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

If you have sold or transferred all your shares in Guoquan Food (Shanghai) Co., Ltd. (鍋圈食品(上海)股份有限公司), you should at once hand this circular, and the accompanying form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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GUOQUAN FOOD (SHANGHAI) CO., LTD.

鍋圈食品(上海)股份有限公司

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

(Stock Code: 2517)

**PROPOSED ADOPTION OF THE 2026 H SHARE EQUITY
INCENTIVE SCHEME
PROPOSED AUTHORISATION TO THE BOARD AND/OR
THE SCHEME MANAGEMENT COMMITTEE TO HANDLE MATTERS
RELATING TO
THE 2026 H SHARE EQUITY INCENTIVE SCHEME
PROFIT DISTRIBUTION PLAN FOR THE HALF YEAR OF 2026
PROVISION OF GUARANTEES FOR FINANCING OF SUBSIDIARIES
CHANGE IN USE OF PROCEEDS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM of the Company to be held at the Conference Room on the 5th Floor, No. 3, Lane 187, Xinghong Road, Minhang District, Shanghai, PRC at 2:00 p.m. on Thursday, September 10, 2026. The notice of the Extraordinary General Meeting is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is enclosed herewith. If you intend to appoint a proxy to attend the EGM, you are required to complete and submit the accompanying form of proxy in accordance with the instructions printed thereon to the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time appointed for holding the EGM (i.e. before 2:00 p.m. on Wednesday, September 9, 2026). Completion and return of the form of proxy will not preclude Shareholder from attending and voting in person at the EGM or any adjournment thereof should Shareholder so wish.

All dates and times in this circular refer to Hong Kong dates and times.

August 26, 2026

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DEFINITIONS

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

“2026 H Share Equity Incentive Scheme”, “Scheme”	the 2026 H Share Equity Incentive Scheme adopted by the Company under the Scheme Rules on the Adoption Date
“Adoption Date”	the date on which the EGM considered and approved the Scheme
“EGM”	the 2026 first extraordinary general meeting of the Company to be held at the Conference Room on the 5th Floor, No. 3, Lane 187, Xinghong Road, Minhang District, Shanghai, PRC at 2:00 p.m. on Thursday, September 10, 2026 or any adjournment thereof (as the case may be)
“Scheme Management Committee”	the special committee of the Board or person(s) (as applicable) authorised by the Board to manage the Scheme
“Incentive(s)”	incentive(s) granted by the Board and/or the Scheme Management Committee to a Grantee under the 2026 H Share Equity Incentive Scheme
“Incentive Shares”	in respect of a Selected Participant, such number of H Shares as awarded to him/her by the Board and/or the Scheme Management Committee
“Board” or “Board of Directors”	the board of Directors of our Company
“Business Day”	the days, excluding Saturdays, Sundays or public holidays, on which the Hong Kong Stock Exchange is open for trading and banks in Hong Kong are open for business
“Company”, “our Company” or “the Company”	Guoquan Food (Shanghai) Co., Ltd. (鍋圈食品(上海)股份有限公司), a joint stock company with limited liability established under the laws of the PRC on July 11, 2019, and the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2517)
“Company Law”	the Company Law of the PRC (《中華人民共和國公司法》), as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of our Company
“Eligible Participant(s)”	a participant category as set out in the paragraph headed “Eligible Participants” under the Scheme
“Grant”	the grant of Incentive Shares to a Selected Participant
“Grant Date”	the date (which shall be a Business Day) on which the Grant is made to a Selected Participant, being the date of the Grant Instrument
“Grant Instrument”	upon the determination of the Board and/or the Scheme Management Committee to grant the Incentive Shares to any Selected Participant(s), the Board and/or the Scheme Management Committee shall issue notices by electronic or paper means as determined from time to time setting out the details of the Incentive Shares granted and the conditions for the vesting of such Incentive Shares
“Grantee(s)”	eligible person(s) determined and selected by the Board and/or the Scheme Management Committee to participate in the 2026 H Share Equity Incentive Scheme and to be granted the Incentive Shares
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“H Shareholder(s)”	holder(s) of H Shares
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	August 26, 2026 being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing”	listing of the H Shares on the Main Board of the Hong Kong Stock Exchange

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“PRC”	the People’s Republic of China, excluding, for the purpose of this circular only, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“Purchase Price”	the grant price of each Incentive Share to be determined by the Board (or the Scheme Management Committee) when granting Incentive Shares
“Remuneration Committee”	the remuneration committee of our Board
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the total number of H Shares which may be issued in respect of all Incentives and Incentive Shares to be granted under the Scheme and any other share scheme(s) adopted by the Company
“Scheme Rules”	the rules relating to the Scheme as set out in this circular, as amended from time to time
“Selected Participant(s)”	Eligible Participant(s) selected by the Board and/or the Scheme Management Committee pursuant to the Scheme Rules for participation in the Scheme (or his/her legal personal representative or lawful successor (as the case may be))
“Share(s)”	H shares in the capital of the Company with a nominal value of RMB1.00 each
“Share Buy-backs Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the Share(s)
“subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules

DEFINITIONS

“treasury share(s)”	has the meaning ascribed to it under the Listing Rules.
“Trust”	the trust constituted by the Trust Deed for the purposes of the Scheme
“Trust Deed”	the trust deed to be entered into between the Company as settlor and the Trustee as trustee of the Trust (as restated, supplemented and amended from time to time)
“Trustee(s)”	one or more trustees appointed by the Board and/or the Scheme Management Committee on behalf of the Company from time to time for the administration of the Scheme. A trustee holding Shares pursuant to the Scheme shall be independent of the Company and its connected persons. No Director shall have any direct or indirect interest in the Trustee(s)
“Vesting Date”	in respect of a Selected Participant, the date on which his/her entitlement to the relevant Incentive Shares is vested in such Selected Participant in accordance with the Scheme Rules and other terms of the Scheme
“Vesting Instrument”	upon the vesting of the Incentive Shares, the Board and/or the Scheme Management Committee shall issue notices by electronic or paper means as determined from time to time to confirm the vesting of the Incentive Shares
“%”	per cent

