive electronics, pan-energy and consumer electronics, enriching the product matrix and technology accumulation to assist the Company in swiftly entering emerging sectors and enhancing the product matrix; (ii) supporting product iteration, system maintenance, performance optimization and compliance-related technology enhancement, primarily including specialty wafer fabrication process providers, so as to strengthen the Company's underlying technological capabilities; (iii) assisting with intellectual property strategies, technical documentation preparation and standardization of research and development processes; and (iv) collaborating closely with the Group's internal engineering teams under agile development frameworks to ensure timely delivery and high-quality output.

The services provided by such service providers are highly specialized, continuous and strategically critical, and their deliverables directly impact the competitiveness of the Group's product portfolio, underlying technology extensibility and innovation capabilities. The grant of H Share Awards to such service providers helps to ensure long-term alignment of interests between such service providers and the Company.

The services provided by such technology research and development service providers are (i) provided exclusively to the Group; (ii) material and relevant to the operations of the Group; and (iii) provided on a regular or recurring basis, with the continuity and frequency of their services being comparable to those of employees. The Board considers that such technology research and development service providers are in substance akin to an extension of the Group's technology and research and development functions, and that the inclusion of such service providers as Eligible Participants under the 2026 H Share Scheme is fair and reasonable and in the overall interests of the Company.

(2) Sales and Market Expansion Service Providers

Such service providers primarily undertake end-market expansion and customer acquisition responsibilities on behalf of the Company. Depending on their respective capabilities, each such service provider provide all or some of the following services to the Group: (i) formulating and executing go-to-market strategies for specific application scenarios, such as the humanoid robotics sector; (ii) identifying application requirements of potential end customers and collaborating with the Company to co-design products; (iii) maintaining key customer relationships and assisting in sales negotiations and contract execution; (iv) gathering market intelligence, competitive insights and customer feedback to support the Group in optimizing product positioning and marketing strategies; (v) assisting and supporting the timely delivery of the Group's products and services, thereby facilitating revenue realization; (vi) enhancing the Group's brand promotion and market influence, particularly in countries and regions outside Mainland China; and (vii) providing after-sales services to customers (including communicating customers' feedback on the Group's products to the Group, coordinating product returns or exchanges, providing technical trainings on the use of the Group's products, and acting as a channel between customers and the Group to address concerns or complaints).

The service providers currently engaged by the Company in Mainland China and for its overseas operations are as follows:

(a) in countries and regions outside Mainland China, the Company engages market expansion service providers and technology research and development service providers through employers of record, so as to control the administrative costs associated with establishing branches in the respective countries concerned; and

(b) on a global basis, certain technology professionals and marketing experts and consultants provide continuous and long-term services to the Company on a self-employed or outsourced basis, which is a common market practice given their specialized nature.

The scope of Service Provider Participants shall not include any placing agents, financial advisors providing advisory services for fundraising, mergers or acquisitions, or professional service providers who provide attestation services or are required to perform services impartially and objectively (such as auditors or valuers).

Where a service provider qualifies for one of the above service provider types and meets the initial eligibility criteria to fall within the above categories, the below will be considered:

(i) Whether one qualifies as a Service Provider Participant

Whether a potential service provider participant will be eligible to qualify as a Service Provider Participant will be determined by the Board or the Scheme Administrator based on qualitative and quantitative performance indicators on a case-by-case basis in accordance with the eligibility criteria set out below, including (i) the materiality and nature of the business relationship between the Service Provider Participant and the Group (such as whether the services provided relate to the core functions of the Group and the Company's focus areas and whether such business dealings could be readily replaced by third parties); (ii) the track record in the quality of services provided to and/or cooperation with the Group; and (iii) the scale of business dealing with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider Participant.

(ii) Whether a Service Provider Participant provides services to the Group on a continuing basis

In assessing whether a Service Provider Participant provides services to the Group on a continuing basis, the Scheme Administrator will take into account factors such as: (i) length and type of services provided or will be provided to the Group, as well as the recurrence and regularity of such services; (ii) the Group's objectives in engaging the Service Provider Participant and how granting awards to the Service Provider Participant would align with the purpose of the 2026 H Share Scheme or benefit the Group; and (iii) remuneration packages of comparable listed peers with respect to similar Service Provider Participants, if any, based on available industry information.

4. EXCLUDED PARTICIPANTS

No person shall be entitled to participate as an Eligible Participant if such person is resident in a jurisdiction where the grant, acceptance or vesting of an H Share Award is not permitted or would be contrary to Applicable Laws or regulations, or if, in the view of the Scheme Administrator, compliance with Applicable Laws and regulations in that jurisdiction renders it necessary or expedient to exclude such person from participation in the 2026 H Share Scheme.

5. SCHEME LIMITS

I. Scheme Mandate Limit and Service Provider Sublimit

The total number of New Shares which may be issued in respect of all options and awards to be granted under the 2026 H Share Scheme and any other schemes of the Company (including under the 2026 A Share Restricted Share Incentive Scheme) will be 16,124,957 Shares, representing approximately 10.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the Adoption Date (the "**Scheme Mandate Limit**"). The Scheme Mandate Limit may be adjusted or refreshed from time to time in accordance with the scheme rules, subject to compliance with any Applicable Laws, rules and regulations.

Within the Scheme Mandate Limit, the total number of New Shares that may be issued in respect of all options and awards to be granted to Service Provider Participants under the 2026 H Share Scheme shall not exceed 3,224,991 H Shares, representing approximately 2.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the Adoption Date (the "**Service Provider Sublimit**"). The Service Provider Sublimit may be adjusted or refreshed from time to time in accordance with the 2026 H Share Scheme Rules, subject to compliance with any Applicable Laws, rules and regulations.

H Share Awards lapsed in accordance with the terms of the 2026 H Share Scheme Rules (or the terms of any other share schemes of the Company) will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and/or the Service Provider Sublimit. For the avoidance of doubt, H Share Awards cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and/or the Service Provider Sublimit.

For the avoidance of doubt, H Share Awards which will be settled by existing H Shares, whether funded by purchase or acquisition on-market or off-market by the Trustee(s) under the Trust or by transfer of existing H Shares by any Shareholder to the Trustee(s) under the Trust for the purpose of implementation of the 2026 H Share Scheme at nil consideration or otherwise, in accordance with the terms of the 2026 H Share Scheme Rules, shall not be counted for the purpose of calculating the Scheme Mandate Limit and/or the Service Provider Sublimit.

II. Refreshing the Scheme Mandate Limit and Service Provider Sublimit

The Company may refresh the Scheme Mandate Limit and/or Service Provider Sublimit:

(i) from the later of three years after the Adoption Date or three years after the date of the previous shareholder approval for refreshment of the Scheme Mandate Limit or Service Provider Sublimit (as the case may be) pursuant to the 2026 H Share Scheme Rules with the prior approval of Shareholders in the Shareholders' meeting by way of ordinary resolution; or

(ii) at any time, with the prior approval of the Shareholders in Shareholders' meeting (with the controlling shareholder (as defined under the Listing Rules) and their associates, or if there is no controlling shareholder, with the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates, abstaining from voting in favour of the relevant resolution at the general meeting) and subject to compliance with any additional requirements set out in the Listing Rules.

H Share Awards already granted under the 2026 H Share Scheme and any other share schemes of the Company (including those outstanding or lapsed in accordance with its terms or vested) shall not be counted for the purpose of calculating the Scheme Mandate Limit and/or the Service Provider Sublimit as refreshed.

The total number of New Shares which may be issued in respect of all options and awards to be granted under the 2026 H Share Scheme and any other schemes of the Company (including under the 2026 A Share Restricted Share Incentive Scheme) under the Scheme Mandate Limit as refreshed pursuant to paragraphs (i) and (ii) above shall not exceed 10.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the date of the aforesaid approval to refresh the Scheme Mandate Limit by the Shareholders in the Shareholders' meeting.

III. Grants beyond the Scheme Mandate Limit

The Company may seek separate approval of the Shareholders in Shareholders' meeting to grant H Share Awards beyond the Scheme Mandate Limit to Eligible Participants specifically identified by the Company, subject to compliance with the requirements set out in the Listing Rules.

6. ADMINISTRATION

The 2026 H Share Scheme shall be subject to the administration of the Board in accordance with the 2026 H Share Scheme Rules.

The authority to administer the Scheme shall be delegated by the Board to any committee of the Board, or one or more Directors deemed appropriate at the sole discretion of the Board, including its powers to offer or grant H Share Awards and to determine the terms and conditions of such H Share Awards, provided that the Board has the power to revoke such delegation at any time or derogate from the discretion rested with the Board as contemplated.

Decisions of such committee duly established or person(s) duly appointed by the Board in relation to the operation of the 2026 H Share Scheme or interpretation of the 2026 H Share Scheme Rules shall be final and binding on all parties. In the event of any disagreement or ambiguity, the decision of the Board shall prevail.

The Board or the Scheme Administrator may from time to time appoint one or more administrators, who may be independent third-party contractors, to assist in the administration of the 2026 H Share Scheme, to whom they, at their sole discretion, may delegate such functions relating to the administration of the 2026 H Share Scheme as they may think fit. The duration of office, terms of reference and remuneration (if any) of such administrator(s) shall be determined by the Scheme Administrator at their sole discretion from time to time.

In respect of the administration of the 2026 H Share Scheme, the Company shall comply with all applicable Shareholders' approval, announcement, circular and reporting requirements imposed by the Listing Rules from time to time.

7. OPERATION OF THE 2026 H SHARE SCHEME

I. Granting of H Share Award Shares to Grantees

Subject to the provisions of the 2026 H Share Scheme, the Scheme Administrator may, from time to time, in their absolute discretion select any Eligible Participant for participation in the 2026 H Share Scheme as a Grantee, and grant an H Share Award, the nature and amount of which shall be determined by the Scheme Administrator, to any Grantee.

Vesting of H Share Award Shares granted under the 2026 H Share Scheme is subject to the satisfaction of the corresponding conditions and any other relevant vesting conditions set out in the Award Letter.

Subject to the provisions of the 2026 H Share Scheme and all Applicable Laws, regulations and ordinances, the Scheme Administrator is entitled to, on a case-by-case basis and at its sole and absolute discretion, impose any conditions, restrictions and limitations in relation to any grant (which shall be specified in the Award Letter), including but not limited to:

(i) contractual restriction on the voting rights and transferability of the H Share Award Shares after vesting of the H Share Award; and

(ii) performance targets, criteria or conditions as the Scheme Administrator determines as appropriate. The Scheme Administrator may determine such performance targets, criteria or conditions based on, among other criteria, an annual assessment of a Grantee and/or the performance of the Company.

Where any grant of H Share Award Shares is proposed to be made to any Grantee, the Company shall comply with such provisions of the Listing Rules as may be applicable, including any disclosure, reporting, announcement and/or Shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

After the Scheme Administrator has decided to make a grant of H Share Awards to any Eligible Participant, the Company shall issue an Award Letter which sets out details of the H Share Awards so granted and the terms and conditions (if any, including but not limited to any performance targets, criteria or conditions as the Board may determine from time to time) upon which such H Share Awards were granted.

If an Eligible Participant fails to accept an H Share Award within 30 Business Days from the Grant Date by giving written notice of their acceptance to the Scheme Administrator, together with remittance in favor of the Company of any consideration payable upon grant of the H Share Award, the portion not accepted shall be deemed to have been irrevocably declined and shall automatically lapse.

II. Performance targets

Subject to the provisions of the 2026 H Share Scheme Rules and all Applicable Laws, rules and regulations, the Scheme Administrator may, from time to time, in its sole and absolute discretion select any Eligible Participant for participation in the 2026 H Share Scheme to be a Grantee, and grant H Share Award Shares to any Grantee subject to such performance targets, criteria or conditions as the Scheme Administrator may in its sole and absolute discretion determine. Any such performance targets, criteria or conditions shall be specified in the Award Letter. For the avoidance of doubt, an H Share Award shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Award Letter.

