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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 a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

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

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Beijing Haizhi Technology Group Co., Ltd.

北京海致科技集團股份有限公司

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

(Stock Code: 2706)

**(1) PROPOSED ADOPTION OF THE H SHARE OPTION SCHEME;
(2) PROPOSED ADOPTION OF THE H SHARE INCENTIVE SCHEME;
(3) PROPOSED AUTHORIZATION TO THE BOARD OF DIRECTORS
AND/OR AUTHORIZED PERSON(S) TO HANDLE MATTERS RELATED
TO THE H SHARE SCHEMES;
AND
(4) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

All capitalized terms used in this circular have the meanings set out in the section headed "Definitions" in this circular. A letter from the Board is set out on pages 6 to 40 of this circular.

The Company will convene the EGM at 10:00 a.m. on Friday, September 11, 2026, notice of which is set out on pages 41 to 43 of this circular. The proxy form for use at the EGM are enclosed herein, which was also published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.haizhi.com).

If you intend to appoint a proxy to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

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

Treasury Shares, if any and registered under the name of the Company, shall have no voting rights at the general meeting(s) of the Company. For the avoidance of doubt, solely from the perspective of the Listing Rules, the Company shall, upon depositing any Treasury Shares in the CCASS, abstain from voting at any of its general meeting(s) in relation to those shares.

August 25, 2026

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DEFINITIONS

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

“Adoption Date”	the date on which the H Share Option Scheme and the H Share Incentive Scheme are approved by the Shareholders at the EGM
“AI”	artificial intelligence, an area of computer science that focuses on machinery simulation of intelligence displayed by humans and other animals
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Award(s)”	award(s) granted by the Board and/or the authorized person(s) to a grantee under the H Share Incentive Scheme, which may vest in the form of Award Shares or the actual selling price of the Award Shares in cash in accordance with the terms of the H Share Incentive Scheme
“Award Letter”	a letter issued by the Company to each grantee in such form as the Board and/or the authorized person(s) may from time to time determine, containing details of the grant of the Award Shares
“Award Shares”	the H Shares granted in an Award pursuant to the H Share Incentive Scheme
“Board”	the board of Directors of the Company
“Chairman”	the chairman of the Board
“Company”	Beijing Haizhi Technology Group Co., Ltd. (北京海致科技集團股份有限公司), a joint stock limited liability company incorporated in the PRC, the H Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

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“Director(s)”	the director(s) of the Company
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at 10:00 a.m. on Friday, September 11, 2026 at 2nd Floor Meeting Room, Holiday Inn Express Beijing Yizhuang Tongminghu, Building 2, No. 8 Courtyard, Kegou 1st Street, Yizhuang Economic and Technological Development Zone, Beijing, the PRC or any adjournment thereof
“Eligible Participant(s)”	with respect to the H Share Option Scheme and H Share Incentive Scheme, any individual, or a corporate entity (as the case may be), being any of (i) an Employee Participant, (ii) a Service Provider, and (iii) a Related Entity Participant
“Employee Participant(s)”	director(s), supervisor(s) and employee(s) (whether full time or part time employees) of the Company and/or of any of its subsidiaries (including persons who are granted Options or Awards under the H Share Option Scheme and H Share Incentive Scheme as an inducement to enter into employment contracts with these companies)
“Equity Incentive Scheme”	the equity incentive scheme of our Company approved and adopted in June 2023
“Exercise Price”	the price at which each H Share subject to an Option may be subscribed on the exercise of that Option as determined by the Board and/or the authorized person(s), but subject to the provisions of the H Share Option Scheme, or (where applicable) such price as from time to time adjusted pursuant to the H Share Option Scheme Rules
“Existing Shares Scheme Limit”	a limit on the total number of existing Shares which may be purchased and transferred as Shares underlying an option and/or award pursuant to all share schemes adopted by the Company, which must not exceed 10% of the total number of issued Shares as of the Adoption Date (excluding any Treasury Shares)
“Grant Letter”	a letter issued by the Company to each grantee in such form as the Board and/or the authorized person(s) may from time to time determine, containing details of the grant of the Options
“Group”	the Company and its subsidiaries
“H Share Incentive Scheme”	the H share incentive scheme proposed to be adopted by the Company which is subject to the resolution being passed and approved by the Shareholders at the EGM

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“H Share Incentive Scheme Rules”	the rules of the H Share Incentive Scheme (in its present or any amended form)
“H Share Option Scheme”	the H share option scheme proposed to be adopted by the Company which is subject to the resolution being passed and approved by the Shareholders at the EGM
“H Share Option Scheme Rules”	the rules of the H Share Option Scheme (in its present or any amended form)
“H Share(s)”	ordinary share(s) in the share capital of the Company with nominal value of RMB0.1 each, which is/are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
“H Share Schemes”	the H Share Incentive Scheme and H Share Option Scheme
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	August 24, 2026, being the latest practicable date prior to the publication of this circular for ascertaining certain information in this circular
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Date”	the date on which the H Shares of the Company are listed and first publicly traded on the Stock Exchange, being February 13, 2026
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Option”	a right granted to a grantee to subscribe for H Shares pursuant to the H Share Option Scheme
“Option Period”	in respect of any Option, a period to be determined and notified by the Board and/or the authorized person(s) to the grantee during which the Option may be exercised, which period shall expire in any event not later than the last day of the 10-year period after the grant date (subject to the provisions for early termination)

DEFINITIONS

“PRC”	the People’s Republic of China, unless the context requires otherwise, excluding, for the purpose of this circular only, the regions of Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme of our Company approved and adopted in June 2025
“Purchase Price”	the purchase price of each H Share in relation to Award Shares to be determined by the Board and/or the authorized person(s) when granting Award Shares
“Related Entity(ies)”	the holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company
“Related Entity Participant(s)”	director(s), supervisor(s) and employee(s) (whether full time or part time employees) of the Related Entities
“Remuneration and Appraisal Committee”	the remuneration and appraisal committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the limit on grant(s) of share option(s) and/or award(s) over new Shares to be issued or Treasury Shares to be transferred under all share schemes of the Company to be approved by its Shareholders, which must not exceed 10% of the total number of issued Shares as of the date of Shareholders’ approval of the Scheme Mandate Limit (excluding any Treasury Shares)
“Service Provider”	any individual (natural person or corporate entity) who provide services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long-term growth of the Group, taking into account (including but not limited to) the length and nature of the services provided or which are expected to be provided, the terms of engagements and focuses of the Group from time to time
“Service Provider Sublimit”	a sublimit under the Scheme Mandate Limit for share options and/or awards over new Shares to be issued or Treasury Shares to be transferred under all share schemes adopted by the Company granted to the Service Providers, which must not exceed 1% of the total number of issued Shares as of the date of the Shareholders’ approval of the Service Provider Sublimit (excluding any Treasury Shares)

DEFINITIONS

“Share(s)”	ordinary share(s) of the Company with nominal value of RMB0.1 each
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Treasury Shares”	has the meaning ascribed thereto under the Listing Rules as amended from time to time
“Trust”	the trust constituted under the Trust Deed
“Trust Deed(s)”	the trust deed to be entered into between the Company and the Trustee pursuant to the H Share Option Scheme and the H Share Incentive Scheme (where applicable)
“Trustee(s)”	the trustee(s) to be appointed by the Company for the purpose of the Trust
“%”	per cent

LETTER FROM THE BOARD



Beijing Haizhi Technology Group Co., Ltd.

北京海致科技集團股份有限公司

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

(Stock Code: 2706)

Executive Directors:

Mr. Ren Xuyang (*Chairman*)

Mr. Yang Zaifei

Ms. Yang Juan

Mr. Wan Pengjiang

Non-executive Directors:

Mr. Li Jiaqing

Mr. Li Hongtao

Independent non-executive Directors:

Mr. Zhang Yifan

Mr. Jiang Tian

Mr. Li Shu Pai

Mr. Ma Yeming

*Registered office and headquarters
in the PRC:*

Room 1501

Building 8, No. 8, Kegou First Street

Beijing Economic-Technological
Development Area

Beijing

PRC

*Principal place of business
in Hong Kong:*

4/F, Jardine House

1 Connaught Place

Central

Hong Kong

August 25, 2026

To the Shareholders

Dear Sir/Madam,

**(1) PROPOSED ADOPTION OF THE H SHARE OPTION SCHEME;
(2) PROPOSED ADOPTION OF THE H SHARE INCENTIVE SCHEME;
(3) PROPOSED AUTHORIZATION TO THE BOARD OF DIRECTORS
AND/OR AUTHORIZED PERSON(S) TO HANDLE MATTERS RELATED
TO THE H SHARE SCHEMES;
AND
(4) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information on, among other things, the following resolutions to be put forward at the EGM: (i) the proposed adoption of the H Share Option Scheme; (ii) the proposed adoption of the H Share Incentive Scheme; and (iii) the proposed authorization to the Board and/or authorized person(s) to handle matters related to the H Share Option Scheme and the H Share Incentive Scheme; so that the Shareholders may make an informed decision on voting in respect of the resolutions to be tabled at the EGM.

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II. PROPOSED ADOPTION OF THE H SHARE SCHEMES

The Company adopted the Equity Incentive Scheme in June 2023. The Equity Incentive Scheme does not involve any grant of options or awards by the Company or any issuance of new Shares by the Company. The relevant equity incentive platforms hold certain existing Shares of the Company for the implementation of the Equity Incentive Scheme. According to the Equity Incentive Scheme and the grant agreements, the relevant employees were granted awards and registered as the limited partners of the relevant equity incentive platforms upon grant of the awards. All management and voting powers of the equity incentive platforms are exercised by their respective general partner according to the respective partnership agreements, whereas the relevant employees as the limited partners of such equity incentive platforms are entitled to the economic interest.