LETTER FROM THE BOARD



GUOQUAN FOOD (SHANGHAI) CO., LTD. **鍋圈食品(上海)股份有限公司**

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

(Stock Code: 2517)

Executive Directors:

Mr. Yang Mingchao (*Chairperson of the Board
and Chief Executive Officer*)

Mr. Meng Xianjin

Mr. An Haolei

Ms. Luo Na

Ms. Yang Tongyu

Non-executive Director:

Mr. Liu Zhengzheng

Independent Non-executive Directors:

Mr. Zeng Xiaosong

Ms. Yu Fang Jing

Mr. Li Jianfeng

Mr. Shi Kangping

Employee Director:

Ms. Zheng Min

*REGISTERED OFFICE AND
HEADQUARTERS:*

Room 802, No. 3, Lane 187,
Xinghong Road, Minhang District
Shanghai
PRC

*PRINCIPAL PLACE OF BUSINESS
IN HONG KONG:*

40th Floor, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

August 26, 2026

To the Shareholders

Dear Sir/Madam,

LETTER FROM THE BOARD

PROPOSED ADOPTION OF THE 2026 H SHARE EQUITY INCENTIVE SCHEME

PROPOSED AUTHORISATION TO THE BOARD AND/OR THE SCHEME MANAGEMENT COMMITTEE TO HANDLE MATTERS RELATING TO THE 2026 H SHARE EQUITY INCENTIVE SCHEME

PROFIT DISTRIBUTION PLAN FOR THE HALF YEAR OF 2026 PROVISION OF GUARANTEES FOR FINANCING OF SUBSIDIARIES

CHANGE IN USE OF PROCEEDS

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with notice of the EGM and the information on certain resolutions proposed to be considered at the EGM to enable you to make informed decisions on whether to vote for or against the resolutions proposed at the EGM.

The following ordinary resolutions will be proposed at the EGM to approve (i) the resolution for the 2026 H Share Equity Incentive Scheme of the Company; (ii) the Scheme Mandate Limit of the 2026 H Share Equity Incentive Scheme of the Company (being 5% of the total number of issued Shares (excluding treasury shares and repurchased Shares pending cancellation) as at the date of approval of this resolution by the EGM); (iii) the authorisation of the Board and/or the Scheme Management Committee to handle matters in relation to the 2026 H Share Equity Incentive Scheme of the Company; (iv) the Profit Distribution Plan for the Half Year of 2026; (v) the provision of guarantees for financing of subsidiaries; and (vi) change in use of proceeds.

2. PROPOSED ADOPTION OF THE 2026 H SHARE EQUITY INCENTIVE SCHEME

Reference is made to the announcement of the Company dated July 13, 2026 in relation to the proposed adoption of the 2026 H Share Equity Incentive Scheme and proposed authorisation to the Board and/or the Scheme Management Committee to handle matters relating to the 2026 H Share Equity Incentive Scheme. As at the Latest Practicable Date, the Company did not have any share schemes subject to the provisions of Chapter 17 of the Listing Rules, and it did not have any existing share incentive scheme adopted prior to the amendments to Chapter 17 of the Listing Rules. Accordingly, there are no H Shares issued for any such existing share incentive scheme which have not been earmarked for any outstanding grants.

LETTER FROM THE BOARD

Purposes of the Scheme

The 2026 H Share Equity Incentive Scheme aims to: (a) attract and retain Eligible Participant(s) who make significant contributions to the long-term growth and success of the Group, and to recognize and reward Eligible Participant(s) for their past contributions to the Group; (b) encourage Eligible Participant(s) to make further contributions to the Company and strive to enhance the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole; (c) reinforce the Company's long-term remuneration incentive strategy; and (d) align the interests of Eligible Participant(s) with those of the Company and Shareholders to drive the Group's financial, business and operational performance for the long term.

Source of Incentive Shares

The source of the Incentive Shares under the Scheme will be: (i) treasury shares transferred by the Company; and/or (ii) existing H Shares purchased on-market by the Trustee funded by the Company's internal resources.

As at the Latest Practicable Date, the Company held 176,101,200 treasury shares. As disclosed in the voluntary announcement of the Company dated June 26, 2026, the Company intends to apply not more than 100,000,000 treasury shares as one of the sources of Shares for the purpose of the Scheme. Subject to compliance with the Listing Rules and applicable laws and regulations, the remaining treasury shares held by the Company are expected to be cancelled within six months from the date of the aforesaid announcement.

For the avoidance of doubt, the treasury shares shall be held and deposited in a segregated stock account of the Company to ensure that the Shares to be held as treasury shares or to be repurchased under the 2026 H Share Equity Incentive Scheme would be appropriately identified and segregated. The Board and/or the Scheme Management Committee will determine and record the intended source of the Incentive Shares at the time of each Grant. Where a Grant may be satisfied, in whole or in part, by treasury shares, the maximum number of treasury shares which may be used to satisfy that Grant will be reserved against, and counted towards, the Scheme Mandate Limit at the time of the Grant.

The Company intends to provide funds to the Trustee out of the Company's internal resources to enable the Trustee to purchase existing H Shares on-market for the purposes of the Scheme. The amount and timing of each funding request and purchase instruction will be determined by the Board and/or the Scheme Management Committee having regard to, among other things, the number of Incentive Shares granted or expected to vest, the then prevailing market price of the H Shares, the amount of funds available to the Company and the applicable requirements under the Scheme Rules, the Trust Deed, the Listing Rules and applicable laws and regulations.