The Scheme Administrator shall specify in the Award Letter the person(s) of the Company that will assess whether such performance targets, criteria or conditions are satisfied.

Performance targets, criteria or conditions are to be specified in the relevant Award Letter. Performance targets may combine qualitative and quantitative requirements and include an annual assessment of an Eligible Participant (e.g. skills, expertise, key performance indicators of his or her division, contribution to the Company) and/or performance of the Company (e.g., achieved financial indicators, business and market capitalization milestones). The Scheme Administrator will conduct an annual assessment (and, in any event, prior to each applicable vesting date) to compare performance to pre-established targets in order to determine whether and to what extent such targets have been achieved. Such assessment may be conducted by reference to the Group's audited or management accounts, operational reports, project progress reports, individual performance appraisal records or other objective supporting materials considered relevant by the Scheme Administrator.

Following the assessment, if the Scheme Administrator determines that any of the specified performance targets have not been achieved, the unvested H Share Award Shares for the relevant vesting period will automatically lapse.

III. Additional approvals for grants beyond individual limits

Grants of H Share Awards funded by New Shares to an individual Eligible Participant shall be subject to the following additional rules:

(i) Unless otherwise approved by the Shareholders in the manner set out in the 2026 H Share Scheme, the total number of H Share Award Shares issued and to be issued upon vesting of H Share Awards granted and to be granted under the 2026 H Share Scheme and all options and awards granted under any other share scheme(s) of the Company to each Eligible Participant (excluding any award shares and options lapsed in accordance with the relevant scheme rules) in any 12 month period up to and including the date of such grant shall not exceed 1.00% of the relevant class of Shares in issue (excluding treasury shares, if any).

(ii) Any further grant of H Share Awards to an Eligible Participant which would exceed this limit shall be subject to separate approval of the Shareholders in Shareholders' meeting with the relevant Eligible Participant and their close associates (or associates if the Eligible Participant is a connected person of the Company) abstaining from voting. A circular shall be sent to the Shareholders disclosing the information required to be disclosed under the Listing Rules. The number and terms of the H Share Awards to be granted to such Eligible Participant shall be fixed before the Shareholders' approval is sought.

IV. Granting of H Share Awards funded by New Shares to Directors, chief executives or substantial shareholders of the Company, or any of their respective associates

Any grant of H Share Award Shares to Directors, chief executives or any substantial shareholders of the Company, or any of their respective associates shall be valid only upon prior approval of the Scheme Administrator (excluding any member who is a proposed recipient of the grant of the H Share Award) and the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of H Share Awards).

Grants to any Director or chief executive of the Company, which are made on terms with a vesting period less than twelve (12) months or without a performance target or without a clawback mechanism (each of which, a "**Unique Term**"), shall be reviewed by the Remuneration and Appraisal Committee as to why the Unique Term is appropriate and how the grant nevertheless aligns with the purpose of the 2026 H Share Scheme.

In addition, where any grant of H Share Awards to any Director (other than an independent non-executive Director) or chief executive of the Company or any of their respective associates would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the relevant scheme rules) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Hong Kong Stock Exchange) of the total number of the relevant class of Shares in issue at the date of such grant (excluding treasury shares, if any) under the 2026 H Share Scheme and any other share schemes of the Company, such further grant of H Share Awards will not be effective unless it has been approved by Shareholders in the Shareholders' meeting in the manner required, and it has complied with the relevant requirements set out in Chapter 17 of the Listing Rules.

Where any grant of H Share Awards to an independent non-executive Director or substantial shareholder of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the relevant scheme rules) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Hong Kong Stock Exchange) of the total number of the relevant class of Shares in issue at the date of such grant (excluding treasury shares, if any) under the 2026 H Share Scheme and any other share schemes of the Company, such further grant of H Share Awards will not be effective unless it has been approved by Shareholders in the Shareholders' meeting in the manner required, and it has complied with the relevant requirements set out in Chapter 17 of the Listing Rules.

V. Vesting of H Share Award Shares

The Scheme Administrator may, subject to all Applicable Laws, rules and regulations, determine such vesting criteria, conditions or periods for vesting in its absolute discretion, The vesting period shall be notified to the Eligible Participant in the Award Letter. The vesting period shall be not less than twelve (12) months from the Grant Date, provided that for Employee Participants, the Vesting Date may be less than twelve (12) months from the Grant Date in the following specific circumstances:

(i) grants of "make-whole" H Share Awards to new Employee Participants to replace share awards they forfeited when leaving the previous employers;

(ii) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event. In those circumstances the vesting of the H Share Awards may accelerate;

(iii) grants of H Share Awards with performance-based vesting conditions provided in the 2026 H Share Scheme Rules, in lieu of time-based vesting criteria;

(iv) grants that are made in batches during a year for administrative and compliance reasons. They may include H Share Awards that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which an H Share Award would have been granted;

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

(vi) grants of H Share Awards with a total vesting and holding period of more than twelve (12) months.

Upon the fulfilment of all vesting conditions applicable to the vesting of the H Share Awards on a Grantee, the respective H Shares held by the Trustee on behalf of the Grantee pursuant to the provision hereof shall vest in such Grantee in accordance with the applicable vesting schedule, and the Trustee shall cause the H Shares to be transferred to such Grantee and/or an entity controlled by him/her (or the Grantee's personal representative(s)) for the benefit of the Grantee and any family members of such Grantee in accordance with the 2026 H Share Scheme Rules. Within twenty (20) Business Days after receipt of the notice and the remittance (if any), the Company shall arrange for the vesting of H Share Awards to be satisfied by the following methods, or any combination of the following methods, as determined by the Scheme Administrator in their sole discretion:

(i) allot, and instruct the share registrar to issue, the H Shares underlying the vested H Share Awards to the Grantee (or the Grantee's personal representative(s)) credited as fully paid and issue to the Grantee (or the Grantee's personal representative(s)) a share certificate in respect of the H Shares underlying the vested H Share Awards so allotted and issued;

(ii) arrange for the H Shares underlying the vested H Share Awards to be transferred to the Grantee (or the Grantee's personal representative(s)) credited as fully paid and issue to the Grantee (or the Grantee's estate in the event of an allotment by the Grantee's personal representative(s)) a share certificate in respect of the H Shares so transferred;

(iii) make a cash payment to the Grantee subject to the circumstances that it is not practicable for the Grantee to receive H Shares upon vesting the H Share Awards due to legal or regulatory restrictions. The amount of such payment shall be calculated by reference to the number of H Shares to be vested in respect of the Grantee on or after the Vesting Date and valuing the same at the closing price of the H Shares as stated in the daily quotations sheet published by the Hong Kong Stock Exchange on the Vesting Date and deducting therefrom any stamp duty, taxes, trading fee and other direct costs and expenses, if any, which would have been payable if the H Shares were sold on-market on the Vesting Date at the said closing price; and

(iv) for the purpose of the transferring, selling or making a cash payment of H Share Award Shares in a Grantee upon the vesting of the H Share Award Shares, subject to the receipt by the Trustee of (a) a copy of the relevant vesting letter (if any), a written notice form determined by the Scheme Administrator and a written notice instructing the Trustee to transfer the H Share Award Shares to the Grantee (or the Grantee's personal representative(s)), (b) the original transfer documents (if any) prescribed by the Trustee and duly signed by the Grantee (or the Grantee's personal representative(s)); (c) client due diligence documents of the Grantee (or the Grantee's personal representative(s)) required in accordance with the Trustee's client due diligence policy; and (d) such other documents as the Scheme Administrator may require for the purpose of transferring, selling or making a cash payment of H Share Award Shares in a Grantee at least ten (10) Business Days prior to the Vesting Date, the Trustee shall transfer the relevant H Share Award Shares to the relevant Grantee (or the Grantee's personal representative(s)) as instructed by the Scheme Administrator as soon as practicable on or after the Vesting Date and in any event not later than ten (10) Business Days after the Vesting Date. In the event that the Trustee does not receive the requisite documents in accordance with (a), (b) and (c) herein prior to or on the relevant Vesting Date, the relevant H Share Award Shares shall lapse and shall not vest on the relevant Vesting Date and the Grantee shall have no claims against the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way. The Company shall refund to the Grantee the Purchase Price paid (if any) corresponding to such lapsed H Share Award Shares paid by the Grantee pursuant to 2026 H Share Scheme and the terms and conditions of the Award Letter.

The H Share Award Shares shall be identical to all issued H Shares and (in respect of New Shares) shall be allotted and issued subject to all the provisions of the Articles of Association for the time being in force and will rank pari passu with the other fully paid H Shares in issue on the date the name of the Grantee (or the Grantee's personal representative(s)) is registered on the register of members of the Company or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, save that the Grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on the register on a date prior to such registration.

8. RESTRICTIONS OF H SHARE AWARDS

Prior to vesting and delivery of the underlying H Shares, H Share Awards do not confer on any Grantee any of the rights attaching to the H Shares. In particular: (i) no H Share Award carries any right to vote at general meetings of the Company; (ii) no Grantee shall have any right to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any H Shares underlying the H Share Awards; and (iii) H Share Awards are personal to the relevant Grantee and are non-assignable and non-transferable, save that a transfer may be effected with the prior written consent of the Company and upon a waiver having been granted by the Hong Kong Stock Exchange in compliance with the requirements of the Listing Rules, in which case any transferee shall be bound by the 2026 H Share Scheme Rules and all applicable Award Letters as if such transferee were the original Grantee. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an H Share Award unless and until the H Shares underlying an H Share Award are delivered to the Grantee pursuant to the vesting and allotment of such H Share Award. Any breach of the restriction on transfer shall cause the affected H Share Award to lapse, as conclusively determined by the Board.

Notwithstanding the above, the Scheme Administrator retains, in its sole discretion, the right to attach additional restrictions to any H Share Award or H Share Award Shares, including contractual restrictions on the voting rights or transferability of the H Share Award Shares after vesting, as may be specified in the applicable Award Letter.

9. CANCELLATION AND LAPSE OF H SHARE AWARDS

I. Cancellation of awards

In the event of any of the following circumstances, any H Share Awards granted but not vested may be cancelled by the Scheme Administrator at any time with the prior consent of the Grantee:

(a) for the H Share Awards that have already been granted under the 2026 H Share Scheme, where as the expected Vesting Date approaches, the Company discovers that the closing price of the H Shares is below that of the Purchase Price, such that it is reasonably foreseeable that such H Share Awards will not serve any incentivizing effect, the Company may decide to cancel such H Share Awards; and

(b) where the Scheme Administrator, in their sole discretion, made a determination to buyout an H Share Award from a Grantee at a price, and on such terms as are deemed fair and communicated to the Grantee, following which, the purchased H Share Award shall be cancelled.

II. Lapse of awards

The Scheme Administrator shall have the power to decide whether an H Share Award shall lapse and its decision shall be binding and conclusive on all parties. The Company shall not owe any liability to any Grantee for the lapse of any H Share Award.

Without prejudice to the authority of the Scheme Administrator to provide additional situations when an H Share Award shall lapse in the terms of any Award Letter, an H Share Award shall lapse automatically (to the extent not already vested) on the earliest of:

(i) the expiry of any applicable vesting period;

(ii) the date on which the Board makes a determination regarding a clawback;

(iii) the expiry of thirty (30) Business Days from the Grant Date to accept the H Share Award;

(iv) the date on which H Share Awards are assigned or transferred by the Grantee to whom they are made in breach of the 2026 H Share Scheme Rules; and

(v) the date on which the Grantee gives written notice to the Scheme Administrator that such H Share Award is forfeited by the Grantee.