The Company adopted the Pre-IPO Share Option Scheme on June 15, 2025. All options under the Pre-IPO Share Option Scheme had already been granted and no further options would be granted under the Pre-IPO Share Option Scheme upon the Listing Date. For details on the Equity Incentive Scheme and the Pre-IPO Share Option Scheme, please see the prospectus of the Company dated February 5, 2026. Save for the Equity Incentive Scheme and the Pre-IPO Share Option Scheme which are not subject to Chapter 17 of the Listing Rules, the Company did not have any other share scheme as of the Latest Practicable Date.

As of the Latest Practicable Date, there was no unutilized or available scheme mandate limit. As there is no share scheme, as defined under and complying with Chapter 17 of the Listing Rules, the Board proposed the adoption of the H Share Schemes, and considers that it would be in the best interests of the Company and its Shareholders to adopt the H Share Schemes, and to adopt the Scheme Mandate Limit and Service Provider Sublimit. The H Share Schemes comprise the H Share Option Scheme and the H Share Incentive Scheme. The principal terms of the H Share Option Scheme and the H Share Incentive Scheme are substantially similar, except for the key differences as summarized below:

	H Share Option Scheme	H Share Incentive Scheme
Nature of Grant	Options are granted to the Eligible Participants at a specified Exercise Price.	Awards are granted to the Eligible Participants at a specified Purchase Price.
	Following the vesting of the Options and upon exercise of the Options and payment of the Exercise Price, underlying H Shares will be issued or transferred to the Eligible Participants.	Following the vesting of the Awards and payment of the Purchase Price, Award Shares will be issued or transferred to the Eligible Participants.

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	H Share Option Scheme	H Share Incentive Scheme
Exercise Price/ Purchase Price	Under the Listing Rules, the Exercise Price must be higher of: (i) the closing price of the H Shares on the date of grant; and (ii) the average of the closing prices of the H Shares for the five business days immediately preceding the date of grant.	There is no minimum requirement for the Purchase Price under the Listing Rules. The Purchase Price may be nil. For determining the Purchase Price, the Board and/or the authorized person(s) may consider the practices of comparable companies and the effectiveness of the H Share Incentive Scheme in attracting talents and incentivizing Eligible Participants.

Under the H Share Schemes, the Eligible Participants entitled to participate therein shall include (1) Employee Participants, (2) Service Providers and (3) Related Entity Participants. The Employee Participants may include independent non-executive Directors. The Company considers that the inclusion of independent non-executive Directors as Eligible Participants, if any, under the H Share Schemes is in line with the purpose of the H Share Schemes to attract, motivate and retain skilled and experienced personnel through a competitive remuneration package, since the equity-based remuneration is an important means of ensuring alignment between the interests of the Shareholders and all members of the Board, including the independent non-executive Directors. The Company also believe that the any potential grant of the Options and/or Awards to the independent non-executive Directors under the H Share Schemes will not lead to bias in their decision-making or compromise their independence and objectivity for the following reasons:

- (i) the independent non-executive Directors must continue to comply with the independence requirements as set out in Rule 3.13 of the Listing Rules (which specifically allows (without potentially implicating independence) shareholding in the listed issuer held by independent non-executive directors provided it is below the 1% threshold under Rule 3.13(1) of the Listing Rules);

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- (ii) in considering the grant of any Options and/or Awards to independent non-executive Directors, the Board will only make such grants if it is satisfied that there will be no bias in decision-making or impact on the objectivity and independence of the grantee in discharging his/her duties as an independent non-executive Director. Regular compliance training will be provided to independent non-executive Directors to remind them of their duties to (among other things) maintain independence pursuant to Rule 3.13 of the Listing Rules; and
- (iii) the Company will comply strictly with all applicable requirements under the Listing Rules in connection with any grants of Options and/or Awards to independent non-executive Directors. Any such grant will be subject to the approval of disinterested independent non-executive Directors and, if applicable, the Remuneration and Appraisal Committee and Shareholders at the general meeting. The Company will also make full, timely and transparent disclosure of relevant grants in accordance with the Listing Rules, thereby ensuring relevant grants, if any, will be subject to effective market and Shareholder oversight.

A. Proposed Adoption of the H Share Option Scheme

The Board proposed the adoption of the H Share Option Scheme in accordance with Chapter 17 of the Listing Rules on August 25, 2026 and the relevant resolutions are hereby submitted to the EGM as a special resolution for consideration and approval. As of the Latest Practicable Date, the Company did not have any plan to grant any Option under the H Share Option Scheme.

A summary of the principal terms of the H Share Option Scheme is set out below:

1. Purpose of the H Share Option Scheme

The purpose of the H Share Option Scheme is to establish a long-term incentive mechanism that closely aligns the interests of the grantees with the Company's operating performance, thereby promoting the long-term and sustainable development of the Company's performance, building a competitive advantage in human resources, further refining the Company's performance appraisal and remuneration systems, and attracting, retaining, and motivating the talents to achieve the Company's strategic goals.

2. Eligible Participants and the Basis of Determining the Eligibility of Eligible Participants

(i) Employee Participants and the Basis of Eligibility

In assessing the eligibility of Employee Participants, the Board and/or the authorized person(s) shall take into account all relevant factors as appropriate, including but not limited to: (i) their skills, knowledge, experience, expertise and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or terms of employment, as well as prevailing market practices and industry standards; (iii) their past contributions and expected contribution to the growth of the Group; and (iv) their educational and professional qualifications, as well as industry knowledge.

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(ii) Service Providers and the Basis of Eligibility

Service Providers are persons who have provided, and continue to provide services beneficial to the long-term development of the Group in the ordinary and usual course of its business, such as professional services, consultancy services or other similar services to the Group, including:

- (a) **Independent suppliers**, being third party service providers who supply, on a continuing and recurring basis, goods or services that support the Group's operations, including (a) big data and AI related services and solutions: multimodal large model training and fine-tuning, knowledge graph construction, customized AI solutions for government and enterprise sectors, data governance and data middle-platform setup, algorithm iteration and optimization, as well as private deployment architecture design; and (b) big data infrastructure supply chain related services and equipment: database-related research and development, customized procurement and supply of computing servers, deployment of domestic computing hardware, as well as supply of storage equipment, data security hardware, domestic servers and related components.

The Group maintains a long-term cooperation with such suppliers. The recurring services provided by them are essential for maintaining the Group's operational continuity. In determining such suppliers' eligibility, the Board and/or the authorized person(s) will consider their contributions to the development and future prospects of the Group, as well as the actual benefits derived from the collaboration with them and the commercial opportunities generated therefrom; and

- (b) **Consultants and advisors**, being individuals or entities that provide, on a continuing and recurring basis, advisory or consultancy services to the Group in respect of the business and technological development of the Company. Their advisory or consultancy services mainly cover two categories: (a) business advisory: overall corporate development planning, government and enterprise market expansion strategies, commercialization roadmap for key industries, competitive products/solutions analysis, investment, financing and industrial merger and acquisition advisory, as well as product pricing and sales channel framework setup advisory; and (b) technical roadmap advisory: analysis of big data technology trends, database technical roadmap planning, initiation and reviews for major research and development projects, product architecture iteration and risk assessment, as well as advisory services on computing power and cloud architecture optimization.

Such consultants and advisors are engaged for their professional expertise and industry experience to drive our business growth and operational efficiency. In determining such consultants and advisors' eligibility, the Board and/or the authorized person(s) will consider their professional qualifications, the nature and tenure of their engagement, market alignment, and their measurable impact on cost reduction or revenue and profit growth, thereby aligning their long-term interests with the success of the Group.

For the avoidance of doubt, the Service Providers exclude placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, auditors, valuers or other professional service providers required to perform services with impartiality and objectivity.

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In assessing the eligibility of the Service Providers, the Board will also consider all relevant factors, including, among others, (i) their professional expertise, professional qualifications and relevant experience; (ii) their performance and track record, including their track record of providing quality service and their ability to maintain service standards; (iii) the duration and length of business relationship between the Service Providers and the Company; (iv) the scale of business and transactions between the Service Providers and the Company, and their contributions to the Company's performance as evaluated by the Board and/or the authorized person(s); (v) the actual contributions to the Company in decreasing costs or increasing revenue/profits; (vi) the profits and gains to be brought forth by the Service Providers, and the benefits and values of such benefits and gains; and (vii) the business opportunities and external resources that the Service Providers has or is likely to bring to the Company.

Although the Group would pay service fees to the Service Providers for the services rendered by them, the grant of Options to such Service Providers will align their interests with the long-term development interests of the Group. The industry expertise, skills, and/or network resources possessed by the Service Providers are crucial for enhancing the Group's competitiveness and driving its future business growth. The Company believes that the grant of Options fosters a sense of belonging and responsibility among the Service Providers, motivating them to make greater contributions to the Company's success beyond their contractual obligations.

(iii) Related Entity Participants and the Basis of Eligibility

In assessing the eligibility of the Related Entity Participants, the Board and/or the authorized person(s) will consider all relevant factors, including, among other things: (i) the expected positive impact (including support, assistance, guidance, advice, efforts, and/or contributions) to be brought by the Related Entity Participants to the Group's technology research and development, iteration, or future commercialization efforts, taking into account the past positive impact brought by such Related Entity Participants; (ii) the extent of actual participation in and/or collaboration with the Group by the Related Entity Participants, and the duration of the collaborative relationship established with the Group through their roles and positions in the Related Entities; (iii) the number, scale, and nature of the projects in which the Related Entity Participants are involved that could promote the Group's business, research and development, and growth; (iv) whether the Related Entity Participants have referred or introduced opportunities to the Group that have materialized into further collaborative relationships (including research collaborations, licensing, new technology platforms, or joint research and development ventures); (v) whether the Related Entity Participants have assisted the Group in entering new research fields, accessing new scientific or technological platforms, or enhancing the Group's competitive position in its focused fields; and (vi) the materiality and nature of the business relationship between the Group and the Related Entities in which the Related Entity Participants holds roles or positions, and the contribution of the Related Entity Participants to such Related Entities which may benefit the Group's core research and development, innovation, or future commercialization through a collaborative relationship.