LETTER FROM THE BOARD

No instruction will be given to the Trustee, and the Trustee will not purchase any H Shares, where such purchase would result in the Company failing to comply with the public float requirements under the Listing Rules, where dealings in the H Shares are prohibited under the Listing Rules, the SFO or other applicable laws and regulations, or during any period in which the Company or any Director is in possession of unpublished inside information in relation to the Company or the Directors are otherwise prohibited from dealing in the H Shares under the Listing Rules, including the Model Code.

For the purposes of Chapter 17 of the Listing Rules, treasury shares are treated as new Shares and the transfer of treasury shares is treated as an issue of new Shares. Accordingly, any Incentive Shares which are satisfied by the transfer of treasury shares will be treated as involving new Shares for the purposes of Chapter 17 and will be subject to, and counted towards, the Scheme Mandate Limit.

Existing H Shares purchased by the Trustee on the market are Shares already in issue and are not treasury shares. Accordingly, an Incentive which is satisfied solely by such existing H Shares will be treated as an award funded by existing Shares under Rule 17.12 of the Listing Rules and will not be subject to, or counted towards, the Scheme Mandate Limit.

The treasury shares transferred by the Company under the 2026 H Share Equity Incentive Scheme shall rank *pari passu* in all respects with the fully paid Shares in issue on the date of transfer.

Conditions for Adoption of the Scheme

The adoption of the Scheme is subject to an ordinary resolution passed by the Shareholders at the EGM to approve and adopt the Scheme, and to authorise the Board to grant Incentive Shares to Selected Participant(s), as well as to deal with Shares in connection with the share incentives granted under the Scheme (including treasury shares).

Principal Terms of the Scheme

A summary of the principal terms of the 2026 H Share Equity Incentive Scheme is set out in the Appendix to this circular. The Appendix is a summary of the principal terms of the 2026 H Share Equity Incentive Scheme and does not constitute the entirety of the terms of the 2026 H Share Equity Incentive Scheme.

Eligible Participant(s)

The Eligible Participants of the Scheme are the Directors (excluding independent non-executive Directors), senior management members or employees (whether full-time or part-time) of the Company and any of its subsidiaries. The Board and/or the Scheme Management Committee may, from time to time, at their absolute discretion, select any Eligible Participant(s) as Selected Participant(s) to participate in the Scheme, and subject to the provisions of the Scheme, grant Incentive Shares to any Selected Participant(s) on such terms and conditions as the Board and/or the Scheme Management Committee may determine at their absolute discretion.

LETTER FROM THE BOARD

In determining the Incentive Shares to be granted to any Selected Participant(s), the Board and/or the Scheme Management Committee shall take into consideration matters including, but not limited to: (i) the present contribution and expected contribution of the relevant Selected Participant(s) to the profits of the Group; (ii) the general financial condition of the Group; (iii) the Group's overall business objectives and future development plan; and (iv) any other matter which the Board and/or the Scheme Management Committee considers relevant. The principal factors that will govern selection and award size under item (iv) include:

- (a) the extent of the support, assistance, guidance, advice or efforts provided or to be provided by the relevant Selected Participant(s) towards the success of the Group;
- (b) the personal performance, time commitment, responsibilities or employment conditions of the relevant Selected Participant(s), having regard to prevailing market practices and industry standards; and
- (c) the length of cooperation between the relevant Selected Participant(s) and the Group.

No person shall be considered as an Eligible Participant if he/she, at the Grant Date:

- (a) has been publicly reprimanded or deemed as an inappropriate candidate for the share award scheme or similar scheme of a listed company by any securities regulatory body during recent 12 months;
- (b) has been imposed with penalties or is banned from trading securities by securities regulatory bodies due to material non-compliance with laws or regulations during recent 12 months;
- (c) is prohibited from serving as a Director or senior management of the Company as stipulated by the Company Law or the Listing Rules;
- (d) is prohibited by laws and regulations from participating in the Scheme;
- (e) falls under any other circumstances that seriously violate the relevant rules of the Group or cause major damage to the interests of the Group as determined by the Board and/or the Scheme Management Committee; or
- (f) falls under any other circumstances required by the Board and/or the Scheme Management Committee to protect the interests of the Group and ensure compliance with applicable laws and regulations relating to the operation of the Scheme.

LETTER FROM THE BOARD

The Board considers that the eligibility criteria are in line with the purpose of the 2026 H Share Equity Incentive Scheme, as the assessment of skills and past performance ensures the reward for past contributions, while the assessment of expected contributions and incentivisation effects ensures that the Scheme can effectively attract and retain key talents to drive the long-term development of the Group.

Scheme Mandate Limit and Individual Limit

Subject to the Scheme Rules and any waivers or rulings granted by the Hong Kong Stock Exchange, the total number of H Shares that may be issued and allotted pursuant to all share incentives to be granted to eligible participants under the Scheme and any other share schemes of the Company (including the transfer of treasury shares) shall not exceed 5% of the total number of issued Shares of relevant classes (excluding treasury shares and repurchased Shares pending cancellation) as at the Adoption Date, being 126,914,220 H Shares (assuming the total number of issued Shares (excluding treasury shares and repurchased Shares pending cancellation, i.e., 2,538,284,400 Shares) remains unchanged as at the date of the EGM). For avoidance of doubt, the articles of association of the Company do not contain any class meeting requirements.