10. CLAWBACK

Notwithstanding the terms and conditions of the 2026 H Share Scheme, the Scheme Administrator may make a determination at its absolute discretion that (A) any H Share Awards granted but not yet vested shall immediately lapse, and (B) with respect to any H Shares delivered, or cash payment paid, to the Grantee pursuant to any H Share Awards granted under the 2026 H Share Scheme, the Grantee shall be required to transfer back to the Company or its nominee (1) the equivalent number of H Shares, (2) an amount in cash equal to the market value of such H Shares or the cash payment, or (3) a combination of (1) and (2) in the event that:

(i) a Grantee ceases to be an Eligible Participant by reason of: (i) termination of the Grantee's employment or contractual engagement with the Group for cause or without notice; (ii) termination of the Grantee's employment or contractual engagement with the Group as a result of the Grantee having been charged, penalized or convicted of an offence involving the Grantee's integrity or honesty;

(ii) in the reasonable opinion of the Scheme Administrator, a Grantee has committed a serious breach of an internal policy or code of any member of the Group or agreement with any member of the Group, including the breach of a non-compete obligation imposed on the Grantee by the Group, and such breach is considered material;

(iii) in the reasonable opinion of the Scheme Administrator, a Grantee has engaged in serious misconduct or breaches the terms of the 2026 H Share Scheme in any material respect;

(iv) in the reasonable opinion of the Scheme Administrator, an H Share Award to the Grantee will no longer be appropriate and aligned with the purpose of the 2026 H Share Scheme; or

(v) where the Company is required to exercise a clawback in accordance with the Applicable Laws, rules and regulations and/or pursuant to a request from any regulatory authority.

11. RETIREMENT AND OTHER EVENTS

In the event that a Grantee ceases to be an Eligible Participant by reason of the Grantee's retirement: any outstanding H Share Awards not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, or such other period as the Scheme Administrator may determine at their sole discretion.

If a Grantee ceases to be an Eligible Participant by reason of (i) work-related death of the Grantee; or (ii) the termination of the Grantee's employment or contractual engagement with any member of the Group by reason of the Grantee's work-related permanent physical or mental disablement: in the case of H Share Awards, any outstanding H Share Awards not yet vested shall immediately vest. If any performance assessment indicators are attached to an H Share Award, such performance assessment indicators shall no longer serve as a condition of vesting. The Company shall deliver such number of H Share Award Shares as are equal to the vested H Share Awards or the cash payment (hereinafter referred to as "**Benefits**") to the legal personal representatives of the Grantee or the persons charged with the duty of representing the Grantee under the relevant laws in Hong Kong or the PRC, as the case may be, as soon as practicable following the death or permanent incapacity of the Grantee or, if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall lapse.

Any outstanding H Share Awards not yet vested shall be immediately forfeited and shall lapse, unless the Scheme Administrator determines otherwise at their absolute discretion under the following circumstances:

(a) if a Grantee ceases to be an Eligible Participant;

(b) where the Grantee's employment or contractual engagement with the Group is terminated, for reasons (other than serious misconduct, termination of employment for cause or without cause or as a result of the Grantee having been charged, penalized or convicted of an offence involving the Grantee's integrity or honesty and work-related death or permanent incapacity) including but not limited to the cases of negotiating departure, being dismissed or non-work-related death or permanent incapacity;

(c) where the Grantee's employment or contractual engagement with the Group has been suspended; or

(d) the Grantee's position within or in relation to the Group has been vacated, for more than six months.

12. ALTERATIONS IN SHARE CAPITAL OR CORPORATE TRANSACTIONS

I. Alterations in share capital

In the event of any alteration in the capital structure of the Company by way of capitalization of profits or reserves, rights issue, open offer, subdivision or consolidation of H Shares (other than any alteration in the capital structure of the Company as a result of an issue of H Shares as consideration in a transaction to which the Company is a party) after the Adoption Date, the Board or the Scheme Administrator shall make such corresponding adjustments, if any, as the Scheme Administrator in their discretion may deem appropriate to reflect such change with respect to:

(i) the number of H Shares comprising the Scheme Mandate Limit or Service Provider Sublimit, provided that in the event of any share subdivision or consolidation the Scheme Mandate Limit and Service Provider Sublimit as a percentage of the total issued H Shares of the Company at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision, rounded to the nearest whole share;

(ii) the number of H Shares comprised in each H Share Award to the extent any H Share Award has not been sold;

(iii) the Purchase Price of any H Share Award,

or any combination thereof, as the auditors or a financial advisor engaged by the Company for such purpose have certified in writing that such adjustments satisfy the relevant requirements of the Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular Grantee, provided always that: (i) any such adjustments should give each Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Grantee was previously entitled prior to such adjustments; and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The certification of the auditors or financial advisor (as the case may be) shall, in the absence of manifest error, be final and binding on the Company and the Grantees.

II. Corporate transactions

In the event of a change in control of the Company as the result of a merger, scheme of arrangement or general offer, or in the event of a dissolution or liquidation of the Company, the Scheme Administrator shall at its sole discretion determine whether the Vesting Dates of any H Share Awards will be accelerated and/or the vesting conditions or criteria of any H Share Awards will be amended or waived, and notify the Grantees accordingly. In the event of such corporate transactions which will be determined in accordance with the decisions of the Shareholders' General Meeting and/or the Board, employees have no ability to make decisions regarding the unvested portion of H Share Awards granted to them under the 2026 H Share Scheme, and the Scheme Administrator shall adjust and/or vary the corresponding treatment of the H Share Awards in accordance with such decisions of the Shareholders' General Meeting and/or the Board.

III. Adjustment methods of the number of H Share(s) subject to the H Share Awards

In the event of any alteration in the capital structure of the Company by way of capitalization of capital reserves, bonus issue, share subdivision, rights issue, open offer or share consolidation (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) during the period from the acceptance date by the Eligible Participants (i.e. thirty (30) Business Days from the Grant Date) to the date of the Eligible Participants' vesting of the H Share Awards, the number of H Shares comprised in each H Share Award to the extent of any H Share Award(s) shall be adjusted accordingly. The adjustment methods are as follows:

(i) Capitalization of capital reserves, bonus issue or share subdivision

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

Where: Q_0 represents the number of the H Share Awards prior to the adjustment; n represents the ratio of increase per share resulting from capitalization of capital reserves, bonus issue or share subdivision (i.e. the number of increased share(s) per share upon capitalization of capital reserves, bonus issue or share subdivision); and Q represents the number of the H Share Awards after the adjustment.

(ii) Rights issue or open offer

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

Where: Q_0 represents the number of the H Share Awards prior to the adjustment; P_1 represents the closing price of the H Share Awards as of the registration date; P_2 represents the subscription price in respect of the rights issue/open offer; n represents the ratio of the right issue/open offer (i.e. the number of shares to be issued under the rights issue/open offer in proportion to the total share capital of the Company prior to the rights issue/open offer); and Q represents the number of the H Share Awards after the adjustment.

(iii) Share consolidation

$$Q = Q_0 \times n$$

Where: Q_0 represents the number of the H Share Awards prior to the adjustment; n represents the ratio of share consolidation (i.e. one share of the Company shall be consolidated into n shares); and Q represents the number of the H Share Awards after the adjustment.

(iv) New issue or reduction of share capital

In the event of issue of new Shares or reduction of share capital by the Company, the number of the H Share Awards will not be adjusted.

IV. Adjustment methods of the Purchase Price

In the event of any alteration in the capital structure of the Company by way of capitalization of capital reserves, bonus issue, share subdivision, rights issue, open offer or share consolidation (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) during the period from the acceptance date by the Eligible Participants (i.e. thirty (30) Business Days from the Grant Date) to the date of the Eligible Participants' vesting of the H Share Awards, the Purchase Price of H Shares comprised in each H Share Award to the extent of any H Share Award(s) shall be adjusted accordingly. The adjustment methods are as follows:

(i) Capitalization of capital reserves, bonus issue or share subdivision

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

Where: P_0 represents the Purchase Price prior to the adjustment; n represents the ratio of increase per share resulting from the capitalization of capital reserves, bonus issue or share subdivision; and P represents the Purchase Price after the adjustment.

(ii) Rights issue or open offer

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

Where: P_0 represents the Purchase Price prior to the adjustment; P_1 represents the closing price of the H Share Awards as of the record date; P_2 represents the subscription price in respect of the rights issue; n represents the ratio of the rights issue (i.e. the number of shares to be issued under the rights issue in proportion to the total share capital of the Company prior to the rights issue); and P represents the Purchase Price after the adjustment.

(iii) Share consolidation

$$P = P_0 \div n$$

Where: P_0 represents the Purchase Price prior to the adjustment; n represents the ratio of share consolidation; and P represents the Purchase Price after the adjustment.

(iv) New issue or reduction of share capital

In the event of issue of new shares or reduction of share capital by the Company, the Purchase Price of the H Share Awards will not be adjusted.

13. AMENDMENT OF THE 2026 H SHARE SCHEME OR AWARDS

Subject to the 2026 H Share Scheme Rules, the Scheme Administrator may amend any of the provisions of the 2026 H Share Scheme or any H Share Awards granted under the Scheme at any time and in any respect, provided that the terms of the 2026 H Share Scheme or H Share Awards so altered must comply with the relevant requirements of Chapter 17 of the Listing Rules.

The consent of the relevant Grantee is required for any change to the provisions of the 2026 H Share Scheme or any H Share Awards granted under the 2026 H Share Scheme to the extent that such amendment or alteration has a material adverse effect on any subsisting rights of that Grantee at that date in respect of H Share Awards already granted to that Grantee and to the extent that such H Share Awards have not vested or lapsed or been forfeited, provided that no such consent shall be required if the Scheme Administrator determines in its sole discretion that such amendment or alteration either:

(i) is necessary or advisable in order for the Company, the 2026 H Share Scheme or the H Share Award to satisfy any Applicable Laws or Listing Rules or to meet the requirements of, or avoid adverse consequences under, any accounting standard; or

(ii) is not reasonably likely to diminish materially the benefits provided under such H Share Award, or that any such diminishment has been adequately compensated.

The approval of the Shareholders in Shareholders' meeting is required for:

(i) any amendment or alteration to the terms of the 2026 H Share Scheme which are of a material nature or to those provisions of the 2026 H Share Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules, to the extent that such alteration or amendment operates to the advantage of Eligible Participants; and

(ii) any change to the authority of the Board or the Scheme Administrator to alter the terms of the 2026 H Share Scheme shall be subject to the approval of the Shareholders in the Shareholders' meeting.

Any amendment or alteration to the terms of any H Share Award the grant of which was subject to the approval of a particular body (such as the Board or any committee thereof, the independent non-executive Directors, or the Shareholders in Shareholders' meeting) shall be subject to approval by that same body, except where the relevant alteration takes effect automatically under existing terms of the 2026 H Share Scheme.

14. SCHEME LIFE AND TERMINATION

The 2026 H Share Scheme shall be terminated on the earlier of: (i) the expiry of the Scheme Period; and (ii) such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights of any Grantees.

Upon termination of the 2026 H Share Scheme,

(a) no further H Share Awards will be offered or granted under the 2026 H Share Scheme; and

(b) the 2026 H Share Scheme and the 2026 H Share Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting of any H Share Awards granted prior to the termination of the 2026 H Share Scheme and such termination shall not affect any subsisting rights already granted to any Grantee.

The following is a summary of the principal terms of the 2026 A Share Restricted Share Incentive Scheme to be adopted at the ESM. It does not form part of, nor is it intended to be part of the terms of the 2026 A Share Restricted Share Incentive Scheme.

1. PURPOSE OF IMPLEMENTING THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

To further enhance and perfect the Company's long-term incentive and restraint mechanisms, continuously attract and retain outstanding talents of the Company, fully mobilize the enthusiasm and creativity of the core teams, enhance their sense of belonging, achievement, and responsibility, and effectively align the interests of Shareholders, the Company, and the individual members of the core teams, thereby enabling all parties to jointly focus on the Company's long-term sustainable development and ensuring the realization of the Company's long-term development strategies and operational objectives. The Company, on the premise of fully safeguarding the interests of Shareholders, and in accordance with the principles of balancing incentives with restraints, has formulated the 2026 A Share Restricted Share Incentive Scheme pursuant to the provisions of the PRC Company Law, the PRC Securities Law, the Administrative Measures on Equity Incentives of Listed Companies, the STAR Market Listing Rules, the Self-Regulatory Guidance No. 4, and other Applicable Laws, administrative regulations, and normative documents, as well as the Articles of Association.