A person shall not be an Eligible Participant if, as of the grant date, any of the following circumstances exists:

- (i) he/she/it has been identified as an ineligible person for an H share option scheme or any similar scheme of a listed company by the relevant competent authorities within the past 12 months;
- (ii) he/she/it has been prohibited from participating in an H share option scheme or any similar scheme of a listed company under applicable laws;

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- (iii) he/she/it has been prohibited from participating in the H Share Option Scheme pursuant to applicable laws and regulations;
- (iv) he/she/it has committed serious breaches of relevant internal rules and regulations of the Group or committed such misconducts as determined by the Board to have caused material damage to the interests of the Group; or
- (v) any other circumstances as prescribed by the Board and/or the authorized person(s) for the purpose of safeguarding the interests of the Group and ensuring compliance with applicable laws and regulations.

The Board (including the independent non-executive Directors) is of the view that the inclusion of each of the Service Providers and the Related Entity Participants as Eligible Participants aligns with the purpose of the H Share Option Scheme and is consistent with the business needs or the industry norms, after considering the following:

- (i) in respect of the Service Providers, specialized suppliers may facilitate the Group's research and development and operations, while consultants and advisors could support the Group's business development with their specialized skills and knowledge on an ongoing basis. Each category of the Service Providers would possess industry-specific knowledge or expertise or deep insight into the business, financial or commercial areas of the Group. Securing their long-term cooperation through granting of Options ensures that the Group could receive steady, professional advice, guidance and/or services in its ordinary and usual course of business;
- (ii) for Related Entity Participants, the Company recognises their contributions (or potential contributions) to the Group's long-term growth and sustainability through their existing or prospective collaborations with the Group or their roles and positions in the Related Entities. Granting Options to the Related Entity Participants aligns the interests of the Group and these participants, and may incentivise continued collaboration, deepen strategic alignment, facilitate knowledge sharing and optimize recourse integration;
- (iii) given the competitive nature of the artificial intelligence industry, the provision of equity-based incentives to the Service Providers and the Related Entity Participants, not being full-time employees, serves to align their interests with those of the Group, motivating them to provide higher-quality services, generate more opportunities, and/or contribute to the Group's success over the long term. This in turn would drive the Group's growth and development, enhance the long-term value of the Group, and achieve the purpose of the H Share Option Scheme; and
- (iv) amid the rapid pace of technological advancement in the artificial intelligence and related industries, it is aligned with the industry norms for companies in these industries to grant equity-based incentives to service providers and related entity participants, fostering stable and professional collaborations.

LETTER FROM THE BOARD

Taking into account (i) the scope of Eligible Participants and their respective eligibility criteria and (ii) that all Eligible Participants share close ongoing business relationship with the Group, the Board (including the independent non-executive Directors) considers that the grant of Options to Employee Participants while retaining the flexibility for the Company to grant Options to the Service Providers and the Related Entity Participants is beneficial to the Group. Such grants are intended to reward their contributions to our sustainable growth and to align their objectives with those of the Group over the long term. The Board (including the independent non-executive Directors) therefore considers that the scope of Eligible Participants and their respective eligibility criteria are fair and reasonable, capable of fulfilling the purpose of the H Share Option Scheme, and in the interests of the Company and its Shareholders as a whole.

3. Scheme Mandate Limit

Unless Shareholders approve a further refreshment of the Scheme Mandate Limit or Shareholders' approval is obtained in compliance with the Listing Rules, the total number of Shares (including Treasury Shares) which may be issued (or transferred in the case of Treasury Shares) in respect of all options and awards granted under the H Share Option Scheme and any other share schemes adopted by the Company shall not exceed 10% of the total number of issued Shares as of the Adoption Date (excluding any Treasury Shares).

For the purposes of calculating the Scheme Mandate Limit and the Service Provider Sublimit, Options and awards which have lapsed in accordance with the terms of the H Share Option Scheme and any other share schemes shall not be regarded as utilized.

The total number of existing Shares which may be purchased and transferred as Shares underlying options and/or awards pursuant to the H Share Option Scheme and all other share schemes of the Company shall not exceed 10% of the total number of issued Shares as of the Adoption Date (excluding any Treasury Shares) (i.e. the Existing Shares Scheme Limit). For the avoidance of doubt, the Existing Shares Scheme Limit shall not count toward the Scheme Mandate Limit.

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of options and/or vesting of any awards of up to 10% of the total number of issued Shares (excluding Treasury Shares) as of the date of the EGM.

4. Service Provider Sublimit

Subject to the Scheme Mandate Limit, the total number of Shares (including Treasury Shares) which may be issued (or transferred in the case of Treasury Shares) in respect of all options and awards granted to the Service Providers under the H Share Option Scheme and any other share schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) shall not exceed 1% of the total number of issued Shares as of the Adoption Date (excluding any Treasury Shares).

LETTER FROM THE BOARD

The basis for determining the Service Provider Sublimit includes (i) the purpose of the H Share Schemes; (ii) the potential dilution effect that may arise from making grants to the Service Providers; and (iii) the business needs and extent of use of the Service Providers in the Group's business.

After considering the following factors, the Board (including the independent non-executive Directors) considers that the Service Provider Sublimit is appropriate and reasonable:

- (i) the potential dilution impact arising from making grants to the Service Providers;
- (ii) the importance of balancing the effective achievement of the purpose of the H Share Schemes with the protection of Shareholders against undue dilution resulting from substantial grants of Shares to Service Providers;
- (iii) the reasons and criteria set out above for the inclusion of the Service Providers as Eligible Participants;
- (iv) the ability and flexibility to provide equity incentives (rather than utilizing cash or other financial resources) to incentivize (a) persons possessing specialized expertise in their respective fields, (b) persons who are unable to become employees of the Group due to business nature, industry practice and/or other reasons, but whose continuity and stability of service are important to the Group, and (c) persons who have contributed or may contribute to the Group;
- (v) any additional grant and/or vesting conditions to be imposed by the Company at its discretion; and
- (vi) the market practice regarding sublimit adopted by other companies listed on the Stock Exchange.

5. Refreshment of Scheme Mandate Limit, Service Provider Sublimit and Existing Shares Scheme Limit

The Company may refresh the Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit) as follows:

- (i) the Company may refresh the Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit) by the Shareholders at a general meeting after three (3) years from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) in accordance with the applicable Listing Rules; and

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(ii) any refreshment of the Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit) within the three-year period from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) must be approved by the Shareholders at a general meeting, subject to the following provisions:

- (1) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favor of the relevant resolution at the general meeting; and
- (2) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The updated Scheme Mandate Limit shall not exceed 10% of the total number of issued Shares (excluding Treasury Shares) as of the date of Shareholders' approval of the refreshment of the Scheme Mandate Limit. A circular regarding the proposed refreshment of the Scheme Mandate Limit must be issued to the Shareholders containing the number of Options and any other share options and share awards that were already granted under the existing Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit).

The Company may refresh the Existing Shares Scheme Limit at any time, with the approval of the Board and subject to compliance with any additional requirements set out in the Listing Rules.

6. 1% Individual Limit

The total number of Shares (including Treasury Shares) issued and to be issued (or transferred in the case of Treasury Shares) in respect of all Options granted under the H Share Option Scheme and all options and awards granted under other share schemes of the Company to each participant during any 12-month period up to and including the relevant grant date (excluding options and/or awards lapsed in accordance with relevant scheme rules) shall not exceed 1% of the total number of issued Shares (excluding Treasury Shares) at the relevant time. Save as approved by a resolution passed by the Shareholders at a general meeting, the Board and/or the authorized person(s) shall not grant any further Options which would cause such limit to be exceeded.

In addition, each grant of Options to any Director, chief executive, or substantial Shareholder, or any of their respective associates shall be subject to the approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of Options).

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7. 0.1% Limit

Where any grant of any Options to an independent non-executive Director or a substantial Shareholder of the Company, or any of their respective associates, would result in the Shares (including Treasury Shares) issued and to be issued (or transferred in the case of Treasury Shares) in respect of all Options granted under the H Share Option Scheme and all options and awards granted under other share schemes of the Company to such person during any 12-month period up to and including the relevant grant date (excluding options and/or awards lapsed in accordance with relevant scheme rules), exceeding 0.1% of the total issued Shares (excluding Treasury Shares) at the relevant time, such further grant of Options shall be subject to the prior approval of Shareholders at a general meeting.

For the purpose of obtaining the abovementioned Shareholders' approval, the Company shall issue a circular to the Shareholders. The grantee, his/her/its associates and all core connected persons of the Company shall abstain from voting in favor of the relevant resolution(s) at such general meeting. The Company shall comply with the applicable requirements under the Listing Rules.

8. Source of Shares

The source of the Shares under the H Share Option Scheme shall be H Shares to be held by the Trustee in accordance with the instructions of the Company and the relevant provisions of the H Share Option Scheme Rules, (i) by subscribing for new H Shares at their par value from the Company; (ii) through on-market transactions on the secondary market at the prevailing market price by utilising the scheme funds; and/or (iii) using Treasury Shares, if any.

9. Grant Letter and Notification of Grant of Options

After the Board and/or the authorized person(s) has decided to grant Options to any grantee, the Company shall issue a Grant Letter to such grantee, which shall include but not limited to:

- (i) the name of the grantee;
- (ii) the number of Options granted;
- (iii) the vesting period;

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- (iv) the performance targets (if any);
- (v) the exercise price;
- (vi) the Option Period; and
- (vii) such other terms and conditions as may be determined by the Board and/or the authorized person(s).