Subject to any waiver or ruling granted by the Hong Kong Stock Exchange, if the grant of Incentive Shares (excluding the grant of share options) to Directors (other than independent non-executive Directors) or chief executives of the Company (or any of their associates) would result in the number of new H Shares issued and to be issued in respect of all Incentive Shares (excluding any Incentive Shares that have lapsed in accordance with the terms of the Scheme or Relevant Schemes) granted to relevant parties pursuant to the Scheme and any other share schemes involving the issue of new H Shares or transfer of treasury shares (together with the Scheme, the “**Relevant Scheme(s)**”) in the 12-month period up to and including the Grant Date of the relevant Incentive Shares representing in aggregate over 0.1% of the total number of issued shares (excluding treasury shares) as at the Grant Date, such grant of Incentive Shares shall not be valid unless: (a) the Grant has been duly approved by the Shareholders at the general meeting in the manner required by the relevant provisions of Chapter 17 of the Listing Rules, and the Selected Participant, his/her associates and all core connected persons of the Company have abstained from voting in favour of the resolution approving such grant at the general meeting; (b) the number and terms of such Incentive Shares are determined before approval by the general meeting of the Company; and (c) the Company has complied with any other applicable requirements of the Listing Rules.

Subject to any waiver or ruling granted by the Hong Kong Stock Exchange, if the grant of share options or Incentive Shares to an independent non-executive Director or a substantial Shareholder of the Company or any of their associates would result in the number of new H Shares issued and to be issued in respect of all share options and Incentive Shares (excluding any share

LETTER FROM THE BOARD

options and Incentive Shares that have lapsed in accordance with the terms of the Scheme or Relevant Schemes) granted to such person(s) pursuant to the Scheme and any other share schemes involving the issue of new H Shares or transfer of treasury shares in the 12-month period up to and including the Grant Date exceeding, in aggregate, 0.1% of the total number of issued Shares (excluding treasury shares) as at the Grant Date, such grant of Incentive Shares shall not be valid unless: (a) the Grant has been duly approved by the Shareholders at the general meeting in the manner required by the relevant provisions of Chapter 17 of the Listing Rules, and the Selected Participant(s), his/her associates and all core connected persons of the Company have abstained from voting in favour of the resolution approving such grant at the general meeting; (b) the number and terms of such Incentive Shares are determined before approval by the general meeting of the Company; and (c) the Company has complied with any other applicable requirements of the Listing Rules.

Subject to the Scheme Rules and any waiver or ruling granted by the Hong Kong Stock Exchange, if the grant of share options and/or Incentive Shares to any Selected Participant(s) would result in the number of new H Shares issued and to be issued in respect of all share options and Incentive Shares granted by the Company to any relevant parties pursuant to the Scheme and any other share schemes involving the issue of new H Shares or transfer of treasury shares in the 12-month period up to and including the Grant Date (excluding any share options and Incentive Shares lapsed in accordance with the terms of the Scheme or Relevant Schemes) representing in aggregate over 1% of the total number of issued Shares (excluding treasury shares) as at the Grant Date, such grant of Incentive Shares shall not be valid unless: (a) the Grant has been duly approved by the Shareholders at the general meeting in the manner required by the relevant provisions of Chapter 17 of the Listing Rules, and the Selected Participant, his/her close associates (or associates if the Selected Participant is a connected person) and all core connected persons of the Company have abstained from voting in favour of the resolution approving such grant at the general meeting; (b) the number and terms of grant of such Incentive Shares are determined before approval by the general meeting of the Company; and (c) the Company has complied with any other applicable requirements of the Listing Rules.

Validity Period

Except for early termination as determined by the Board and/or the Scheme Management Committee pursuant to the Scheme Rules, the Scheme shall be valid for a period of ten (10) years from the Adoption Date (the “**Validity Period**”). Upon expiry of the Validity Period, no further share incentive shall be offered or granted, but the provisions of the Scheme shall remain in full force and effect in all other respects to the extent necessary to enable any share incentive granted prior thereto or in accordance with the terms of the Scheme to vest and become effective. Any termination shall be without prejudice to any subsisting rights of any Selected Participant.

LETTER FROM THE BOARD

Vesting Period

The vesting period for any Incentive Shares shall not be less than twelve (12) months. Notwithstanding any other provisions of the Scheme, subject to the purpose of the Scheme and applicable laws and regulations (including the Listing Rules), the Board and/or the Scheme Management Committee may, in their sole and absolute discretion, determine that the Incentive Shares granted to an Employee Participant may be subject to a vesting period of less than 12 months in the following specific circumstances:

- (a) Incentive Shares refer to “make-whole” share incentive granted to an Employee Participant who is a new joiner of the Group, in replacement of the share incentive forfeited by such person upon his/her departure from his/her former employer;
- (b) Incentive Shares are granted to an Employee Participant whose employment is terminated due to death, disability or any events beyond control in which circumstances the vesting of share incentives may accelerate;
- (c) Vesting of Incentive Shares is based on performance conditions provided in the Grant Instrument and the Scheme Rules, in lieu of time-based vesting criteria;
- (d) Grants that are made in batches during a year for administrative and compliance reasons. They may include Incentive Shares that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which the Incentive Shares would have been granted;
- (e) Incentive Shares are granted with a mixed or accelerated vesting schedule (such as where the Incentive Shares may vest evenly over a period of twelve (12) months); and
- (f) Incentive Shares with a total vesting and holding period of more than twelve (12) months.

As (i) sub-paragraphs (a) and (f) are part of competitive terms and conditions to induce valuable talents to join the Group; (ii) sub-paragraphs (b) and (e) are to reward past contribution which may otherwise be neglected due to administrative or technical reasons; (iii) sub-paragraph (f) is to reward exceptional performers with accelerated vesting; and (iv) sub-paragraphs (c) and (d) are to motivate exceptional performers based on performance metrics rather than time, the Board considers that a shorter vesting period motivates Selected Participant(s) to remain with the Group and/or continue contributing to the Group’s businesses. At the same time, it provides the Company with the flexibility to allow accelerated vesting of share awards under specified circumstances where justified, aligning with the purpose of the 2026 H Share Equity Incentive Scheme.