2. BRIEF OVERVIEW OF OTHER INCENTIVE SCHEMES AND LONG-TERM INCENTIVE MECHANISMS

As of the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme, the Company is concurrently implementing the 2022 A Share Restricted Share Incentive Plan and the 2023 A Share Restricted Share Incentive Plan. No further restricted shares will be granted under the 2022 A Share Restricted Share Incentive Plan and the 2023 A Share Restricted Share Incentive Plan after the listing of the Company's H Shares.

I. Brief overview of the 2022 A Share Restricted Share Incentive Plan

On May 30, 2022, the Company held the 17th meeting of the 2nd session of the Board and the 8th meeting of the 2nd session of the Board of Supervisors, which deliberated and approved the proposal regarding the Company's "2022 Restricted Share Incentive Plan (Draft)" and its summary, among other proposals. This was subsequently approved at the 1st extraordinary general meeting of 2022 on June 17, 2022. As of the announcement date of the Incentive Scheme, under the 2022 A Share Restricted Share Incentive Plan, the Company granted 2,770,728 second-class restricted shares to incentive participants under the initial grant, and 229,272 second-class restricted shares under the reserved grant. Due to the implementation of the Company's 2022 annual equity distribution, the number of second-class restricted shares corresponding to the initial grant was adjusted to 3,879,019 restricted shares, and the number corresponding to the reserved grant was adjusted to 320,981 restricted shares. Among these, 959,254 restricted shares from the initial grant under the first vesting tranche have been vested and listed, and 79,579 restricted shares from the reserved grant under the first vesting tranche have been vested and listed. A total of 2,077,666 restricted shares under the second and third vesting tranches have lapsed and have been rendered invalid, of which 1,918,508 restricted shares relate to the initial grant, and 159,158 restricted shares relate to reserved grant. Among the 1,038,841 restricted shares under the fourth vesting tranche, 959,257 restricted shares relate to the initial grant (which 77,443 restricted shares have lapsed and have been rendered invalid, and 881,814 restricted shares have commenced vesting) and 79,584 restricted shares relate to the reserved grant (which will begin to vest on October 25, 2026).

II. Brief overview of the 2023 A Share Restricted Share Incentive Plan

On August 31, 2023, the Company held the 3rd meeting of the 3rd session of the Board and the 3rd meeting of the 3rd session of the Board of Supervisors, which deliberated and approved the proposal regarding the Company's "2023 Restricted Share Incentive Scheme (Draft)" and its summary, among other proposals. This was subsequently approved at the 2nd extraordinary general meeting of 2023 on September 18, 2023. As of the announcement date of the Incentive Scheme, under the 2023 A Share Restricted Share Incentive Plan, the Company granted 3,800,000 second-class restricted shares to incentive participants. 1,468,688 shares under the first vesting tranche have been vested and listed. 1,103,196 restricted shares have lapsed and have been rendered invalid under the second vesting tranche. 1,103,196 restricted shares were granted but unvested under the third vesting tranche. The aforementioned 1,103,196 restricted shares will begin to vest on September 18, 2026.

The Incentive Scheme is independent of and has no correlation with the currently effective 2022 A Share Restricted Share Incentive Plan and the 2023 A Share Restricted Share Incentive Plan.

3. ADMINISTRATIVE BODIES OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

1. The Shareholders' meeting, as the ultimate authoritative organization of the Company, shall be responsible for considering and approving the implementation, modification and termination of the Incentive Scheme. The Shareholders' meeting may, within its powers and authority, authorize the Board to handle certain matters relating to the Incentive Scheme.

2. The Board shall act as the executive management body for the Incentive Scheme and be responsible for the implementation of the Incentive Scheme. The Remuneration and Appraisal Committee shall be responsible for drafting and revising the Incentive Scheme, and submitting the Incentive Scheme to the Board for consideration. Upon consideration and approval by the Board, the Incentive Scheme shall be submitted to the Shareholders' meeting for consideration and approval. The Board may handle relevant matters relating to the Incentive Scheme within its scope of authority as delegated by the Shareholders' meeting.

3. The Remuneration and Appraisal Committee shall act as the supervisory authority for the Incentive Scheme, and shall issue opinions as to whether the Incentive Scheme is beneficial to the sustainable development of the Company or is significantly detrimental to the interests of the Company and the Shareholders as a whole. The Remuneration and Appraisal Committee shall supervise the implementation of the Incentive Scheme as to whether it is in compliance with the Applicable Laws, administrative regulations, normative documents and operational rules of the Shanghai Stock Exchange. The Remuneration and Appraisal Committee shall verify the list of Incentive Participants under the Incentive Scheme.

Where amendments have been made to the Incentive Scheme before it is considered and approved at the Shareholders' meeting, the Remuneration and Appraisal Committee shall issue opinions as to whether the amended Incentive Scheme is beneficial to the sustainable development of the Company or is significantly detrimental to the interests of the Company and the Shareholders as a whole.

Before the Restricted Shares granted to the Incentive Participants are vested, the Remuneration and Appraisal Committee shall provide a clear opinion on whether the Vesting Conditions for Incentive Participants as set forth in the Incentive Scheme have been met.

4. BASIS AND SCOPE FOR DETERMINING INCENTIVE PARTICIPANTS

I. Basis for determining Incentive Participants

1. Legal basis for determining Incentive Participants

The Incentive Participants of the Incentive Scheme are determined based on the relevant provisions of the PRC Company Law, the PRC Securities Law, the Administrative Measures on Equity Incentives of Listed Companies, the STAR Market Listing Rules, the Self-Regulatory Guidance No. 4, and other Applicable Laws, administrative regulations, normative documents, and the Articles of Association, taking into account the actual situation of the Company.

2. Position basis for determining Incentive Participants

The Incentive Participants of the Incentive Scheme are the key technical personnel, middle-level management, core personnel, and other employees of the Group. The Remuneration and Appraisal Committee will propose a list of persons covered under the scope of Incentive Participants, as well as verify and confirm such list.

The basis for determining the Incentive Participants is consistent with the purpose of implementing the Incentive Scheme and complies with the requirements of the Applicable Laws, regulations and the relevant provisions of the Shanghai Stock Exchange.

II. Scope of Incentive Participants

A total of 528 Incentive Participants are covered under the Incentive Scheme, representing 39.26% of the Company's total workforce of 1,345 employees as of December 31, 2025. These are all key technical personnel, middle-level management, core personnel and other employees of the Group.

The Incentive Participants under the Incentive Scheme include one foreign national working in the PRC, who is a core personnel of the Company and plays an important role in the Company in technology research and development and business development. Therefore, the Company believes that including this foreign national as an Incentive Participant in the Incentive Scheme is consistent with the Company's actual situation and future development needs, complies with Applicable Laws and regulations, and is necessary and reasonable. The grant of Restricted Shares to a foreign national does not violate any applicable PRC laws and regulations.

Among the above Incentive Participants, none are Directors or senior management of the Company, Shareholders or actual controllers (and their spouses, parents, or children) individually or collectively holding 5% or more of the Shares. All Incentive Participants must sign a labor contract or an employment contract with the Company, a branch company of the Company or a controlled subsidiary of the Company during the Appraisal Period of the Incentive Scheme.

The number and identities of the 528 Incentive Participants are fixed and will not be subject to change, save as to the early termination of such Incentive Participants.

III. Circumstances in which a person cannot become an Incentive Participant of the 2026 A Share Restricted Share Incentive Scheme

1. Having been identified as an unsuitable candidate by the Shanghai Stock Exchange in the last 12 months;

2. Having been identified as an unsuitable candidate by the CSRC or its dispatched offices in the last 12 months;

3. Having been subjected to administrative penalties or market entry bans by the CSRC or its dispatched offices due to material illegal or non-compliant acts in the last 12 months;

4. Having circumstances as stipulated in the PRC Company Law that prohibit a person from serving as a Director or senior management of the Company;

5. Prohibited by the Applicable Laws and regulations from participating in equity incentives of listed companies;

6. Other circumstances as determined by the CSRC.

If, during the implementation of the Incentive Scheme, an Incentive Participant falls under any of the above circumstances, the Company will terminate their right to participate in the Incentive Scheme, and the Restricted Shares that have been granted but not yet vested shall not vest and will lapse and be rendered invalid by the Company.

IV. Verification of Incentive Participants

1. The Company will engage a law firm to issue a legal opinion on whether the eligibility of the Incentive Participants complies with the Administrative Measures on Equity Incentives of Listed Companies and other Applicable Laws, regulations, and the relevant provisions of the Incentive Scheme.

2. After the Board deliberates and approves the Incentive Scheme, the Company will internally publicize the names and positions of the Incentive Participants through the Company's website or other channels, for a publicity period of not less than 10 days.

3. The Remuneration and Appraisal Committee will review the list of Incentive Participants, fully considering the opinions raised during the publicity period. The Company will disclose the Remuneration and Appraisal Committee's explanation of the review of the list of Incentive Participants and the publicity status 5 days before the Shareholders' meeting considers the Incentive Scheme. The list of Incentive Participants adjusted by the Board shall also be verified by the Remuneration and Appraisal Committee.

5. INCENTIVE INSTRUMENT, SOURCE OF RESTRICTED SHARES, QUANTITY AND ALLOCATION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

I. Incentive Instrument and Source of Restricted Shares of the 2026 A Share Restricted Share Incentive Scheme

The incentive instrument to be used in the Incentive Scheme is second-class restricted shares. The source of the Restricted Shares shall be treasury shares and/or new A Shares to be specifically issued to the Incentive Participants.

II. Number of Restricted Shares to be granted

The total number of Restricted Shares to be granted to Incentive Participants under the Incentive Scheme is 464,953 Shares, accounting for approximately 0.29% of the Company's total share capital of 162,623,433 Shares as of the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme. The grant is a one-off grant with no reserved grant.

The Company's 2022 A Share Restricted Share Incentive Plan and 2023 A Share Restricted Share Incentive Plan are still in effect. The number of underlying Shares involved in the Company's 2022 A Share Restricted Share Incentive Plan and 2023 A Share Restricted Share Incentive Plan that remain unvested within their validity period is 2,064,594 Shares, and the number of underlying Shares involved in the 2026 A Share Restricted Share Incentive Scheme is 464,953 shares. Therefore, the total number of underlying Shares involved in all incentive schemes of the Company during the Validity Period is 2,529,547 shares, accounting for approximately 1.56% of the Company's total share capital (excluding treasury shares) as of the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme.

The total number of Shares issued pursuant to options and awards granted under the 2026 A Share Restricted Share Incentive Scheme, the 2026 H Share Scheme and all other incentive schemes of the Company during the Validity Period shall, in aggregate, not exceed 10.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the time the Incentive Scheme is submitted to the Shareholders' meeting for consideration. The cumulative number of Shares granted to any single Incentive Participant through all incentive schemes during the Validity Period does not exceed 1.00% of the relevant class of Shares in issue as of the time the Incentive Scheme is submitted to the Shareholders' meeting for deliberation. During the period from the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme to the date before the Restricted Shares are granted to the Incentive Participants, and from the date after the Restricted Shares are granted to the Incentive Participants to the date before they vest, if the Company undergoes any matter such as capitalization of capital reserves, bonus issue, share subdivision, share consolidation or rights issue, the number of Restricted Shares to be granted will be adjusted accordingly.