The grantee shall confirm his/her/its acceptance of such grant in the manner as set out in the Grant Letter.

No consideration is payable on acceptance of each grant of Option(s).

10. Basis of Determination of the Subscription Price of Options

Grantees to whom Options shall be granted are entitled to subscribe for the number of Shares at the subscription price as calculated and determined on the date of the grant of the Options.

The basis for determining the subscription price (being the Exercise Price) shall be determined by the Board and notified to the grantee, and shall not be less than the highest of the following:

- (i) the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant (being a business day);
- (ii) the average of the closing prices of the Shares as shown in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and
- (iii) the nominal value of the Shares.

The Board notes that the above mechanism for determining the subscription price is in full compliance with the relevant Listing Rules. In addition, this mechanism is intended to motivate grantees to contribute and drive the Group's growth, thereby increasing the value of the Shares and maximizing the benefits of the Options. Therefore, the Board believes this mechanism serves the best interests of the Group and its Shareholders as a whole, and is consistent with the purpose of the H Share Option Scheme.

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11. Restrictions on Time of Grant

The Board and/or the authorized person(s) shall not grant any Options after inside information has come to its knowledge until (and including) the trading day after it has announced the information or during the period commencing 30 days immediately before the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

12. Vesting Period

Subject to the compliance with all applicable laws, rules and regulations, the Board and/or the authorized person(s) may from time to time determine the vesting criteria, conditions and the vesting period for the Options under the H Share Option Scheme.

The vesting period of any Options shall not be less than 12 months (or such other period as the Listing Rules may prescribe or permit from time to time). Options granted to Employee Participants may be subject to a shorter vesting period under the below circumstances:

- (i) grants of "make-whole" Options to new Employee Participants to compensate them for share options or awards forfeited upon leaving their previous employers;
- (ii) grants of Options that are made in batches within a year for administrative and compliance reasons, which include Options that should have been granted earlier but, due to such administrative or compliance reasons, were required to be granted in a subsequent tranche. In such case, the vesting periods may be shorter to reflect the time from which an Option would have been granted;
- (iii) grants of Options with a mixed or accelerated vesting schedule, including the Options that may vest evenly over a period of twelve (12) months;
- (iv) grants of Options subject to performance-based vesting conditions as provided under the H Share Option Scheme or as specified in the relevant Grant Letter, in lieu of time-based vesting conditions;

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- (v) grants of Options to Employee Participants whose employment is terminated due to death, disability or the occurrence of any force majeure event; and
- (vi) where there is a change of control, merger (where the Company ceases to exist as a separate entity), demerger, voluntary liquidation or creditors' compromise or arrangement.

The Board and/or the authorized person(s) consider that setting a shorter vesting period under the circumstances set out in paragraphs (i) to (iv) above aligns with market practice and is consistent with the purpose of the H Share Option Scheme, taking into account that (a) such discretion provides the Company with flexibility under certain circumstances to offer competitive remuneration packages and reward outstanding performance, thereby encouraging and incentivizing Employee Participants, as well as attracting and retaining top talent for the Group; and (b) a strict twelve-month vesting period may be unworkable, or inappropriate or unfair to the grantees.

The Board and/or the authorized person(s) are of the view that setting a shorter vesting period under the circumstances specified in paragraphs (v) to (vi) above is appropriate and aligns with the purpose of the H Share Option Scheme, after considering that since these circumstances are uncommon and beyond the control of the grantees (and, in certain cases, the Board and the Company), the grantees should not be adversely affected under such circumstances.

13. Performance Targets

The Board and/or the authorized person(s) may, at their discretion, set performance targets for a grantee, which shall be specified in the Grant Letter. For the avoidance of doubt, an Option may be granted without any performance targets.

The performance targets may include any one or a combination of the following individual, geographic, project, business, corporate-level, subsidiary, departmental, or operational unit metrics: cash flow, earnings, sales, revenue, profits, economic or monetary value added, return on assets, return on equity, return on investment, total shareholder return, customer satisfaction, business unit development, and such other targets as the Board and/or the authorized person(s) may determine.

Having considered that each Eligible Participant plays a distinct role and contributes to the Group in different ways, the Board believes that it may not always be appropriate to impose fixed performance targets or set out a generic set of performance targets in the H Share Option Scheme Rules. In addition, new performance targets may be desired alongside the development of the Group, as well as shifts in the industry segment or the macro environment. Thus, the Board considers that it is more appropriate to retain the flexibility in setting specific performance targets tailored to the particular circumstances and roles of the relevant Eligible Participant, thereby better achieving the purpose of the H Share Option Scheme.

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14. Lapse of Options and Clawback Mechanism

Any Option(s) granted may only be exercised during the Option Period, as determined and notified by the Board and/or the authorized person(s) to each grantee at the time of making an offer, and shall not expire later than ten years from the date of the grant of such Options.

If, prior to or on the vesting date, any of the following events occurs, as a result of which the grantee ceases to be an Eligible Participant, then unless otherwise specifically approved by the Board and/or the authorized person(s), all unvested Options shall immediately and automatically lapse:

- (i) subject to the provisions set out in the paragraph below, the grantee ceases to be the Employee Participant, the Service Provider or the Related Entity Participant (as the case may be) (for the avoidance of doubt, the secondment of employee of the Group to a Related Entity, the transfer of his/her employment to another Group company, authorized leave of absence, or the secondment of a Related Entity Participant to the Group shall not constitute a cessation under this provision);
- (ii) the retirement, disability or death of the grantee;
- (iii) the grantee fails to satisfy the requirements of his/her position; and
- (iv) any other circumstances determined by the Board under which the grantee is no longer eligible to participate in the H Share Option Scheme.

If, prior to or on the vesting date, any of the following events occurs, then unless otherwise approved by the Board and/or the authorized person(s), all unvested Options shall automatically lapse:

- (i) where there has been a material breach of any agreement executed between the Group and the relevant grantee (including but not limited to any applicable intellectual property rights agreement, labour agreements, non-compete agreements, non-disclosure agreements, or any such similar agreements);
- (ii) the grantee commits severe dereliction of duty, engages in misconduct for personal gain, or provides services to any competitor of the Group;
- (iii) the grantee commits any material breach of the Group's internal rules and regulations;
- (iv) the grantee discloses or infringes any trade secrets, technical know-how or intellectual property rights of the Group;

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- (v) the grantee engages in any conduct with actual or potential material adverse effects on the name, reputation or interests of the Group;
- (vi) the grantee causes economic losses to the Group of RMB500,000 or more; and
- (vii) the grantee commits any other misconduct which has resulted in or is reasonably likely to result in material adverse effects on the Group.

The grantee agrees, undertakes, and warrants that if, as a result of the occurrence of any of the events set out in paragraphs (i) to (vii) above, the grantee ceases to be an Eligible Participant after the vesting date and such event has resulted in a material adverse impact on the interests of the Group, in respect of the Shares allotted, issued, and delivered to the grantee pursuant to the exercise of Options under the H Share Option Scheme, the Board and/or the authorized person(s) shall be entitled, in their discretion, to (a) claw back all or part (as determined by the Board and/or the authorized person(s)) of the proceeds generated from the sale by such grantee of the Shares allotted, issued, and delivered upon the exercise of relevant Options; and/or (b) require the grantee to transfer back all or part (as determined by the Board and/or the authorized person(s)) relevant Shares allotted, issued, and delivered pursuant to the exercise of the relevant Options.

Considering that (a) the above clawback mechanism provides the Board with the option to claw back the equity incentives granted to Eligible Participants culpable of serious misconduct; and (b) such clawback mechanism enhances the Board's flexibility in setting the terms and conditions of Options based on the specific circumstances of each grant, thereby facilitating the achievement of the objective to provide meaningful incentives to attract and retain high-quality talent for the Group's long-term and sustainable development, the Board is of the view that such clawback mechanism aligns with the purposes of the H Share Option Scheme and is in the interests of the Company and the Shareholders as a whole.

15. Transferability, Cancellation and Status of Options

The Options are personal to the grantee and shall not be transferable. The grantee shall not, in any manner whatsoever, whether for the benefit of or in favour of any third party, sell, transfer, mortgage, charge, encumber or otherwise dispose of any Options, or create any interest in any Options, or enter into any agreement to effect any of the foregoing, save that: (i) the grantee's personal representatives or nominees may exercise the Options in accordance with the H Share Option Scheme Rules; and (ii) the Stock Exchange having granted its express waiver, and as such the grantee may be permitted to transfer the Options granted to and held by the grantee to a vehicle designated by the grantee for the benefit of the grantee and/or any of his/her family members, so long as such transfer remains consistent with the purpose of the H Share Option Scheme and complies with all other provisions of Chapter 17 of the Listing Rules.

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The Board and/or the authorized person(s) in his/her/its absolute discretion may cancel an Option granted but not exercised with the approval of the grantee of such Option. Options may be granted by the Company to the Eligible Participant in place of his/her/its cancelled Options, provided that there are available Scheme Mandate Limit and Service Provider Sublimit as approved by the Shareholders from time to time. The Options cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and Service Provider Sublimit.

The H Shares to be allotted and issued upon exercise of an Option under the H Share Option Scheme shall be identical to all existing issued H Shares and 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, the grantee shall not have any voting rights, rights to bonus issues, or rights to participate in rights issues or any dividends or distributions (including those arising on a liquidation of the Company, if applicable) declared or recommended or resolved to be paid to the Shareholders on or before the date the grantee exercising the Options and becoming the beneficial owner of relevant H Shares.