Save as disclosed above, there are no other events leading to the acceleration in vesting of unvested Awards to less than 12 months.

LETTER FROM THE BOARD

Purchase Price

Selected Participant(s) who receive grants under the Scheme are required to pay the Purchase Price for obtaining the Incentive Shares, and the Purchase Price shall be determined with reference to the nominal value of the H Shares of the Company, and shall be divided into four types based on the respective ranks of the Selected Participant(s). The Board and/or the Scheme Management Committee may in its/their absolute discretion determine the method and term for the payment of the Purchase Price by the Selected Participant(s).

Ranks	Purchase Price
Vice President level	RMB1.0/Share
Director level	RMB0.8/Share
Manager level	RMB0.6/Share
Supervisor level and specialist level	RMB0.4/Share

The Board considers that it is reasonable and appropriate to determine the Purchase Price based on the respective ranks of the Selected Participant(s). Such arrangement has taken into account the responsibilities, experience, expected contributions and incentive needs of the Selected Participant(s) of different ranks, and is in line with the purpose of the 2026 H Share Equity Incentive Scheme. The Purchase Price arrangement helps to strengthen the alignment of interests between the Selected Participant(s) and the long-term development of the Company, incentivizes them to continuously create value for the Group, and is in the interests of the Company and the Shareholders as a whole.

Vesting

Vesting of Incentive Shares is subject to the following conditions:

- (a) unless otherwise required by the Scheme Rules, the Scheme is still valid and has not been terminated;
- (b) the vesting schedule set out in the Grant Instrument has been achieved;
- (c) the Selected Participant(s) remain Eligible Participant(s);
- (d) there are no circumstances in which the Selected Participant(s) are not permitted to be vested with the underlying H Shares pursuant to the Scheme;
- (e) the performance targets, assessment conditions and other conditions (if any) set out in the Grant Instrument have been achieved; and/or
- (f) the Selected Participant(s) are not prohibited by any applicable laws and regulations from participating in the Scheme.

LETTER FROM THE BOARD

The vesting of the Incentive Shares under the Scheme is subject to the assessment of the Group's core operating profit. The Board and/or the Scheme Management Committee may, at its/their own discretion, stipulate the terms for achieving the assessment targets (including but not limited to: vesting shall be subject to the satisfaction of either of the following conditions: (i) achievement of the cumulative performance targets from the year of grant to the year immediately preceding the vesting; or (ii) achievement of the single-year performance target for the year immediately preceding the vesting), and adjust the assessment requirements subject to compliance with the rules of the Scheme, the Listing Rules and any applicable laws and regulations; the terms set out in the Grant Instrument shall prevail. The specific reference target values of the core operating profit for each assessment year are as follows:

Assessment Year	Reference Target Value of the Core Operating Profit
2026	RMB600 million
2027	RMB700 million
2028	RMB800 million
2029	RMB1.0 billion
2030	RMB1.2 billion
2031-2035	Determined from time to time at the sole discretion of the Board and/or the Scheme Management Committee based on the annual results and performance of the Group

Core operating profit refers to net profit after adjusting for items affecting comparability. In assessing whether to adjust for the impact of items that may be significant or that may affect the understanding of our ongoing financial and operating performance or trends, both quantitative and qualitative factors are taken into consideration. Items that are affected by external factors and by factors that differ from, or are unrelated to, our core operations, and that have a material impact on the results for the current or comparable periods, are generally regarded as "items affecting comparability." Core operating profit is presented in the Company's interim reports and annual reports.

The Board is of the view that making the vesting of the Incentive Shares under the Scheme conditional upon the achievement of the core operating profit target of the Group helps to closely align the interests of the Selected Participant(s) with the long-term operating performance of the Group and the interests of the Shareholders. The core operating profit target is an objective and quantifiable performance indicator that can effectively measure the operating results of the Group and encourage the Selected Participant(s) to continuously create long-term value for the Group. The power retained by the Board and/or the Scheme Management Committee to determine and adjust the relevant assessment requirements over a longer term also helps to ensure that the performance targets can maintain an appropriate level of challenge and incentive effect in light of the development stage of the Group and the market conditions.

In light of the above, the Board considers that the current arrangements in respect of performance targets are consistent with the purposes of the 2026 H Share Equity Incentive Scheme and are in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

Clawback Mechanism

Upon the occurrence of any of the following events (and whether an event is to be regarded as having occurred is subject to the sole determination of the Board and/or the Scheme Management Committee), unless the Board and/or the Scheme Management Committee resolve otherwise in its/their absolute discretion, the Selected Participant(s) shall cease to be Eligible Participant(s), the unvested Incentive Shares granted to the Selected Participant(s) shall immediately and automatically lapse and shall not vest on the relevant Vesting Date, the Selected Participant(s) shall immediately cease to enjoy the rights and interests in the unvested Incentive Shares and the clawback mechanism shall be triggered. The Board and/or the Scheme Management Committee shall have the right (but not the obligation) to determine that the Company repurchases the Incentive Shares and their corresponding interests at such considerations as it may from time to time determine. At the same time, the Company reserves the right to take legal action, including but not limited to (i) recover any gains or economic benefits (including but not limited to any dividends, proceeds obtained from the sale of the relevant Shares or differential gains) derived by such Selected Participant(s) through any Incentive Shares; (ii) deduct a corresponding amount to the Incentive Shares of an equivalent number or value from any amounts payable to such Selected Participant(s) by the relevant Group Company; or (iii) in respect of any Shares delivered to the Selected Participant(s) or any amounts paid (including the Incentive Shares settled by cash), require the Selected Participant(s) to return the relevant Shares or repay a cash amount equivalent to the value thereof (as determined by the Company) upon the request of the Company:

- (a) the Selected Participant(s) commit any misconduct (whether or not his/her continuous service has been terminated);
- (b) at any time (whether or not the Selected Participant(s)'s continuous service has been terminated), the Selected Participant(s) provide any form of services to, or invest in, any competing entity in any manner (other than acquiring in the open market an aggregate of not more than 1% of the equity interest in such competing entity), or breach any non-compete obligation he/she has undertaken to the Company;
- (c) causing material damage to the interests of the Company, disclosing the Group's commercial and technical secrets, breaching any confidentiality agreement with the Group, breaching the employment contract or the Company's rules and policies, or committing serious violations of laws or disciplines;
- (d) failing to perform or properly perform his/her duties, causing the Group to suffer a material loss in terms of assets and other material adverse impact;
- (e) accepting or soliciting bribes, engaging in corruption, theft, harming the interests and reputation of the Group, or committing other illegal acts that have a material adverse effect on the Group's image and has been subject to punishment;

LETTER FROM THE BOARD

- (f) maliciously destroying the Group's materials and resources;
- (g) if such person is convicted of any criminal offense;
- (h) if such person has committed any fraud or serious misconduct;
- (i) if such person has been convicted or held liable for violating the Securities and Futures Ordinance or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in effect from time to time, or has violated relevant ordinances, laws and regulations;
- (j) where there has been a material misstatement or omission in the financial reports of the Group; or
- (k) such other serious misconduct for which the Board and/or the Scheme Management Committee, acting in good faith, consider it reasonable to terminate their contract.

The circumstances set out above constitute an exhaustive list of circumstances in which the clawback mechanism may be applied. The Board considers that the clawback mechanism under the 2026 H Share Equity Incentive Scheme provides the Board with the option to reclaim Awards granted to Eligible Participants who have acted improperly. This 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-calibre talent valuable to the Group's development, which aligns with the purposes of the 2026 H Share Equity Incentive Scheme and is in the interests of the Company and the Shareholders as a whole.

Listing Rules Implication

The 2026 H Share Equity Incentive Scheme will constitute a share scheme involving the issue of new Shares by the Company under Chapter 17 of the Listing Rules, and therefore the adoption of the 2026 H Share Equity Incentive Scheme shall be subject to Shareholders' approval. The provisions of the 2026 H Share Equity Incentive Scheme will comply with Chapter 17 of the Listing Rules.

The resolution above has been approved by the Board. It is now proposed at the EGM for consideration and approval by the Shareholders.

A copy of the scheme document of the 2026 H Share Equity Incentive Scheme will be published on the website of the Hong Kong Stock Exchange and the website of the Company for display for a period of not less than 14 days prior to the date of the EGM, and the scheme document of the 2026 H Share Equity Incentive Scheme will be made available for inspection at the EGM.

LETTER FROM THE BOARD

3. PROPOSED AUTHORISATION TO THE BOARD AND/OR THE SCHEME MANAGEMENT COMMITTEE TO HANDLE MATTERS RELATING TO THE 2026 H SHARE EQUITY INCENTIVE SCHEME

To ensure the implementation of the 2026 H Share Equity Incentive Scheme, the Board has proposed that, subject to the approval of the 2026 H Share Equity Incentive Scheme by the Shareholders at the EGM of the Company, the Shareholders also grant an authorisation to the Board and/or the Scheme Management Committee to handle matters relating to the 2026 H Share Equity Incentive Scheme with full authority. Subject to the Scheme Rules, the Listing Rules and any applicable laws and regulations, the Board and/or the Scheme Management Committee shall have the authority from time to time to:

- (a) administer and operate the Scheme, formulate detailed implementation rules, and take all necessary measures to implement the Scheme;
- (b) interpret the Scheme and, subject to the Scheme Rules and Chapter 17 of the Listing Rules, revise and/or amend the Scheme Rules from time to time, provided that any such revisions and/or amendments shall be made in accordance with the provisions of the Scheme relating to revisions and/or amendments and shall comply with the requirements of Chapter 17 of the Listing Rules;
- (c) assess Eligible Participant(s) and grant Incentive Shares, determine the purchase price (if any), the vesting period and vesting conditions including performance assessment criteria, and enter into agreements relating to the Incentive Shares with Selected Participant(s) on behalf of the Company (such as Grant Instrument);
- (d) revise the purchase price (if any), vesting period and vesting conditions including performance assessment criteria set out in the Grant Instrument from time to time in light of market changes in order to better achieve the purposes of the Scheme; in such case, a notice setting out the adjustments shall be issued to the relevant Selected Participant(s); any such revision must comply with Rule 17.03(18) of the Listing Rules, including approval by the same approving authority as the initial Grant and Shareholders' approval where the alteration is material or relates to the matters set out in Rule 17.03 of the Listing Rules to the advantage of participants;
- (e) determine the form of vesting the Incentive Shares;

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- (f) transfer treasury shares from time to time in respect of the number of H Shares to be delivered pursuant to the granted Incentive Shares, in accordance with the terms and conditions of the Scheme and the Listing Rules; and apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the relevant H Shares at the appropriate time or times;
- (g) adjust the number of Incentive Shares arising from a capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital, ensuring that the proportion of share capital held by the Selected Participants (rounded down to the nearest whole Share) remains the same as their entitlement prior to such adjustments, provided that no such adjustments shall result in the issue of Shares at a price below their nominal value (if any);
- (h) handle the necessary formalities (if any) with competent governments and institutions in respect of the Scheme, such as approval, registration, filing, verification and consent; sign, implement, amend and complete the documents submitted to relevant governments, authorities, organizations and individuals; and take all actions as it deems necessary, appropriate or advisable in relation to the Scheme;
- (i) sign, execute, amend and terminate all documents in relation to the Scheme, handle all formalities in relation to the Scheme and conduct all relevant actions as it considers necessary, expedient or appropriate for the effectiveness of the Scheme;
- (j) engage the Trustee, bank, accountant, solicitor, advisor and other professional institutions for the purpose of the Scheme;
- (k) decide on all matters in respect of the Trust Deed and sign the Trust Deed on behalf of the Company; and
- (l) manage and implement other matters necessary for the implementation of the Scheme.