III. Allocation of Restricted Shares to be granted to Incentive Participants

The allocation of the Restricted Shares to be granted under the Incentive Scheme among the Incentive Participants is set out in the table below:

Name	Nationality	Position	Number of Restricted Shares to be granted	Percentage of total equity granted under the Incentive Scheme	Percentage of the Company's total share capital as of the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme
Chen Qihui	Chinese	Key technical personnel	357	0.08%	0.0002%
Middle-level management, core personnel, and other employees (527 persons)			464,596	99.92%	0.2857%
Total			464,953	100.00%	0.2859%

Notes:

(1) The cumulative number of Shares granted to any single Incentive Participant through all effective incentive schemes during the Validity Period does not exceed 1.00% of the relevant class of Shares in issue as of the time the Incentive Scheme is submitted to the Shareholders' meeting for consideration. The total number of Shares issued pursuant to options and awards granted under the 2026 A Share Restricted Share Incentive Scheme, the 2026 H Share Scheme and all other incentive schemes shall, in aggregate, not exceed 10.00% of the relevant class of the Shares in issue (excluding treasury shares) as of the time the Incentive Scheme is submitted to the Shareholders' meeting for consideration.

(2) The Incentive Participants under the Incentive Scheme do not include Directors or senior management of the Company, Shareholders or actual controllers or their spouses, parents, or children individually or collectively holding 5% or more of the Shares.

(3) Future grant of Restricted Shares to a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates (if any) will comply with Rule 17.04 of the Listing Rules.

6. VALIDITY PERIOD, GRANT DATE, VESTING SCHEDULE AND LOCK-UP PERIOD OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

I. Validity Period of the 2026 A Share Restricted Share Incentive Scheme

The Validity Period of the Incentive Scheme shall commence on the Grant Date of the Restricted Shares and end on the date when all Restricted Shares granted to the Incentive Participants are vested or have lapsed and been rendered invalid by the Company, which shall not exceed 48 months. The life of the 2026 A Share Restricted Share Incentive Scheme is 48 months.

II. Grant Date of the 2026 A Share Restricted Share Incentive Scheme

The Grant Date is determined by the Board after the Incentive Scheme is approved by the Shareholders' meeting. The Grant Date must be an A Share trading day.

III. Vesting schedule of the 2026 A Share Restricted Share Incentive Scheme

The Restricted Shares granted under the Incentive Scheme shall be vested in multiple tranches according to the agreed proportions upon the Incentive Participants satisfying the corresponding Vesting Conditions. The Vesting Date must be a trading day and shall not fall within the following periods:

1. within 15 days before the announcement date of the Company's annual report or interim report. If the announcement date of the annual report or interim report is postponed due to special reasons, the restricted period commences 15 days before the originally scheduled announcement date and ends on the day before the actual announcement date;

2. within 5 days before the announcement date of the Company's quarterly report, results forecast, or preliminary results announcement;

3. from the date of occurrence of a material event that may significantly affect the trading price of the Shares or their derivatives, or the date such event enters the decision-making process, until the date of its legal disclosure;

4. other periods stipulated by the CSRC and the Shanghai Stock Exchange.

The "material events" referred to above are transactions or other material events that the Company is required to disclose pursuant to the provisions of the STAR Market Listing Rules.

During the Validity Period of the Incentive Scheme, if the relevant provisions concerning the above periods in the PRC Company Law, the PRC Securities Law, and other Applicable Laws, administrative regulations, normative documents and the Articles of Association change, then the vesting of Restricted Shares by Incentive Participants must comply with the amended PRC Company Law, the Securities Law, and other Applicable Laws, regulations, normative documents and the Articles of Association.

The vesting schedule and vesting arrangements for the Restricted Shares under the Incentive Scheme are set out in the table below:

Vesting arrangement	**Vesting time**	**Proportion of vested equity interests to total granted equity interests**
First vesting tranche	From the first A Share trading day after 12 months following the Grant Date to the last A Share trading day within 24 months following the Grant Date	34%
Second vesting tranche	From the first A Share trading day after 24 months following the Grant Date to the last A Share trading day within 36 months following the Grant Date	33%
Third vesting tranche	From the first A Share trading day after 36 months following the Grant Date to the last A Share trading day within 48 months following the Grant Date	33%

Restricted Shares that do not vest within the aforementioned agreed periods, or that cannot apply for vesting due to the failure to meet the Vesting Conditions for that tranche, shall not vest and will lapse and be rendered invalid by the Company.

After the Vesting Conditions for the Restricted Shares are satisfied, the Company will handle the vesting matters for those Restricted Shares that meet the Vesting Conditions in a unified manner.

The Restricted Shares granted to Incentive Participants under the 2026 A Share Restricted Share Incentive Scheme must be personal to the respective Incentive Participant. The Restricted Shares granted to Incentive Participants shall not be transferred, assigned, pledged for guarantees or used for repayment of debts before vesting. Any Shares increased due to a capitalization of capital reserves, bonus issue, or other circumstances in respect of the Restricted Shares that have been granted but not yet vested shall be subject to the same Vesting Conditions and shall not be transferred, assigned, pledged for guarantees or used for repayment of debts before vesting. If the Restricted Shares are not eligible to vest at the relevant time, the Shares derived from the aforementioned events shall also not be eligible to vest.

IV. Lock-up Period of the 2026 A Share Restricted Share Incentive Scheme

The lock-up period refers to the period during which the sale of Restricted Shares is restricted after they have vested. As no Directors or senior management of the Company are participating in the Incentive Scheme, no lock-up period is set for the Restricted Shares granted to Incentive Participants after they vest.

7. GRANT PRICE AND THE METHOD FOR DETERMINING THE GRANT PRICE UNDER THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

I. Grant Price of the Restricted Shares

The Grant Price for the Restricted Shares under the Incentive Scheme is RMB139.87 per Share. This means that after satisfying the Granting Conditions and Vesting Conditions, the Incentive Participants may purchase the Company's A Shares, which are treasury shares and/or new A Shares to be specifically issued to the Incentive Participants, at the corresponding price.

II. Method for determining the Grant Price of the Restricted Shares

The Grant Price for the Restricted Shares shall not be lower than the par value of the Shares, nor lower than the higher of the following prices:

1. 50% of the average trading price of the Company's A Shares on the trading day before the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme (calculated as the total trading value/total trading volume on that day), which is RMB139.87 per Share; and

2. 50% of the average trading price of the Company's A Shares over the 20 trading days before the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme (calculated as the total trading value/total trading volume over those 20 trading days), which is RMB125.45 per Share.

8. GRANTING CONDITIONS, CLAWBACK MECHANISM AND VESTING CONDITIONS OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

I. Granting Conditions for the Restricted Shares

The Company may grant the Restricted Shares to the Incentive Participants only when the following Granting Conditions are met simultaneously. Conversely, if any of the following Granting Conditions are not met, the Restricted Shares shall not be granted to the Incentive Participants.

1. None of the following events has occurred with respect to the Company:

   (i) the financial accounting report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

(ii) the internal control of the financial report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

(iii) failure to conduct profit distribution in accordance with the Applicable Laws and regulations, the Articles of Association and public undertakings during the last 36 months after listing;

(iv) prohibition from implementation of an equity incentive by the Applicable Laws and regulations;

(v) other circumstances as determined by the CSRC.

2. None of the following events has occurred with respect to the Incentive Participant:

(i) he or she has been identified by the Shanghai Stock Exchange as an unsuitable candidate in the last 12 months;

(ii) he or she has been identified by the CSRC and its dispatched offices as an unsuitable candidate in the last 12 months;

(iii) he or she has been subjected to administrative penalties or market entry bans by the CSRC or its dispatched offices due to material illegal or non-compliant acts in the last 12 months;

(iv) he or she has circumstances as stipulated in the PRC Company Law that prohibit a person from serving as a Director or senior management of the Company;

(v) he or she has been prohibited by the Applicable Laws and regulations from participating in equity incentives of listed companies;

(vi) Other circumstances as determined by the CSRC.

The clawback mechanisms under the Incentive Scheme provide the Company with the ability to recover Restricted Shares or related benefits in circumstances involving false records, misleading statements or material omissions in information disclosure documents. Such mechanisms ensure that equity incentives are ultimately retained only by Incentive Participants whose grants and vesting are based on lawful, true and complete disclosures and whose conduct is consistent with the Company's best interests.

In the event that one of the circumstances set forth in (1) above occurs to the Company, the 2026 A Share Restricted Share Incentive Scheme shall be terminated, and all Restricted Shares that have been granted to the Incentive Participants shall not be vested and shall be cancelled by the Company. In the event that one of the clawback circumstances set forth in (2) above occurs to an Incentive Participant, the Restricted Shares that have been granted to such Incentive Participant shall not be vested and shall be cancelled by the Company. By strengthening accountability and safeguarding the integrity of the incentive structure, these arrangements empowering the Company to cancel the Restricted Shares granted to an Incentive Participant in the event of the aforesaid circumstances align with the purpose of the Incentive Scheme to promote sustainable, value-driven performance and long-term development of the Company while protecting the interests of Shareholders as a whole.

If the Company fails to meet the conditions for granting or vesting of Restricted Shares due to false records, misleading statements or material omissions in the information disclosure documents, the Restricted Shares granted to Incentive Participants but not yet vested shall not vest and will lapse and be rendered invalid by the Company. For Restricted Shares that have already vested, all Incentive Participants shall return the equity interests they have been granted. The Board shall recover the proceeds from the Incentive Participants in accordance with the preceding provisions. Where the Incentive Participants who are not responsible for the above matters suffer from losses due to the return of equity, they may recover such losses from the Company or the responsible parties in accordance with the relevant arrangements under the Incentive Scheme.

II. Vesting Conditions for the Restricted Shares

The Restricted Shares granted to the Incentive Participants may only be vested in tranches upon simultaneously satisfying the following Vesting Conditions. Conversely, if any of the following Vesting Conditions are not met, the Restricted Shares shall not vest:

1. None of the following events has occurred with respect to the Company:

   (i) the financial accounting report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

   (ii) the internal control of the financial report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

   (iii) failure to conduct profit distribution in accordance with the Applicable Laws and regulations, the Articles of Association and public undertakings during the last 36 months after listing;

   (iv) prohibition from implementation of an equity incentive by the Applicable Laws and regulations;

(v) other circumstances as determined by the CSRC.

2. None of the following events has occurred with respect to the Incentive Participant:

(i) he or she has been determined by the Shanghai Stock Exchange as an unsuitable candidate in the last 12 months;

(ii) he or she has been determined by the CSRC and its dispatched offices as an unsuitable candidate in the last 12 months;

(iii) he or she has been subjected to administrative penalties or market entry bans by the CSRC or its dispatched offices due to material illegal or non-compliant acts in the last 12 months;

(iv) he or she has circumstances as stipulated in the PRC Company Law that prohibit a person from serving as a Director or senior management of the Company;

(v) he or she has been prohibited by the Applicable Laws and regulations from participating in equity incentives of listed companies;

(vi) other circumstances as determined by the CSRC.

In case the Company has any of the circumstances specified in the above paragraph 1, the Restricted Shares that have been granted to all Incentive Participants under the Incentive Scheme but have not been vested will lapse and be rendered invalid by the Company. In case any Incentive Participant has any of the circumstances specified in the above paragraph 2, the Restricted Shares that have been granted to such Incentive Participant under the Incentive Scheme but have not been vested will lapse and be rendered invalid by the Company.

3. The Incentive Participant meets the tenure requirement for each vesting tranche

Before the vesting of each batch of Restricted Shares granted to an Incentive Participant, the Incentive Participant must have completed an employment period of more than 12 months.

4. Satisfying the performance appraisal requirements at Company-level

The performance appraisal indicators for the 2026 A Share Restricted Share Incentive Scheme are divided into two levels, namely performance appraisal requirements at the Company-level and performance appraisal requirements at the individual-level.

At the Company level, the performance appraisal indicator is operating revenue, which is an important indicator for measuring the Company's operating conditions and market competitiveness, for forecasting trends in business expansion and for reflecting the Company's growth potential. In setting the performance appraisal targets, the Company has fully taken into account a combination of composite factors, including its historical performance, its current operating conditions and future development plans. The appraisal indicators are reasonable and scientific, and are conducive to motivating employees, ensuring the achievement of the Company's future development strategies and operating objectives, and delivering more efficient and sustainable returns to shareholders.