16. Reorganization of Capital Structure

In the event of a capitalisation issue, bonus issue with price-dilutive element, rights issue, open offer with price-dilutive element, consolidation, subdivision or reduction of the share capital of the Company or such other event(s) as may be specified in the Listing Rules or any relevant guidance issued by the Stock Exchange from time to time under which an adjustment to the exercise price or purchase price and/or the number of Shares subject to options or awards granted under a share scheme of a listed issuer is allowed whilst any Option has been granted and remains exercisable, corresponding adjustments (if any) shall be made to the number or nominal value of Shares subject to any Option so far as such Option remains unexercised. Such adjustments shall be made in accordance with Rule 17.03(13) of the Listing Rules and the relevant guidance and interpretations issued by the Stock Exchange from time to time.

The auditors or an independent financial adviser engaged by the Company for such purpose shall, at the request of the Company, certify in writing to the Board, either generally or as regards any particular grantee, to be in their opinion fair and reasonable, provided always that any such adjustments should give each grantee the same proportion of the equity capital, rounded to the nearest whole Share, of the Company as that to which that grantee was previously entitled prior to such adjustments, and no adjustments shall be made which will enable a Share to be issued at less than its nominal value.

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17. Conditions Precedent of the H Share Option Scheme

The adoption of the H Share Option Scheme is conditional upon:

- (i) the passing of special resolution(s) by the Shareholders at a general meeting of the Company to approve and adopt the H Share Option Scheme, and authorized the Board and/or the authorized person(s) to grant Options under the H Share Option Scheme, and authorized the Board to allot, issue and deal with Shares in respect of any Options to be granted pursuant to the H Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Share on the Stock Exchange which may be issued in respect of all Options to be granted in accordance with the terms and conditions of the H Share Option Scheme.

18. Duration and Termination

Subject to any early termination in accordance with the H Share Option Scheme Rules, the H Share Option Scheme shall be valid and effective for a term of ten (10) years commencing from the Adoption Date, after which no additional Options shall be granted. If there are any Options that are granted but unvested and/or exercised by the end of the H Share Option Scheme term, the H Share Option Scheme will be extended until such Options have been vested and/or exercised.

19. Alteration and Amendment

Any material amendment to the provisions of the H Share Option Scheme or any amendment to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules which are beneficial to the participants shall be subject to the approval of the Shareholders at a general meeting of the Company. Any change to the authority of the Board and/or the authorized person(s) to amend the terms of the H Share Option Scheme shall also be subject to the approval of the Shareholders at a general meeting of the Company.

Subject to the Scheme Mandate Limit and the provisions set out in the preceding paragraph, the H Share Option Scheme may be altered or supplemented in any respect by a resolution of the Board. During the Scheme Period, where the terms of the H Share Option Scheme are amended, the Company shall provide all grantees with full details of such change as soon as practicable after the change takes effect. The amended terms of the H Share Option Scheme shall continue to comply with the relevant requirements of Chapter 17 of the Listing Rules.

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20. Trustee

The Company will appoint the Trustee(s) and establish the Trust pursuant to the Trust Deed to facilitate the administration of the H Share Option Scheme. The Trustee of the H Share Option Scheme shall abstain from voting or exercising any voting rights in respect of any unvested Shares which are held, whether directly or indirectly, under the trust or as nominee on matters that require approval of the Shareholders under the Listing Rules. The Trustee will be a third party independent of the Company and its connected persons, and no Director is, nor shall ever be, a Trustee of the H Share Option Scheme or possesses any direct or indirect interest in the Trustee of the H Share Option Scheme.

B. Proposed Adoption of the H Share Incentive Scheme

The Board proposed the adoption of the H Share Incentive Scheme in accordance with Chapter 17 of the Listing Rules on August 25, 2026 and the relevant resolutions are hereby submitted to the EGM as a special resolution for consideration and approval. As of the Latest Practicable Date, the Company did not have any plan to grant any Awards under the H Share Incentive Scheme.

1. Purpose of the H Share Incentive Scheme

The purpose of the H Share Incentive Scheme is to establish a long-term incentive mechanism that closely aligns the interests of the grantees with the Company's operating performance, thereby promoting the long-term and sustainable development of the Company's performance, building a competitive advantage in human resources, further refining the Company's performance appraisal and remuneration systems, and attracting, retaining, and motivating the talents to achieve the Company's strategic goals.

2. Eligible Participants and the Basis of Determining the Eligibility of Eligible Participants

(i) Employee Participants and the Basis of Eligibility

In assessing the eligibility of Employee Participants, the Board and/or the authorized person(s) shall take into account all relevant factors as appropriate, including but not limited to: (i) their skills, knowledge, experience, expertise and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or terms of employment, as well as prevailing market practices and industry standards; (iii) their past contributions and expected contribution to the growth of the Group; and (iv) their educational and professional qualifications, as well as industry knowledge.

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(ii) Service Providers and the Basis of Eligibility

Service Providers are persons who have provided, and continue to provide services beneficial to the long-term development of the Group in the ordinary and usual course of its business, such as professional services, consultancy services or other similar services to the Group, including:

- (a) **Independent suppliers**, being third-party service providers who supply, on a continuing and recurring basis, goods or services that support the Group's operations, including (a) big data and AI research and development related services: multimodal large model training and fine-tuning, knowledge graph construction, customized AI solutions for government and enterprise sectors, data governance and data middle-platform setup, algorithm iteration and optimization, as well as private deployment architecture design; and (b) big data infrastructure supply chain related services: database-related research and development, customized procurement and supply of computing servers, deployment of domestic computing hardware, as well as supply of storage equipment, data security hardware, domestic servers and related components.

The Group maintains a long-term cooperation with such suppliers. The recurring services provided by them are essential for maintaining the Group's operational continuity. In determining such suppliers' eligibility, the Board and/or the authorized person(s) will consider their contributions to the development and future prospects of the Group, as well as the actual benefits derived from the collaboration with them and the commercial opportunities generated therefrom; and

- (b) **Consultants and advisors**, being individuals or entities that provide, on a continuing and recurring basis, advisory or consultancy services to the Group in respect of the business and technological development of the Company. Their advisory or consultancy services mainly cover two categories: (a) business advisory: overall corporate development planning, government and enterprise market expansion strategies, commercialization roadmap for key industries, competitive products/solutions analysis, investment, financing and industrial merger and acquisition advisory, as well as product pricing and sales channel framework setup advisory; and (b) technical roadmap advisory: analysis of big data technology trends, database technical roadmap planning, initiation and reviews for major research and development projects, product architecture iteration and risk assessment, as well as advisory services on computing power and cloud architecture optimization.

Such consultants and advisors are engaged for their professional expertise and industry experience to drive our business growth and operational efficiency. In determining such consultants and advisors' eligibility, the Board and/or the authorized person(s) will consider their professional qualifications, the nature and tenure of their engagement, market alignment, and their measurable impact on cost reduction or revenue and profit growth, thereby aligning their long-term interests with the success of the Group.

For the avoidance of doubt, the Service Providers exclude placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, auditors, valuers or other professional service providers required to perform services with impartiality and objectivity.

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In assessing the eligibility of the Service Providers, the Board will also consider all relevant factors, including, among others, (i) their professional expertise, professional qualifications and relevant experience; (ii) their performance and track record, including their track record of providing quality service and their ability to maintain service standards; (iii) the duration and length of business relationship between the Service Providers and the Company; (iv) the scale of business and transactions between the Service Providers and the Company, and their contributions to the Company's performance as evaluated by the Board and/or the authorized person(s); (v) the actual contributions to the Company in decreasing costs or increasing revenue/profits; (vi) the profits and gains to be brought forth by the Service Providers, and the benefits and values of such benefits and gains; and (vii) the business opportunities and external resources that the Service Providers has or is likely to bring to the Company.

Although the Group would pay service fees to the Service Providers for the services rendered by them, the grant of Awards to such Service Providers will align their interests with the long-term development interests of the Group. The industry expertise, skills, and/or network resources possessed by the Service Providers are crucial for enhancing the Group's competitiveness and driving its future business growth. The Company believes that the grant of Awards fosters a sense of belonging and responsibility among the Service Providers, motivating them to make greater contributions to the Company's success beyond their contractual obligations.

(iii) Related Entity Participants and the Basis of Eligibility

In assessing the eligibility of the Related Entity Participants, the Board and/or the authorized person(s) will consider all relevant factors, including, among other things: (i) the expected positive impact (including support, assistance, guidance, advice, efforts, and/or contributions) to be brought by the Related Entity Participants to the Group's technology research and development, iteration, or future commercialization efforts, taking into account the past positive impact brought by such Related Entity Participants; (ii) the extent of actual participation in and/or collaboration with the Group by the Related Entity Participants, and the duration of the collaborative relationship established with the Group through their roles and positions in the Related Entities; (iii) the number, scale, and nature of the projects in which the Related Entity Participants are involved that could promote the Group's business, research and development, and growth; (iv) whether the Related Entity Participants have referred or introduced opportunities to the Group that have materialized into further collaborative relationships (including research collaborations, licensing, new technology platforms, or joint research and development ventures); (v) whether the Related Entity Participants have assisted the Group in entering new research fields, accessing new scientific or technological platforms, or enhancing the Group's competitive position in its focused fields; and (vi) the materiality and nature of the business relationship between the Group and the Related Entities in which the Related Entity Participants holds roles or positions, and the contribution of the Related Entity Participants to such Related Entities which may benefit the Group's core research and development, innovation, or future commercialization through a collaborative relationship.