LETTER FROM THE BOARD

4. PROFIT DISTRIBUTION PLAN FOR THE HALF YEAR OF 2026

Proposed Interim Dividend

The net profit for the six months ended June 30, 2026 was RMB213.2 million. Based on the Group's operating performance, the Board recommends the distribution of an interim dividend of RMB0.0503 (tax inclusive) per ordinary Share for the six months ended June 30, 2026, totaling RMB127.7 million (based on the total number of Shares (excluding treasury shares and Shares repurchased for cancellation) of 2,538,284,400 Shares of the Company as of the Latest Practicable Date). However, as the Shares will be repurchased and held as treasury shares by the Company from time to time, the actual aggregate amount of the interim dividend to be paid will be based on the total number of Shares (excluding treasury shares) on the record date for the payment of the interim dividend. The proposed interim dividend shall be declared in RMB and paid in Hong Kong dollars to the holders of H Shares of the Company. The interim dividend payable in Hong Kong dollars will be converted from RMB at the average exchange rate of RMB to Hong Kong dollars as published by the People's Bank of China for the five business days prior to the EGM. If such profit distribution plan is approved by the Shareholders at the EGM, the interim dividend is expected to be paid on Wednesday, October 28, 2026, to the Shareholders whose names are listed on the register of members of the Company on Monday, September 21, 2026. All treasury shares held by the Company and Shares repurchased by the Company for cancellation are not entitled to the interim dividend. For determining the entitlement to the proposed interim dividend, subject to approval by the Shareholders at the EGM, the register of members of the Company will be closed from Wednesday, September 16, 2026 to Monday, September 21, 2026, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed interim dividend, all transfer documents accompanied by the relevant Share certificates must be lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, September 15, 2026, for registration.

This resolution has been considered and approved at the Board meeting held on August 17, 2026, and is being proposed as an ordinary resolution for consideration and approval at the EGM.

5. PROVISION OF GUARANTEES FOR FINANCING OF SUBSIDIARIES

In order to meet the applications for comprehensive financing facilities and the financing needs of the subsidiaries of the Company, and to ensure the continuous and stable development of their production and operations, taking into consideration that the subsidiaries will obtain more favorable financing interest rates upon the Company providing guarantees for their financing, the Company plans to provide joint and several liability guarantees for its respective subsidiaries with financing needs. The total guarantee amount shall not exceed RMB300 million, and the specific amount shall be subject to the actual guarantee contract(s) entered into. The aforementioned total guarantee

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amount does not include the guarantee provided for the financing of Hainan Guoquan International Food Co., Ltd. (海南鍋圈國際食品有限公司), which was considered and approved at the thirty-ninth meeting of the first session of the Board of Directors and the 2025 annual general meeting.

In order to improve working efficiency, it is proposed that the general meeting authorize the Board of Directors and that the Board of Directors further delegate authority to the management, to handle specific business at its full discretion, including but not limited to the signing of contracts, agreements and other various legal documents relating to the financing guarantees, and making necessary amendments thereto. Concurrently, within the limit of the aforementioned total guarantee amount, it is proposed that the general meeting authorize the Board of Directors, which will in turn authorize the management, to determine, adjust and approve the specific guarantee amount for each subsidiary based on actual circumstances, and to handle the relevant procedures at its full discretion on behalf of the Company within such guarantee amount, including but not limited to the signing of relevant legal documents. The term of the aforesaid authorisation shall commence from the date of consideration and approval at the general meeting up to the date on which the 2026 annual general meeting is convened. During the authorisation period, the guarantee limit may be used on a revolving basis, and the Board of Directors and the general meeting will no longer consider individual financing guarantee business separately. In the event of any inconsistency, contradiction or conflict between the above authorisation and the provisions of the Listing Rules or other requirements of the Hong Kong Stock Exchange, the provisions of the Listing Rules or other requirements of the Hong Kong Stock Exchange shall apply and prevail.

This resolution has been considered and approved by the Board of Directors on August 17, 2026, and is being proposed as an ordinary resolution for consideration and approval at the EGM.

6. CHANGE IN USE OF PROCEEDS

Reference is made to (i) the prospectus of the Company dated October 20, 2023 (the “**Prospectus**”) in relation to the future plans and use of proceeds from the global offering (the “**Global Offering**”) of the Company (the “**Use of Proceeds**”); (ii) the interim results announcement of the Company for the six months ended June 30, 2026 (the “**2026 Interim Results Announcement**”); and (iii) the announcement of the Company dated August 26, 2026 (the “**Proposed Change Announcement**”) in relation to details of the proposed change in the use of proceeds. Unless otherwise defined herein, terms used in this circular shall have the same meanings as those defined in the Prospectus, the 2026 Interim Results Announcement and the Proposed Change Announcement.