At the individual level, the Company has established a rigorous position-specific and responsibility-based individual-level performance appraisal system for all Incentive Participants. This system enables a relatively accurate and comprehensive overall appraisal of the work performance of each Incentive Participant, ensuring that individual capabilities are fully reflected and that Incentive Participants receive equity incentive rewards commensurate with their efforts and contributions. The Company shall determine whether the Incentive Participant has met the Vesting Conditions based on the results of the Incentive Participant's performance appraisal for the previous appraisal year.

The performance appraisal framework of the 2026 A Share Restricted Share Incentive Scheme is comprehensive, well-integrated and operable. The performance appraisal indicators are scientifically and reasonably designed while imposing appropriate constraints on Incentive Participants, and are aligned with the appraisal objectives of the 2026 A Share Restricted Share Incentive Scheme.

The Incentive Scheme shall assess the Company's performance appraisal indicators annually during the three fiscal years from 2026 to 2028. The Company-level vesting ratio for each year shall be calculated based on the achievement of the Company's performance appraisal targets. The performance appraisal targets at the Company level for each year are set forth in the table below:

Unit: RMB hundred million

Vesting arrangement	**Corresponding appraisal year**	**Annual operating revenue target (Am)**	**Annual operating revenue threshold (An)**
First vesting tranche	Year 2026	45.00	40.50
Second vesting tranche	Year 2027	55.00	49.50
Third vesting tranche	Year 2028	68.00	61.20

Performance appraisal indicator	Achievement of performance appraisal indicator	Corresponding coefficient for the performance appraisal indicator
Actual operating revenue achieved for the corresponding assessment year (A)	A≥Am An≤A<Am A<An	X=100% X= A/Am*100% X=0%

Note:

(1) The scope of the above "operating revenue" shall be based on the audited consolidated financial statements issued by the accounting firm.

(2) The above performance appraisal targets do not constitute the Company's performance forecast or a substantive commitment by the Company to investors.

If the Company fails to achieve the above performance appraisal targets, all Restricted Shares scheduled to vest in the corresponding appraisal year for all Incentive Participants shall not vest and such shares will lapse and be rendered invalid by the Company.

5. Satisfying the performance appraisal requirements at the individual level for the Incentive Participants

The performance appraisal results of Incentive Participants are classified into three grades "A", "B" and "C". At the relevant time, the actual number of Shares to be vested for an Incentive Participant shall be determined based on the individual-level vesting ratio corresponding to their appraisal grade as set out in the following appraisal grading table:

Performance appraisal result	A	B	C
Individual-Level Vesting ratio (Y)	100%	100%	0

If the Company-level performance appraisal target for the current year is achieved, the actual number of Restricted Shares that an Incentive Participant can vest in that year = the quota of Restricted Shares scheduled to be vested to the individual in the relevant year × Company-level vesting ratio (X) × individual-level vesting ratio (Y).

If the Restricted Shares scheduled to vest for an Incentive Participant in the current period cannot vest or cannot fully vest due to appraisal reasons, such Shares shall lapse and be rendered invalid by the Company and shall not be carried forward or deferred to subsequent years.

Where changes in economic conditions, market trends or other factors result in changes to the Company and/or its Shares such that the continued implementation of the 2026 A Share Restricted Share Incentive Scheme is unlikely to achieve its incentivizing purpose, the Company may, upon consideration and approval by the Board and/or the Shareholders' meeting, determine that one or more unvested tranches of Restricted Shares shall not vest or terminate the 2026 A Share Restricted Share Incentive Scheme in its entirety.

9. PROCEDURES FOR AMENDMENT AND TERMINATION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

I. Procedures for Amendment of the 2026 A Share Restricted Share Incentive Scheme

1. If the Company proposes to amend the Incentive Scheme before it is considered and approved by the Shareholders' meeting, the amendment must be considered and approved by the Board.

2. If the Company amends the Incentive Scheme after it has already been approved by the Shareholders' meeting, the amendment proposal shall be submitted to the Shareholders' meeting for consideration, and shall not include the following circumstances:

   (i) circumstances that would lead to early vesting;

   (ii) circumstances that would lower the Grant Price (except for reductions in the Grant Price resulting from capitalization of capital reserves, bonus issue, rights issue, dividend distribution or other similar events).

3. The Remuneration and Appraisal Committee under the Board shall issue an opinion on whether the amended Incentive Scheme is conducive to the Company's sustainable development and whether there exists any circumstance that would materially damage the interests of the Company and all Shareholders. A law firm shall issue a professional opinion on whether the amended Incentive Scheme complies with the provisions of the Administrative Measures on Equity Incentives of Listed Companies and the Applicable Laws and regulations, and whether there exists any circumstance that would materially damage the interests of the Company and all Shareholders.

II. Procedures for termination of the A Share Restricted Share Incentive Scheme

1. If the Company proposes to terminate the Incentive Scheme before it is considered by the Shareholders' meeting, such termination must be considered and approved by the Board and disclosed.

2. If the Company terminates the implementation of the Incentive Scheme after it has been considered and approved by the Shareholders' meeting, such termination shall be decided by the Shareholders' meeting.

3. A law firm shall issue a professional opinion on whether the Company's termination of the implementation of the Incentive Scheme complies with the provisions of the Administrative Measures on Equity Incentives of Listed Companies and the Applicable Laws and regulations, and whether there exists any circumstance that would materially damage the interests of the Company and all Shareholders.

4. Upon termination of the Incentive Scheme, any Restricted Shares that are not yet vested will lapse and be rendered invalid by the Company.

10. ADJUSTMENT METHODS AND PROCEDURES OF THE 2026 A SHARE RESTRICTED SHARES INCENTIVE SCHEME

I. Methods of adjusting the number of Restricted Shares granted and vested

In the event of any capitalization of capital reserves, bonus issue, share subdivision, rights issue or share consolidation during the period from the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme to the date of completion of the vesting registration of Restricted Shares by the Incentive Participants, the number of Restricted Shares granted/vested shall be adjusted accordingly. The adjustment methods are as follows:

1. Capitalization of capital reserves, bonus issue and share subdivision

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

Where: Q_0 represents the number of Restricted Shares granted/vested before the adjustment; n represents the ratio of capitalization of capital reserves, bonus issue or subdivision of share capital (i.e., the increase in number of shares per share upon capitalization of capital reserves, bonus issue and subdivision of the share capital); Q represents the adjusted number of Restricted Shares granted/vested.

2. Rights issue

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

Where: Q_0 represents the number of Restricted Shares granted/vested before the adjustment; P_1 represents the closing price of the Restricted Shares as of the record date; P_2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e. the ratio of the number of Shares to be issued under the rights issue to the total share capital of the Company before the rights issue); Q represents the adjusted number of Restricted Shares granted/vested.

3. Share consolidation

$Q = Q_0 \times n$

Where: Q_0 represents the number of Restricted Shares granted/vested before the adjustment; n represents the ratio of consolidation of Shares (i.e. one Share of the Company shall be consolidated into n shares); Q represents the adjusted number of Restricted Shares granted/vested.

4. Additional issue

In the event of the Company's additional issue of new Shares, no adjustment will be made to the number of Restricted Shares granted/vested.

II. Methods of adjusting the Grant Price of the Restricted Shares

In the event that any capitalization of capital reserves, bonus issue, share subdivision, rights issue, share consolidation or dividend distribution has been made by the Company during the period from the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme to the date of the completion of the vesting registration of Restricted Shares by the Incentive Participants, an adjustment to the Grant Price of the Restricted Shares shall be made accordingly. The adjustment methods are as follows:

1. Capitalization of capital reserves, bonus issue and share subdivision

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

Where: P_0 represents the Grant Price before the adjustment; n represents the per share ratio of capitalization of capital reserves, bonus issue and subdivision of shares; P represents the adjusted Grant Price.

2. Rights issue

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

Where: P_0 represents the Grant Price before the adjustment; P_1 represents the closing price as of the record date; P_2 represents the price of the rights issue; n represents the ratio of the rights issue; P represents the adjusted Grant Price.

3. Share consolidation

$P = P_0 \div n$

Where: P_0 represents the Grant Price before the adjustment; n represents the ratio of consolidation of Shares; P represents the adjusted Grant Price.

4. Dividend distribution

$P = P_0 - V$

Where: P_0 represents the Grant Price before the adjustment; V represents the dividend per Share; P represents the adjusted Grant Price. After the adjustment of dividend distribution, P shall still be greater than 1.

5. Additional issue

In the event of the Company's additional issue of new Shares, no adjustment will be made to the Grant Price of the Restricted Shares.

III. Adjustment procedures for the 2026 A Share Restricted Share Incentive Scheme

Pursuant to the authorization of the Shareholders' meeting, when the circumstances set forth in this section occur, the Board shall deliberate and approve the proposal regarding the adjustment of the number of Restricted Shares granted/vested and the Grant Price. The Company shall engage a law firm to issue a professional opinion to the Board on whether the aforementioned adjustments comply with the provisions of the Administrative Measures on Equity Incentives of Listed Companies, the Articles of Association, and the Incentive Scheme. After the adjustment proposal is deliberated and approved by the Board, the Company shall promptly disclose the announcement of the Board resolution and publish the legal opinion simultaneously.

11. HANDLING OF CHANGES IN CIRCUMSTANCES OF THE COMPANY/INCENTIVE PARTICIPANTS

I. Handling of changes in the Company's circumstances

1. In the event of any of the following circumstances, the Incentive Scheme shall be terminated, and the Restricted Shares that have been granted to Incentive Participants but not yet vested shall not vest and such shares will lapse and be rendered invalid by the Company:

(1) the financial accounting report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

(2) the internal control of the financial report for the latest fiscal year is audited and issued with an adverse opinion or a disclaimer of opinion by a certified public accountant;

(3) failure to conduct profit distribution in accordance with the Applicable Laws and regulations, the Articles of Association and public undertakings during the last 36 months after listing;

(4) prohibition from implementation of an equity incentive scheme by the Applicable Laws and regulations;

(5) other circumstances for which the CSRC deems necessary to terminate the Incentive Scheme.

2. In the event of any of the following circumstances, the Incentive Scheme shall not be amended:

(1) change of control of the Company;

(2) merger or division of the Company.

3. If the Company fails to meet the conditions for granting or vesting of Restricted Shares due to false records, misleading statements or material omissions in the information disclosure documents, the Restricted Shares granted to Incentive Participants but not yet vested shall not vest and will lapse and be rendered invalid by the Company. For Restricted Shares that have already vested, all Incentive Participants shall return the equity interests they have been granted. The Board shall recover the proceeds from the Incentive Participants in accordance with the preceding provisions. Where the Incentive Participants who are not responsible for the above matters suffer from losses due to the return of equity, they may recover such losses from the Company or the responsible parties in accordance with the relevant arrangements under the Incentive Scheme.

II. Handling of changes in personal circumstances of Incentive Participants

1. If the Incentive Participant changes his/her position but still works in the Company or its Subsidiaries or controlled Subsidiaries, the Restricted Shares granted to him/her shall still be processed in accordance with the procedures stipulated in the Incentive Scheme before the position change. However, if the position change results from the Incentive Participant's inability to perform their duties, violation of laws or regulations, breach of professional ethics, disclosure of Company secrets, dereliction of duty or malfeasance, material violation of Company rules, breach of public order or good customs, or other acts that harm the Company's interests or reputation, or if the Company terminates the labor or employment relationship with the Incentive Participant due to the aforementioned reasons, the Restricted Shares that have been granted to the Incentive Participant but not yet vested shall not vest and will lapse and be rendered invalid by the Company. The Incentive Participant shall pay all individual income tax related to the vested Restricted Shares to the Company before leaving.