A person shall not be an Eligible Participant if, as of the grant date, any of the following circumstances exists:

- (i) he/she/it has been identified as an ineligible person for an H share incentive scheme or any similar scheme of a listed company by the relevant competent authorities within the past 12 months;

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- (ii) he/she/it has been prohibited from participating in an H share incentive scheme or any similar scheme of a listed company under applicable laws;
- (iii) he/she/it has been prohibited from participating in the H Share Incentive Scheme pursuant to applicable laws and regulations;
- (iv) he/she/it has committed serious breaches of relevant internal rules and regulations of the Group or committed such misconducts as determined by the Board to have caused material damage to the interests of the Group; or
- (v) any other circumstances as prescribed by the Board and/or the authorized person(s) for the purpose of safeguarding the interests of the Group and ensuring compliance with applicable laws and regulations.

The Board (including the independent non-executive Directors) is of the view that the inclusion of each of the Service Providers and the Related Entity Participants as Eligible Participants aligns with the purpose of the H Share Incentive Scheme and is consistent with the business needs or the industry norms, after considering the following:

- (i) in respect of the Service Providers, specialized suppliers may facilitate the Group's research and development and operations, while consultants and advisors could support the Group's business development with their specialized skills and knowledge on an ongoing basis. Each category of the Service Providers would possess industry-specific knowledge or expertise or deep insight into the business, financial or commercial areas of the Group. Securing their long-term cooperation through granting of Award Shares ensures that the Group could receive steady, professional advice, guidance and/or services in its ordinary and usual course of business;
- (ii) for Related Entity Participants, the Company recognises their contributions (or potential contributions) to the Group's long-term growth and sustainability through their existing or prospective collaborations with the Group or their roles and positions in the Related Entities. Granting Award Shares to the Related Entity Participants aligns the interests of the Group and these participants, and may incentivise continued collaboration, deepen strategic alignment, facilitate knowledge sharing and optimize recourse integration;
- (iii) given the competitive nature of the artificial intelligence industry, the provision of equity-based incentives to the Service Providers and the Related Entity Participants, not being full-time employees, serves to align their interests with those of the Group, motivating them to provide higher-quality services, generate more opportunities, and/or contribute to the Group's success over the long term. This in turn would drive the Group's growth and development, enhance the long-term value of the Group, and achieve the purpose of the H Share Incentive Scheme; and
- (iv) amid the rapid pace of technological advancement in the artificial intelligence and related industries, it is aligned with the industry norms for companies in these industries to grant equity-based incentives to service providers and related entity participants, fostering stable and professional collaborations.

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Taking into account (i) the scope of Eligible Participants and their respective eligibility criteria and (ii) that all Eligible Participants share close ongoing business relationship with the Group, the Board (including the independent non-executive Directors) considers that the grant of Awards to Employee Participants while retaining the flexibility for the Company to grant Awards to the Service Providers and the Related Entity Participants is beneficial to the Group. Such grants are intended to reward their contributions to our sustainable growth and to align their objectives with those of the Group over the long term. The Board (including the independent non-executive Directors) therefore considers that the scope of Eligible Participants and their respective eligibility criteria are fair and reasonable, capable of fulfilling the purpose of the H Share Incentive Scheme, and in the interests of the Company and its Shareholders as a whole.

3. Scheme Mandate Limit

Unless Shareholders approve a further refreshment of the Scheme Mandate Limit or Shareholders' approval is obtained in compliance with the Listing Rules, the total number of Shares (including Treasury Shares) which may be issued (or transferred in the case of Treasury Shares) in respect of all options and awards under the H Share Incentive Scheme and any other share schemes adopted by the Company shall not exceed 10% of the total number of issued Shares as of the Adoption Date (excluding any Treasury Shares).

For the purposes of calculating the Scheme Mandate Limit and the Service Provider Sublimit, Awards and options which have lapsed in accordance with the terms of the H Share Incentive Scheme and any other share schemes shall not be regarded as utilized.

The total number of existing Shares which may be purchased and transferred as Shares underlying awards and/or options pursuant to the H Share Incentive Scheme and all other share schemes of the Company shall not exceed 10% of the total number of issued Shares as of the Adoption Date (excluding any Treasury Shares) (i.e. the Existing Shares Scheme Limit). For the avoidance of doubt, the Existing Shares Scheme Limit shall not count toward the Scheme Mandate Limit.

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the vesting of any awards and/or exercise of options of up to 10% of the total number of issued Shares (excluding Treasury Shares) as of the date of the EGM.

4. Service Provider Sublimit

Subject to the Scheme Mandate Limit, the total number of Shares (including Treasury Shares) which may be issued (or transferred in the case of Treasury Shares) in respect of all options and awards granted to the Service Providers under the H Share Incentive Scheme and any other share schemes adopted by the Company shall not exceed 1% of the total number of issued Shares as of the Adoption Date (excluding any Treasury Shares).

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The basis for determining the Service Provider Sublimit includes (i) the purpose of the H Share Schemes; (ii) the potential dilution effect that may arise from making grants to the Service Providers; and (iii) the business needs and extent of use of the Service Providers in the Group's business.

After considering the following factors, the Board (including the independent non-executive Directors) considers that the Service Provider Sublimit is appropriate and reasonable:

- (i) the potential dilution impact arising from making grants to the Service Providers;
- (ii) the importance of balancing the effective achievement of the purpose of the H Share Schemes with the protection of Shareholders against undue dilution resulting from substantial grants of Shares to Service Providers;
- (iii) the reasons and criteria set out above for the inclusion of the Service Providers as Eligible Participants;
- (iv) the ability and flexibility to provide equity incentives (rather than utilizing cash or other financial resources) to incentivize (a) persons possessing specialized expertise in their respective fields, (b) persons who are unable to become employees of the Group due to business nature, industry practice and/or other reasons, but whose continuity and stability of service are important to the Group, and (c) persons who have contributed or may contribute to the Group;
- (v) any additional grant and/or vesting conditions to be imposed by the Company at its discretion; and
- (vi) the market practice regarding sublimit adopted by other companies listed on the Stock Exchange.

5. Refreshment of Scheme Mandate Limit, Service Provider Sublimit and Existing Shares Scheme Limit

The Company may refresh the Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit) as follows:

- (i) the Company may refresh the Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit) by the Shareholders at a general meeting after three (3) years from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) in accordance with the applicable Listing Rules; and

LETTER FROM THE BOARD

(ii) any refreshment of the Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit) within the three-year period from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) must be approved by the Shareholders at a general meeting, subject to the following provisions:

- (1) any controlling Shareholders of the Company and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favor of the relevant resolution at the general meeting; and
- (2) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The updated Scheme Mandate Limit shall not exceed 10% of the total number of issued Shares (excluding Treasury Shares) as of the date of Shareholders' approval of the refreshment of the Scheme Mandate Limit. A circular regarding the proposed refreshment of the Scheme Mandate Limit must be issued to the Shareholders containing the number of Awards and any other share options and share awards that were already granted under the existing Scheme Mandate Limit (and, where appropriate, the Service Provider Sublimit).

The Company may refresh the Existing Shares Scheme Limit at any time, with the approval of the Board and subject to compliance with any additional requirements set out in the Listing Rules.

6. 1% Individual Limit

The total number of Shares (including Treasury Shares) issued and to be issued (or transferred in the case of Treasury Shares) in respect of all Awards granted under the H Share Incentive Scheme and all options and awards granted under other share schemes of the Company to each participant during any 12-month period up to and including the relevant grant date (excluding options and/or awards lapsed in accordance with relevant scheme rules) shall not exceed 1% of the total number of issued Shares (excluding Treasury Shares) at the relevant time. Save as approved by a resolution passed by the Shareholders at a general meeting, the Board and/or the authorized person(s) shall not grant any further Awards which would cause such limit to be exceeded.

In addition, where Awards are granted to Directors, chief executive or substantial Shareholders, or any of their respective associates, such grants shall be subject to the approval of the independent non-executive Directors (excluding any independent non-executive Director who is a grantee).

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7. 0.1% Limit

Where any grant of Awards to a Director (other than an independent non-executive Director) or chief executive, or any of their associates would result in the Shares (including Treasury Shares) issued and to be issued (or transferred in the case of Treasury Shares) in respect of all Awards granted under the H Share Incentive Scheme and all awards granted under other share schemes of the Company to such person(s) during any 12-month period up to and including the relevant grant date (excluding awards lapsed in accordance with relevant scheme rules), exceeding 0.1% of the total issued Shares (excluding Treasury Shares) at the relevant time, such further grant of Awards shall be subject to the prior approval of Shareholders at a general meeting.

Where any grant of any Awards to an independent non-executive Director or a substantial Shareholder of the Company, or any of their respective associates, would result in the Shares (including Treasury Shares) issued and to be issued (or transferred in the case of Treasury Shares) in respect of all options and awards granted to such person during any 12-month period up to and including the relevant grant date (excluding options and/or awards lapsed in accordance with relevant scheme rules), exceeding 0.1% of the total issued Shares (excluding Treasury Shares) at the relevant time, such further grant of Awards shall be subject to the prior approval of Shareholders at a general meeting.

For the purpose of obtaining the abovementioned Shareholders' approval, the Company shall issue a circular to the Shareholders. The Eligible Participant, his/her associates and all core connected persons of the Company shall abstain from voting in favor of the relevant resolution(s) at such general meeting. The Company shall comply with the applicable requirements under the Listing Rules.

8. Source of Shares

The source of the Shares under the H Share Incentive Scheme shall be H Shares to be held by the Trustee in accordance with the instructions of the Company and the relevant provisions of the H Share Incentive Scheme Rules, (i) by subscribing for new H Shares at their par value from the Company; (ii) through on-market transactions on the secondary market at the prevailing market price by utilising the scheme funds; and/or (iii) using Treasury Shares, if any.

LETTER FROM THE BOARD

9. Purchase Price and Grant of Award Shares

Subject to the terms and conditions of the H Share Incentive Scheme, the Board and/or the authorized person(s) may, in their absolute discretion and on such terms and conditions as they consider appropriate, grant Award Shares to any Eligible Participant at a Purchase Price, which may be determined by taking into account the practices of comparable companies and the effectiveness of the H Share Incentive Scheme in attracting talents and incentivizing Eligible Participants. Such Purchase Price shall be payable by the grantee upon vesting of the relevant Award Shares in the manner determined by the Board and/or the authorized person(s) (for the avoidance of doubt, such Purchase Price payable may be nil).

The Board believes that the above mechanism for determining the Purchase Price enables the Board to retain flexibility to set a Purchase Price for Eligible Participants tailored to their specific roles and circumstances, thereby more effectively incentivizing them to contribute to the long-term development and interests of the Company. Therefore, the Board is of the view that such mechanism for determining the Purchase Price aligns with the purpose of the H Share Incentive Scheme.

Any Award Shares, which fail to vest, are forfeited or otherwise lapse for any reason, at the absolute discretion of the Board and/or the authorized person(s), may be re-granted for the purpose of the H Share Incentive Scheme.

After the Board and/or the authorized person(s) has decided to make a grant of Award Shares to any grantee, the Company shall issue an Award Letter to such grantee, which shall include but not limited to:

- (i) the name of the grantee;
- (ii) the Purchase Price;
- (iii) the number of Award Shares granted;
- (iv) the vesting criteria and conditions;
- (v) the vesting date(s);
- (vi) the conditions for the lapse; and
- (vii) such other terms and conditions as may be determined by the Board and/or the authorized person(s).

The grantee shall confirm his/her acceptance of such grant in the manner as set out in the Award Letter.

No consideration is payable on acceptance of each grant of Award Share(s).

LETTER FROM THE BOARD

10. Restrictions on Time of Grant

The Board and/or the authorized person(s) shall not grant any Award Shares, after inside information has come to its knowledge until (and including) the trading day after it has announced the information or during the period commencing 30 days immediately before the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement.

11. Vesting Period

Subject to the compliance with all applicable laws, rules and regulations, the Board and/or the authorized person(s) may from time to time determine the vesting criteria, conditions and the vesting period for the vesting of Award Shares under the H Share Incentive Scheme.

The vesting period of any Award Shares shall not be less than 12 months (or such other period as the Listing Rules may prescribe or permit from time to time). Award Shares granted to Employee Participants may be subject to a shorter vesting period under the below circumstances:

- (i) grants of "make-whole" Awards to new Employee Participants to compensate them for share options or awards forfeited upon leaving their previous employers;
- (ii) grants of Awards that are made in batches within a year for administrative and compliance reasons, which include Awards that should have been granted earlier but, due to such administrative or compliance reasons, were required to be granted in a subsequent tranche. In such case, the vesting periods may be shorter to reflect the time from which an Award would have been granted;
- (iii) grants of Awards with a mixed or accelerated vesting schedule, including the Award Shares that may vest evenly over a period of twelve (12) months;
- (iv) grants of Awards subject to performance-based vesting conditions as provided under the H Share Incentive Scheme or as specified in the relevant Grant Letter, in lieu of time-based vesting conditions;

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- (v) Grants of Awards to Employee Participants whose employment is terminated due to death, disability or the occurrence of any force majeure event; and
- (vi) where there is a change of control, merger (where the Company ceases to exist as a separate entity), demerger, voluntary liquidation or creditors' compromise or arrangement.

The Board and/or the authorized person(s) consider that setting a shorter vesting period under the circumstances set out in paragraphs (i) to (iv) above aligns with market practice and is consistent with the purpose of the H Share Incentive Scheme, taking into account that (a) such discretion provides the Company with flexibility under certain circumstances to offer competitive remuneration packages and reward outstanding performance, thereby encouraging and incentivizing Employee Participants, as well as attracting and retaining top talent for the Group; and (b) a strict twelve-month vesting period may be unworkable, or inappropriate or unfair to the grantees.

The Board and/or the authorized person(s) are of the view that setting a shorter vesting period under the circumstances specified in paragraphs (v) to (vi) above is appropriate and aligns with the purpose of the H Share Incentive Scheme, after considering that since these circumstances are uncommon and beyond the control of the grantees (and, in certain cases, the Board and the Company), the grantees should not be adversely affected under such circumstances.

12. Performance Targets

The Board and/or the authorized person(s) may, at their discretion, set performance targets for a grantee, which shall be specified in the Grant Letter. For the avoidance of doubt, an Award may be granted without any performance targets.

The performance targets may include any one or a combination of the following individual, geographic, project, business, corporate-level, subsidiary, departmental, or operational unit metrics: cash flow, earnings, sales, revenue, profits, economic or monetary value added, return on assets, return on equity, return on investment, total shareholder return, customer satisfaction, business unit development, and such other targets as the Board and/or the authorized person(s) may determine.

Vesting of the Award Shares shall be subject to the performance targets, if any, to be satisfied by the grantees as determined by the Board from time to time. The Board will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether such targets and the extents to which have been met.

LETTER FROM THE BOARD

Having considered that each Eligible Participant plays a distinct role and contributes to the Group in different ways, the Board believes that it may not always be appropriate to impose fixed performance targets or set out a generic set of performance targets in the H Share Incentive Scheme Rules. In addition, new performance targets may be desired alongside the development of the Group, as well as shifts in the industry segment or the macro environment. Thus, the Board considers that it is more appropriate to retain the flexibility in setting specific performance targets tailored to the particular circumstances and roles of the relevant Eligible Participant, thereby better achieving the purpose of the H Share Incentive Scheme.

13. Lapse of Awards and Clawback Mechanism

If, prior to or on the vesting date, any of the following events occurs, as a result of which the grantee ceases to be an Eligible Participant, then unless otherwise specifically approved by the Board and/or the authorized person(s), all unvested Award Shares shall immediately and automatically lapse:

- (i) subject to the provisions set out in the paragraph below, the grantee ceases to be the Employee Participant, the Service Provider or the Related Entity Participant (as the case may be) (for the avoidance of doubt, the secondment of employee of the Group to a Related Entity, the transfer of his/her employment to another Group company, authorized leave of absence, or the secondment of a Related Entity Participant to the Group shall not constitute a cessation under this provision);
- (ii) the retirement, disability or death of the grantee;
- (iii) the grantee fails to satisfy the requirements of his/her position; and
- (iv) any other circumstances determined by the Board under which the grantee is no longer eligible to participate in the H Share Incentive Scheme.

If, prior to or on the vesting date, any of the following events occurs, as a result of which the grantee ceases to be an Eligible Participant, then unless otherwise approved by the Board and/or the authorized person(s), all unvested Award Shares granted to the grantee shall immediately lapse, and any vested Award Shares in respect of which the Trustee has not yet completed the transfer or payment to the grantee shall also lapse automatically. Such events shall include:

- (i) where there has been a material breach of any agreement executed between the Group and the relevant grantee (including but not limited to any applicable intellectual property rights agreement, labour agreements, non-compete agreements, non-disclosure agreements, or any such similar agreements);
- (ii) the grantee commits severe dereliction of duty, engages in misconduct for personal gain, or provides services to any competitor of the Group;

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- (iii) the grantee commits any material breach of the Group's internal rules and regulations;
- (iv) the grantee discloses or infringes any trade secrets, technical know-how or intellectual property rights of the Group;
- (v) the grantee engages in any conduct with actual or potential material adverse effects on the name, reputation or interests of the Group;
- (vi) the grantee causes economic losses to the Group of RMB500,000 or more; and
- (vii) the grantee commits any other misconduct which has resulted in or is reasonably likely to result in material adverse impact on the Group.

The grantee agrees, undertakes and warrants that if, as a result of the occurrence of any of the events set out in paragraph (i) to (vii) above, the grantee ceases to be an Eligible Participant after the vesting date and such event has resulted in a material adverse impact on the interests of the Group, the Board and/or the authorized person(s) shall be entitled, in their discretion, to (a) require the grantee to repay all or part (as determined by the Board and/or the authorized person(s)) of the amounts already paid or transferred to the grantee in respect of the vested Award Shares; and (b) require the grantee to transfer back all or part (as determined by the Board and/or the authorized person(s)) relevant vested Award Shares that have already delivered.

Considering that (a) the above clawback mechanism provides the Board with the option to claw back the equity incentives granted to Eligible Participants culpable of serious misconduct; and (b) such clawback mechanism enhances the Board's flexibility in setting the terms and conditions of Awards based on the specific circumstances of each grant, thereby facilitating the achievement of the objective to provide meaningful incentives to attract and retain high-quality talent for the Group's long-term and sustainable development, the Board is of the view that such clawback mechanism aligns with the purposes of the H Share Incentive Scheme and is in the interests of the Company and the Shareholders as a whole.

14. Transferability, Cancellation and Other Rights of Award Shares

The Awarded Shares are personal to the grantee and shall not be transferable. During the period of the H Share Incentive Scheme, unless and until the Award Shares are vested and actually transferred to the grantees in accordance with the H Share Incentive Scheme Rules (if applicable), the grantees shall not deal with the Award Shares granted in any way, including but not limited to the sale, transfer, pledge, mortgage, encumber or to create any benefits for others, or to enter into any agreement to do any of the foregoing.

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The Board and/or the authorized person(s) may cancel any granted but unvested Awards with the approval of the grantee of such Awards. Awards may be granted by the Company to a participant in place of his/her cancelled Awards, provided that there are available Scheme Mandate Limit and Service Provider Sublimit as approved by the Shareholders from time to time. The Awards cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and Service Provider Sublimit.

The H Shares to be allotted and issued for the purposes of satisfying the grant of Awards shall be identical to all existing issued H Shares and 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, save that the grantee shall not have any voting rights, rights to bonus issues, or rights to participate in rights issues or any dividends or distributions (including those arising on a liquidation of the Company, if applicable) declared or recommended or resolved to be paid to the Shareholders on or before the vesting of the relevant H Shares on the grantee.