2. If an Incentive Participant resigns, including voluntary resignation, resignation due to company layoffs, non-renewal of labor contract/employment agreement upon expiry, dismissal by the Company due to personal fault, or consensual termination of the labor contract or employment agreement, their vested shares shall remain unaffected. From the date of resignation, the Restricted Shares that have been granted to the Incentive Participant but not yet vested shall not vest and will lapse and be rendered invalid by the Company. The Incentive Participant shall pay all individual income tax related to the vested Restricted Shares to the Company before leaving.

   Personal fault includes, but is not limited to, the following behaviors: violation of the employment contract, confidentiality agreement, non-compete agreement, or any other similar agreement signed with the Company or its affiliates; violation of the laws of the country of residence, leading to criminal offenses or other adverse circumstances affecting the performance of duties; receiving compensation from a company or individual outside the Company without prior disclosure to the Company. The Company has the right, depending on the severity of the circumstances, to recover the losses suffered as a result from the Incentive Participant in accordance with the Applicable Laws.

3. If an Incentive Participant retires normally in accordance with national regulations and Company rules (including being re-employed by the Company after retirement or continuing to provide labor services to the Company in other forms), complies with confidentiality obligations, and does not engage in any acts that harm the Company's interests, the Restricted Shares granted to them shall remain valid and shall continue to be processed in accordance with the procedures stipulated in the Incentive Scheme. After the occurrence of the circumstances described in this paragraph, if the Incentive Participant has no individual-level performance appraisal, their individual-level performance appraisal conditions shall no longer be included as Vesting Conditions; if there is an individual-level performance appraisal, their individual-level performance appraisal shall remain one of the Vesting Conditions for the Restricted Shares.

4. If an Incentive Participant leaves the Company due to loss of work capacity, the following two situations shall apply:

   (1) If the Incentive Participant leaves the Company due to loss of work capacity resulting from performing their duties, the Restricted Shares granted to them may be vested in accordance with the procedures stipulated in the Incentive Scheme before the loss of work capacity, and the Board may decide that their individual-level performance appraisal conditions shall no longer be included as Vesting Conditions, while other Vesting Conditions shall remain valid. The Incentive Participant shall pay all individual income tax related to the vested Restricted Shares to the Company before leaving, and shall, for each subsequent vesting tranche, pay in advance the individual income tax related to the Restricted Shares to be vested in that vesting tranche.

   (2) If the Incentive Participant leaves the Company due to loss of work capacity not resulting from performing their duties, their vested Shares shall remain unaffected. The Restricted Shares that have been granted to the Incentive Participant but not yet vested shall not vest and will lapse and be rendered invalid by the Company. The Incentive Participant shall pay all individual income tax related to the vested Restricted Shares to the Company before leaving.

5. In the event of the death of an Incentive Participant, the following two situations shall apply:

   (1) In the event of the death of an Incentive Participant due to a work-related injury, the Restricted Shares granted to them shall be inherited by their designated property heir or legal heir, and shall continue to be processed in accordance with the procedures stipulated in the Incentive Scheme before the Incentive Participant's death. The Board may decide that their individual-level performance appraisal conditions shall no longer be included as Vesting Conditions. Before the inheritance, the heir shall pay the individual income tax related to the vested Restricted Shares to the Company, and shall, for each subsequent vesting tranche, pay in advance the individual income tax related to the Restricted Shares to be vested in that vesting tranche.

   (2) In the event of the death of an Incentive Participant due to non-work-related causes, as of the date of such event, the Restricted Shares that have been granted to the Incentive Participant but not yet vested shall not vest and will lapse and be rendered invalid by the Company. The Company has the right to require the Incentive Participant's heir to pay the individual income tax related to the vested Restricted Shares from the Incentive Participant's estate.

6. Any other circumstances not stipulated in the Incentive Scheme shall be determined by the Board, which shall also decide on the method of handling.

III. Mechanism for resolving disputes or conflicts between the Company and Incentive Participants

Any dispute or conflict arising between the Company and an Incentive Participant in connection with the implementation of the Incentive Scheme and/or the grant agreement signed by both parties, or in relation to the Incentive Scheme and/or the grant agreement shall be resolved by the parties through negotiation and communication, or through mediation by the Remuneration and Appraisal Committee. If the parties fail to resolve the relevant dispute or conflict through the above methods within 60 days from the date of its occurrence, either party has the right to submit the dispute or conflict to a competent people's court in the place where the Company is located for resolution through litigation.

12. RIGHTS AND OBLIGATIONS OF THE COMPANY AND THE INCENTIVE PARTICIPANTS

I. Rights and obligations of the Company

(1) The Company shall have the right to interpret and implement the 2026 A Share Restricted Share Incentive Scheme and shall conduct performance appraisals of the Incentive Participants in accordance with the provisions hereof. If an Incentive Participant fails to meet the Vesting Conditions stipulated under the Incentive Scheme, the Company shall, in accordance with the principles set out herein, determine that the Restricted Shares that have been granted but not yet vested shall not vest, and such Restricted Shares shall be rendered null and void.

(2) The Company undertakes that it shall not provide loans to Incentive Participants for the purpose of acquiring Restricted Shares under the Incentive Scheme, nor provide guarantees for such loans or any other form of financial assistance that may prejudice the interests of the Company.

(3) The Company shall fulfill its obligations regarding filing, information disclosure, and other matters related to the Incentive Scheme in accordance with relevant regulations in a timely manner.

(4) In accordance with the Incentive Scheme and the relevant requirements of the CSRC, the Shanghai Stock Exchange and the CSDC, the Company shall actively cooperate with Incentive Participants who have satisfied the Vesting Conditions to complete the vesting procedures for restricted shares as required. However, if Incentive Participants fail to vest due to reasons attributable to the CSRC, the Shanghai Stock Exchange, or CSDC, and suffer losses as a result, the Company shall bear no liability.

(5) The Company has the right to require Incentive Participants to perform their duties to the Company in accordance with the requirements of their respective positions. If an Incentive Participant cannot perform the requirements of their position, fails to pass performance appraisals, or seriously harms the interests or reputation of the Company as a result of violations of laws or regulations, breaches of professional ethics, disclosure of confidential information, dereliction of duty, or malfeasance, upon review by the Remuneration and Appraisal Committee and approval by the Board, the Company may determine that the Restricted Shares granted but not yet vested shall not vest, and such Restricted Shares shall lapse and be rendered invalid. Where the circumstances are serious, the Company may also seek compensation for losses in accordance with the Applicable Laws.

(6) In accordance with national tax regulations, the Company shall withhold and remit on behalf of the Incentive Participants the individual income tax and other taxes payable.

(7) The determination of Incentive Participants under the Incentive Scheme does not constitute a guarantee of their continued service with the Company, nor does it form a commitment by the Company regarding the terms of employment. The management of employees' employment and labor shall continue to be governed by the labor contracts, employment contracts, or service agreements entered into between the Company and the Incentive Participants.

(8) Other rights and obligations as prescribed by the Applicable Laws, regulations and the Incentive Scheme.

II. Rights and obligations of the Incentive Participants

(1) Incentive Participants shall comply with professional ethics, perform their duties diligently and responsibly in accordance with the requirements of their positions, and make due contributions to the development of the Company.

(2) Incentive Participants shall have the right, and be obligated, to obtain Restricted Shares eligible for vesting in accordance with the Incentive Scheme.

(3) The source of funds of Incentive Participants shall be their own funds or self-raised funds.

(4) Restricted Shares granted to Incentive Participants shall not be transferred, assigned, pledged for guarantees, or used for repayment of debts prior to vesting.

(5) Restricted Shares granted under the Incentive Scheme shall not carry any rights to attend or vote at Shareholders' meetings or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) prior to the registration of the vesting of the Restricted Shares.

(6) Any income obtained by Incentive Participants under the Incentive Scheme shall be subject to individual income tax and other taxes in accordance with national tax laws and regulations.

(7) Incentive Participants undertake that, if any circumstances arise during the implementation of the Incentive Scheme that disqualify them from being Incentive Participants as stipulated herein, they shall, starting from the year in which such disqualification occurs, forfeit their rights to participate in the Incentive Scheme and shall not claim any compensation from the Company. Any Restricted Shares already granted but not yet vested shall lapse and be rendered invalid by the Company.

(8) Incentive Participants undertake that, if the Company fails to meet the Granting Conditions or the Vesting Conditions due to false records, misleading statements or material omissions in its information disclosure documents, the Incentive Participants shall, after the relevant information disclosure documents are confirmed to contain such false records, misleading statements or material omissions, return to the Company all benefits obtained under the Incentive Scheme.

(9) After the Incentive Scheme is approved by the Shareholders' meeting and the Board adopts a resolution to grant equity interests to the Incentive Participants, the Company shall enter into a grant agreement with each Incentive Participant to stipulate the rights and obligations of both parties and other related matters.

(10) If an Incentive Participant leaves the Company after the Restricted Shares have vested and has entered into a non-compete agreement or a similar agreement, the Incentive Participant shall comply with and perform the obligations under such agreement. Any Restricted Shares that have already been granted but not yet vested shall lapse and be rendered invalid by the Company. In the event of a breach of non-compete obligations, the Company shall, in addition to pursuing liability in accordance with the non-compete agreement, have the right to require the Incentive Participants to return to the Company the share-based payment amount derived from the actual number of vested Restricted Shares.

(11) Other rights and obligations as prescribed by the Applicable Laws, regulations and the Incentive Scheme.

13. SUPPLEMENTARY PROVISIONS

1. The Incentive Scheme shall come into effect after consideration and approval by the Shareholders' meeting.

2. The Board shall be responsible for the interpretation of the Incentive Scheme.

3. In the event any conflict arises between the Incentive Scheme and the latest laws or regulations promulgated by the regulatory authorities, the latest laws and regulations shall prevail.

SUZHOU NOVOSENSE MICROELECTRONICS CO., LTD.

THE ADMINISTRATIVE MEASURES FOR THE IMPLEMENTATION AND APPRAISAL OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

In order to further establish and improve the long-term incentive and restraint mechanism of Suzhou Novosense Microelectronics Co., Ltd. (hereinafter referred to as the "**Company**") to attract and retain outstanding employees, fully mobilize the enthusiasm and creativity of the core teams, enhance the sense of belonging, acquisition, and responsibility, and effectively bind the interests of the shareholders of the Company (hereinafter referred to as the "**Shareholders**"), the Company and individuals of core teams together, making all parties attend to the long-term and sustainable development of the Company, ensuring the achievement of the Company's long-term development strategy and business objectives, on the premise of fully protecting the interests of the Shareholders and on the principle of reciprocity between incentives and restraint mechanisms, the Company has formulated the 2026 A Share Restricted Share Incentive Scheme (Draft) of Suzhou Novosense Microelectronics Co., Ltd. (《蘇州納芯微電子股份有限公司2026年A股限制性股票激勵計劃(草案)》) (hereinafter referred to as the "**2026 A Share Restricted Share Incentive Scheme**" or the "**Incentive Scheme**").

In order to ensure the smooth implementation of the 2026 A Share Restricted Share Incentive Scheme of the Company, to develop a good and balanced value distribution system, the Administrative Measures for the Implementation and Appraisal of the 2026 A Share Restricted Share Incentive Scheme (hereinafter referred to as the "**Administrative Measures for Implementation and Appraisal**") are hereby formulated based on the actual situation of the Company in accordance with the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Securities Law of the People's Republic of China (《中華人民共和國證券法》), the Administrative Measures on Equity Incentives of Listed Companies (《上市公司股權激勵管理辦法》), the Rules Governing the Listing of Stocks on the Science and Technology Innovation Board of the Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), the Self-Regulatory Guidelines No. 4 for Listed Companies on the STAR Market – Disclosure of Equity Incentive Information (《科創板上市公司自律監管指南第4號 – 股權激勵信息披露》) and other relevant laws, administrative regulations and regulatory documents and relevant provisions of the Incentive Scheme.

ARTICLE 1 PURPOSE OF APPRAISAL

The purposes of the Administrative Measures for Implementation and Appraisal are to strengthen the planned implementation of the Incentive Scheme, quantify the specific objectives set out in the Incentive Scheme, promote the scientific, standardized and institutionalized management of appraisal of Incentive Participants, and ensure the realization of the performance appraisal indicators under the Incentive Scheme; at the same time, the Administrative Measures for Implementation and Appraisal guide the Incentive Participants to improve work performance and working competence and evaluate employees' appraisal and contribution in an objective and fair way, to provide an objective and comprehensive evaluation basis for the implementation of the Incentive Scheme.

ARTICLE 2 PRINCIPLES OF APPRAISAL

(I) Appraisal and evaluation of the Incentive Participants shall be conducted in strict accordance with the Administrative Measures for Implementation and Appraisal following the principles of fairness, justice, and openness.

(II) The performance appraisal indicators shall be combined with the Company's medium-and long-term development strategy and annual business objectives; as well as the work performance, working competence and working attitude of the Incentive Participants.

ARTICLE 3 SCOPE OF APPRAISAL

The Administrative Measures for Implementation and Appraisal apply to all Incentive Participants as determined by the Incentive Scheme. All Incentive Participants of the Incentive Scheme must sign a labor contract or an employment contract with the Company, a subsidiary of the Company or a controlled subsidiary of the Company during the appraisal period of the Incentive Scheme (hereinafter the "**Appraisal Period**").

ARTICLE 4 APPRAISAL AGENCY AND IMPLEMENTING AGENCY

(I) The Remuneration and Appraisal Committee is responsible for leading and reviewing the appraisal of the Incentive Participants.

(II) The Human Resources Department of the Company is responsible for the specific appraisal procedures. The Human Resources Department and the Finance Department of the Company are responsible for collecting and providing relevant appraisal data, ensuring the authenticity and reliability of the data, and reporting to the Remuneration and Appraisal Committee.

(III) The Board of the Company (hereinafter referred to as the "**Board**") is responsible for reviewing the appraisal results.

ARTICLE 5 APPRAISAL INDICATORS AND STANDARDS

(I) Meeting performance appraisal requirements at the Company level

The Appraisal Period for the restricted shares under the Incentive Scheme (hereinafter referred to as the "**Restricted Shares**") includes the three fiscal years from 2026 to 2028, and the performance appraisal shall be conducted once in each fiscal year. The Company will assess the vesting ratio at the Company level annually based on the level of completion of the performance appraisal indicators of the Company. The performance appraisal targets at the Company level in each year are as follows:

Unit: RMB hundred million

Vesting arrangement	Corresponding appraisal year	Annual operating revenue target (Am)	Annual operating revenue threshold (An)
First vesting tranche	2026	45.00	40.50
Second vesting tranche	2027	55.00	49.50
Third vesting tranche	2028	68.00	61.20

Performance appraisal indicator	Achievement of performance appraisal indicators	Corresponding coefficient for the performance appraisal indicator
Actual operating revenue achieved in the corresponding appraisal year (A)	A≥Am	X=100%
	An≤A<Am	X= A/Am*100%
	A<An	X=0%

Notes:

1. The scope of the above "operating revenue" shall be based on the audited consolidated financial statements issued by the accounting firm.

2. The above performance appraisal targets do not constitute the Company's performance forecast or a substantive commitment by the Company to investors.

If the Company fails to achieve the above performance appraisal targets, the vesting of all Restricted Shares scheduled to vest in the corresponding appraisal year for all Incentive Participants shall not vest and such shares will lapse and be rendered invalid by the Company.

(II) Meeting performance appraisal requirements at the Incentive Participant's individual level

The Company organizes and implements individual-level performance appraisals on the Incentive Participants in accordance with the current appraisal measures and determines the number of Restricted Shares actually vested based on their appraisal results. The performance appraisal results of the Incentive Participants are classified into three grades, "A", "B" and "C" and the actual number of Restricted Shares to be vested to the Incentive Participants shall be determined based on the individual-level vesting ratio corresponding to their appraisal grade as set out in the following appraisal grading table:

Performance appraisal result	**A**	**B**	**C**
Individual-level vesting ratio (Y)	100%	100%	0

If the Company-level performance appraisal target for the current year is achieved, the number of Restricted Shares actually vested to the Incentive Participants in the relevant year = the quota of Restricted Shares scheduled to be vested to the individual in the relevant year × Company-level vesting ratio (X) × individual-level vesting ratio (Y).

If all Restricted Shares scheduled to be vested to the Incentive Participants for a vesting tranche cannot be vested or fully vested due to appraisal reasons, the Restricted Shares shall lapse and be rendered invalid by the Company and shall not be carried forward or deferred to subsequent years.

Where changes in economic conditions, market trends or other factors result in changes to the Company and/or its Shares such that the continued implementation of the 2026 A Share Restricted Share Incentive Scheme is unlikely to achieve its incentivizing purpose, the Company may, upon consideration and approval by the Board and/or the Shareholders' meeting, determine that one or more unvested tranches of Restricted Shares shall not vest or terminate the Incentive Scheme in its entirety.

ARTICLE 6 APPRAISAL PERIOD AND FREQUENCY OF APPRAISAL

The Appraisal Period for the Restricted Shares under the Incentive Scheme includes the fiscal years from 2026 to 2028. The performance appraisals at the Company-level and at the individual-level shall be conducted annually.

ARTICLE 7 APPRAISAL PROCEDURES

The Human Resources Department of the Company is responsible for the specific appraisal procedures under the guidance of the Remuneration and Appraisal Committee and for saving the appraisal results. On this basis, a performance appraisal report shall be prepared and submitted to the Remuneration and Appraisal Committee.

ARTICLE 8 MANAGEMENT OF APPRAISAL RESULTS

(I) Feedback and application of performance appraisal results

1. The appraisal subjects are entitled to know the performance appraisal results. The direct supervisor of the employees or the Human Resources Department of the Company shall inform the appraisal subjects of their performance appraisal results within 5 working days after the completion of the performance appraisal.

2. If the performance appraisal subjects have objections against the results of the appraisal, they can communicate with the Human Resources Department within 5 working days of receiving the performance appraisal results. If the objections cannot be resolved through communication, the performance appraisal subjects may appeal to the Remuneration and Appraisal Committee, which shall review and determine the final performance appraisal result within 10 working days.

3. The performance appraisal results shall be the basis for the vesting of the Restricted Shares.

(II) Filing of performance appraisal records

1. After the completion of performance appraisals, the Human Resources Department and other relevant departments shall retain all the records of the performance appraisals. The performance appraisal results shall be kept as confidential information.

2. In order to ensure the validity of the performance appraisal records, the performance appraisal records are not allowed to be altered. If the records are to be revised or re-recorded, it must be signed by the parties concerned.

3. The performance appraisal records shall be kept for 10 years. Documents and records that exceed the storage period shall be uniformly destroyed by the Human Resources Department after approval by the Remuneration and Appraisal Committee.

ARTICLE 9 SUPPLEMENTARY PROVISIONS

(I) The Administrative Measures for Implementation and Appraisal shall be interpreted by the Board.

(II) If the relevant provisions of the Administrative Measures for Implementation and Appraisal conflict with the applicable national laws, administrative regulations, normative documents and the Incentive Scheme, the applicable national laws, administrative regulations, normative documents and the Incentive Scheme shall prevail. If there are no clear provisions in the Administrative Measures for Implementation and Appraisal, implementation shall be in accordance with the applicable national laws, administrative regulations, normative documents and the Incentive Scheme. If the Administrative Measures for Implementation and Appraisal conflict with the applicable laws, administrative regulations and department rules which will be promulgated and implemented in the future, such applicable laws, administrative regulations and department rules shall prevail.

(III) The Administrative Measures for Implementation and Appraisal shall be subject to consideration and approval at the Shareholders' meeting and become effective after the Incentive Scheme takes effect.

Board of Suzhou Novosense Microelectronics Co., Ltd.

June 22, 2026

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Suzhou Novosense Microelectronics Co., Ltd.
蘇州納芯微電子股份有限公司

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

(Stock code: 2676)

NOTICE OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the extraordinary Shareholders' meeting of 2026 (the "**ESM**") of Suzhou Novosense Microelectronics Co., Ltd. (蘇州納芯微電子股份有限公司) (the "**Company**") will be convened and held physically at 3:00 p.m. on Thursday, July 23, 2026 at the Company's Conference Room, No. 9, Dongdangtian Alley, Suzhou Industrial Park, Jiangsu Province, the PRC, for the following purposes:

SPECIAL RESOLUTIONS

1. The proposal in relation to the 2026 A Share Restricted Share Incentive Scheme (Draft) and its summary;

2. The proposal in relation to the Administrative Measures for the Implementation and Appraisal of the 2026 A Share Restricted Share Incentive Scheme; and

3. The proposal in relation to the authorization granted by the general meeting to the Board to handle matters pertaining to the 2026 A Share Restricted Share Incentive Scheme.

4. In relation to the 2026 H Share Scheme:

   4.1 The proposal in relation to the 2026 H Share Scheme;

   4.2 The proposal in relation to the Scheme Mandate Limit, subject to the adoption of the 2026 H Share Scheme in resolution no. 4.1;

   4.3 The proposal in relation to the Service Provider Sublimit, subject to the adoption of the 2026 H Share Scheme in resolution no. 4.1;

5. The proposal in relation to the authorization granted by the general meeting to the Board and/or the Scheme Administrator to handle matters pertaining to the 2026 H Share Scheme;

By order of the Board
Suzhou Novosense Microelectronics Co., Ltd.
Mr. Wang Shengyang
Chairman of the Board and Executive Director

Hong Kong, July 3, 2026

Notes:

1. **Voting by poll**

Pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Listing Rules**"), all votes of resolutions at the ESM will be taken by poll except where the chairman, in good faith, 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 voting results will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.novosns.com) in accordance with the Hong Kong Listing Rules.

2. **Closure of register of members and eligibility for attending and voting at the ESM**

Holders of H Shares are advised that the register of members of H Shares will be closed from Monday, July 20, 2026 to Thursday, July 23, 2026 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of H Shares whose names appear on the register of members of H Shares kept at the H Share registrar on Thursday, July 23, 2026 are entitled to attend and vote at the ESM. In order to be eligible to attend and vote at the ESM, all transfer documents of H Shares, accompanied by the relevant share certificates, must be lodged by the holders of H Shares with the H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by 4:30 p.m. on Friday, July 17, 2026.

3. **Proxy**

Every Shareholder who has the right to attend and vote at the ESM is entitled to appoint one or more proxies, whether or not they are members of the Company, to attend and vote on his/her behalf at the ESM. A proxy shall be appointed by a form of proxy in writing. The form of proxy shall be signed by the appointer or his/her attorney duly authorized in writing. If the appointer is a legal person, then the form of proxy shall be signed under a legal person's seal or signed by its director or an attorney duly authorized in writing. In order to be valid, the aforesaid documents shall be lodged by the H Shareholders with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 24 hours before the time appointed for holding the ESM (i.e. before 3:00 p.m. on Wednesday, July 22, 2026) or any adjournment thereof. If the form of proxy appointing the proxy is signed by a person authorized by the appointer, the power of attorney or other documents of authority under which the form of proxy is signed shall be notarized. The notarized power of attorney or other documents of authority shall be deposited together and at the same time with the form of proxy appointing the proxy at the H Share registrar.

4. **Miscellaneous**

(1) The ESM is expected to last for no more than a working day. Shareholders and their proxies attending the meeting shall be responsible for their own traveling and accommodation expenses.

(2) Unless the context otherwise requires, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated July 3, 2026.

As of the date of this notice, the Directors are: (i) Mr. Wang Shengyang, Mr. Sheng Yun, Mr. Wang Yifeng and Mr. Jiang Chaoshang as executive Directors; (ii) Mr. Wu Jie as non-executive Director; and (iii) Dr. Hong Zhiliang, Dr. Chen Xichan, Mr. Wang Ruwei and Ms. Du Linlin as independent non-executive Directors.