15. Reorganization of Capital Structure

In the event of an alteration in the capital structure of the Company whilst any Award Shares remain outstanding, by way of capitalization of profits or reserves, rights issue, subdivision or consolidation of shares, or reduction of the share capital of the Company in accordance with legal requirements in the PRC and Hong Kong and requirements of the Stock Exchange (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), corresponding adjustments (if any) shall be made to the number or nominal value of Shares comprised in each Award to the extent outstanding. Such adjustments shall be made in accordance with Rule 17.03(13) of the Listing Rules and the relevant guidance and interpretations issued by the Stock Exchange from time to time.

The auditors or an independent financial adviser engaged by the Company for such purpose shall, at the request of the Company, certify in writing to the Board, either generally or as regards any particular grantee, to be in their opinion fair and reasonable, provided always that any such adjustments should give each grantee the same proportion of the equity capital, rounded to the nearest whole Share, of the Company as that to which that grantee was previously entitled prior to such adjustments, and no adjustments shall be made which will enable a Share to be issued at less than its nominal value.

16. Conditions Precedent of the H Share Incentive Scheme

The adoption of the H Share Incentive Scheme is conditional upon:

- (i) the passing of special resolution(s) by the Shareholders at a general meeting of the Company to approve and adopt the H Share Incentive Scheme, and authorized the Board and/or the authorized person(s) to grant Awards under the H Share Incentive Scheme and authorized the Board to allot, issue and deal with Shares in respect of any Awards to be granted pursuant to the H Share Incentive Scheme; and

LETTER FROM THE BOARD

- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Share on the Stock Exchange which may be issued in respect of all Awards to be granted in accordance with the terms and conditions of the H Share Incentive Scheme.

17. Duration and Termination

Subject to any early termination in accordance with the H Share Incentive Scheme Rules, the H Share Incentive Scheme shall be valid and effective for a term of ten (10) years commencing the Adoption Date, after which no additional Award Shares shall be granted. If there are any Award Shares that are granted but unvested by the end of the H Share Incentive Scheme term, the H Share Incentive Scheme will be extended until such Award Shares have vested.

18. Alteration and Amendment

Any material amendment to the provisions of the H Share Incentive Scheme or any amendment to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules which are beneficial to the participants shall be subject to the approval of the Shareholders at a general meeting of the Company. Any change to the authority of the Board and/or the authorized person(s) to amend the terms of the H Share Incentive Scheme shall also be subject to the approval of the Shareholders at a general meeting of the Company.

Subject to the scheme mandate limit and the provisions set out in the preceding paragraph, the H Share Incentive Scheme may be altered or supplemented in any respect by a resolution of the Board. During the Scheme Period, where the terms of the H Share Incentive Scheme are amended, the Company shall provide all grantees with full details of such change as soon as practicable after the change takes effect. The amended terms of the H Share Incentive Scheme shall continue to comply with the relevant requirements of Chapter 17 of the Listing Rules.

19. Trustee

The Company will appoint the Trustee(s) and establish the Trust pursuant to the Trust Deed to facilitate the administration of the H Share Incentive Scheme. The Trustee of the H Share Incentive Scheme shall abstain from voting or exercising any voting rights in respect of any unvested Shares which are held, whether directly or indirectly, under the trust or as nominee on matters that require approval of the Shareholders under the Listing Rules. The Trustee will be a third party independent of the Company and its connected persons, and no Director is, nor shall ever be, a Trustee of the H Share Incentive Scheme or possesses any direct or indirect interest in the Trustee of the H Share Incentive Scheme.

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V. NOTICE OF EGM

The EGM will be held at 10:00 a.m. on Friday, September 11, 2026 at 2nd Floor Meeting Room, Holiday Inn Express Beijing Yizhuang Tongminghu, Building 2, No. 8 Courtyard, Kegou 1st Street, Yizhuang Economic and Technological Development Zone, Beijing, the PRC. The notice convening the EGM is set out on pages 41 to 43 of this circular. The above documents and the form of proxy for use at the EGM are published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.haizhi.com).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in, and would be required to abstain from voting in respect of, the resolutions to be proposed at the EGM.

The record date for the purpose of ascertaining the eligibility of the holders of H Shares to attend and vote at the EGM is on Friday, September 11, 2026. In order to ascertain holders of H Shares who are entitled to attend the EGM, the register of members of holders of H Shares will be closed from Tuesday, September 8, 2026 to Friday, September 11, 2026 (both days inclusive). Holders of H Shares who intend to attend the EGM are required to lodge all completed transfer documents accompanied by the relevant share certificates with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before 4:30 p.m. on Monday, September 7, 2026 for registration.

Shareholders who intend to appoint a proxy to attend the EGM are required to complete and return the form of proxy 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, in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

VI. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, the resolution set out in the notice of the EGM will be taken by poll. The poll results will be announced by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules. Treasury Shares, if any, registered in the name of the Company, shall have no voting rights at the general meeting(s) of the Company. For the avoidance of doubt, Treasury Shares, if any, pending withdrawal from and/or transfer through CCASS shall not bear any voting rights at the Company's general meeting(s).

VII. 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 misleading.

LETTER FROM THE BOARD

VIII.DOCUMENT AVAILABLE ON DISPLAY

A copy of the H Share Option Scheme and a copy of the H Share Incentive Scheme will be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.haizhi.com) for at least 14 days prior to the date of the EGM and will be available for inspection at the EGM.

IX. RECOMMENDATIONS

The Directors consider that the proposed resolutions set out in the notice of the EGM and the other matters contained in the notice of EGM, are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Yours faithfully,

For and on behalf of the Board

Beijing Haizhi Technology Group Co., Ltd.

Mr. Yang Zaifei

Chief Executive Officer and Executive Director

NOTICE OF EXTRAORDINARY GENERAL MEETING



Beijing Haizhi Technology Group Co., Ltd.

北京海致科技集團股份有限公司

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

(Stock Code: 2706)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Beijing Haizhi Technology Group Co., Ltd. (the “**Company**”) will be held at 2nd Floor Meeting Room, Holiday Inn Express Beijing Yizhuang Tongminghu, Building 2, No. 8 Courtyard, Kegou 1st Street, Yizhuang Economic and Technological Development Zone, Beijing, the PRC on Friday, September 11, 2026 at 10:00 a.m. or any adjournment thereof, for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company (unless otherwise indicated, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated August 25, 2026):

AS SPECIAL RESOLUTIONS

1. To consider and if thought fit, pass with or without amendments, the proposed adoption of the H Share Option Scheme.
2. To consider and if thought fit, pass with or without amendments, the proposed adoption of the H Share Incentive Scheme.
3. To consider and approve the proposed Scheme Mandate Limit (i.e., the total number of Shares (including Treasury Shares) which may be issued (or transferred in the case of Treasury Shares) in respect of all options and awards under the H Share Option Scheme, the H Share Incentive Scheme and any other share schemes adopted by the Company shall not exceed 10% of the total number of issued Shares as of the date of passing of this resolution (excluding any Treasury Shares)).
4. To consider and approve the proposed Service Provider Sublimit (i.e., within the Scheme Mandate Limit, the total number of Shares (including Treasury Shares) which may be issued (or transferred in the case of Treasury Shares) in respect of all options and awards granted to the Service Providers under the H Share Option Scheme, the H Share Incentive Scheme and any other share schemes adopted by the Company shall not exceed 1% of the total number of issued Shares as of the date of passing this resolution (excluding any Treasury Shares)).

NOTICE OF EXTRAORDINARY GENERAL MEETING

5. To consider and approve the proposed authorization to the Board and/or the authorized person(s) to handle matters pertaining to the H Share Option Scheme and H Share Incentive Scheme.

By Order of the Board
Beijing Haizhi Technology Group Co., Ltd.
Mr. Yang Zaifei
Chief Executive Officer and Executive Director

Hong Kong, August 25, 2026

As of the date of this notice, the Board comprises: (i) Mr. Ren Xuyang, Mr. Yang Zaifei, Ms. Yang Juan and Mr. Wan Pengjiang as executive Directors; (ii) Mr. Li Jiaqing and Mr. Li Hongtao as non-executive Directors; and (iii) Mr. Zhang Yifan, Mr. Jiang Tian, Mr. Li Shu Pai and Mr. Ma Yeming as independent non-executive Directors.

Notes:

1. All resolutions at the EGM will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the articles of association of the Company and the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. For determining the entitlement to attend and vote at the EGM, the Register of Members of the Company will be closed from Tuesday, September 8, 2026 to Friday, September 11, 2026, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, holders of the H shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at 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, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, September 7, 2026 (Hong Kong time) for registration.
3. For the avoidance of doubt and for the purpose of the Listing Rules, holders of Treasury Shares (if any) are not entitled to vote at the Company's general meetings.
4. A shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a shareholder of the Company. Where a shareholder appoints more than one proxy, his proxies can only vote on a poll.
5. The instrument appointing a proxy must be in writing under the hand of a shareholder or his attorney duly authorized. If the shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorized attorney(ies). If that instrument is signed by an attorney of a shareholder, the power of attorney or other document authorizing that attorney to sign must be notarized.
6. In order to be valid, the form of proxy together with the notarized power of attorney or other authorization document (if any) must be deposited at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time fixed for the EGM (i.e. not later than at or before 10:00 a.m. on Thursday, September 10, 2026 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

NOTICE OF EXTRAORDINARY GENERAL MEETING

7. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the form of proxy was signed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the EGM.
8. In accordance with the Company's articles of association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, and this notice, when served on such person, shall be deemed to have been given to all joint holders of such share.
9. Shareholders or their proxies shall produce their identification documents for inspection when attending the EGM.