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PROPOSED CHANGE IN USE OF NET PROCEEDS

As disclosed in the Prospectus and the 2026 Interim Results Announcement, after deducting underwriting commissions and related expenses, the net proceeds from the Global Offering of H Shares upon the Company's listing on the Stock Exchange amounted to approximately HK\$448.7 million. As at 30 June 2026, approximately HK\$155.4 million of the net proceeds had been utilised, while approximately HK\$293.3 million remained unutilised. The Board has resolved to propose to change the use of net proceeds and the expected timeline for full utilisation is as follows:

Use of proceeds	Original Percentage of total net proceeds	Net proceeds from the Global Offering (HK\$ million)	Unutilised amount as at 30 June 2026 before the change (HK\$ million)	Reallocation (HK\$ million)	Unutilised amount as at 30 June 2026 after the change (HK\$ million)	Expected timeline for full utilisation of unutilised amount before the change	Expected timeline for full utilisation of unutilised amount after the change
Build, invest in, or acquire factories	25%	112.1	2.2	+173.8	176.0	On or before 31 December 2027	On or before 31 December 2028
Upgrade and expand our existing production plants and production lines	15%	67.3	67.3	0.0	67.3	On or before 31 December 2027	On or before 31 December 2028
Opening and operation of self-operated stores	40%	179.5	179.5	-139.5	40.0	On or before 31 December 2027	On or before 31 December 2028
Build product R&D centers as well as upgrade and purchase related equipment	10%	44.9	44.3	-34.3	10.0	On or before 31 December 2027	On or before 31 December 2028
As working capital and for general corporate uses	10%	44.9	0.0	0.0	0.0	–	–
Total	100%	448.7	293.3	0.0	293.3	–	–

Save as disclosed in the above table, there are no other changes to the intended use of the unutilised net proceeds.

LETTER FROM THE BOARD

REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF NET PROCEEDS

The Board has been reviewing the utilisation of the net proceeds from the Global Offering, taking into consideration the Group's business development priorities, actual progress of the relevant projects and the funding requirements. After careful consideration, the Board is of the view that, under the Group's current business plan, it is more necessary to concentrate resources on enhancing its own production capacity and supply chain infrastructure to support its long-term development. Specifically:

- (i) with respect to the construction, investment in or acquisition of factories, as the Group continues to improve its proprietary supply chain layout, the funding requirements for related facilities and projects, including factories, core raw material bases, and warehousing and logistics systems, have increased. Accordingly, the Company proposes to increase the unutilised net proceeds for this use by approximately HK\$173.8 million, from approximately HK\$2.2 million to approximately HK\$176.0 million, so as to further enhance the stability, flexibility and overall operational efficiency of the Group's production and supply chain system;
- (ii) with respect to upgrading and expansion of the Group's existing production plants and production lines, in line with the gradual improvement of the Group's factory layout, the Group proposes to further extend the scope of upgrading and expansion to cover all of the Group's existing factories. As such, the unutilised net proceeds for this use will remain at approximately HK\$67.3 million, but will be deployed in stages based on the actual upgrading needs and project progress of each factory;
- (iii) with respect to opening and operation of self-operated stores, the Group will continue to prudently advance the construction of its self-operated store network (including overseas stores). At the same time, taking into account that focusing more management and operational resources on development of the domestic franchise business at this stage is more aligned with the Group's overall business strategy, the Board considers that the pace of expansion of the self-operated store network and the corresponding funding arrangements may be adjusted accordingly. Therefore, the Company proposes to reallocate approximately HK\$139.5 million of the unutilised net proceeds originally allocated for this use to other areas with funding needs; and
- (iv) with respect to building product R&D centers as well as upgrading and purchasing related equipment, the Group proposes to further strengthen joint R&D with suppliers and resource synergy while continuing to enhance its product R&D capabilities. The Board is of the view that this model can enable the Group to leverage external professional capabilities and existing resources, improve R&D efficiency and optimise related cost inputs more effectively. Accordingly, the Company proposes to reallocate approximately HK\$34.3 million of the unutilised net proceeds originally allocated for this use to other areas with funding needs.

Based on the above considerations, the Company proposes to reallocate approximately HK\$139.5 million of the unutilised net proceeds originally allocated to opening and operation of self-operated stores, and approximately HK\$34.3 million of the unutilised net proceeds originally allocated to building product R&D centers as well as upgrading and purchasing related equipment, in an aggregate amount of approximately HK\$173.8 million, to building, investing in, or acquiring factories. The Board considers that the above reallocation does not represent the Group's abandonment of developing its self-operated store network or product R&D, but rather a

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more targeted deployment of the unutilised net proceeds based on the current business development priorities and the actual funding requirements of various projects, which will help the Group optimise production layout, enhance fund utilisation efficiency and support its long-term business development.

In addition, given that the implementation of factory construction, plant and production line upgrading, self-operated store network development and R&D projects is all subject to alignment with the progress of specific projects, pace of business development and actual funding requirements, the Board resolved to extend the expected timeline for full utilisation of the remaining unutilised net proceeds from on or before 31 December 2027 to on or before 31 December 2028, so as to better align the utilisation of the net proceeds with the actual progress of relevant projects. The Board is of the view that the above changes are conducive to the Group to allocate financial resources on a more flexible and effective manner, with no material adverse impact on the Group's existing business and operations, and are in the interests of the Company and its Shareholders as a whole.

This resolution has been considered and approved by the Board of Directors on August 26, 2026, and is being proposed as an ordinary resolution for consideration and approval at the EGM.

7. EGM AND PROXY ARRANGEMENT

The notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must 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. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

According to Rule 2.15 of the Listing Rules, where a transaction or arrangement is subject to Shareholders' approval, any Shareholder that has a material interest in the transaction or arrangement shall abstain from voting on the resolution(s) approving the transaction or arrangement at the relevant general meeting.

Save as disclosed above, as at the Latest Practicable Date, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders are deemed to have a material interest in any of the above resolutions and must abstain from voting at the EGM on the above resolutions.

For the purpose of determining the identity of the holders of H Shares entitled to attend and vote at the EGM, the H Share register of members of the Company will be closed from Monday, September 7, 2026 to Thursday, September 10, 2026 both dates inclusive, during which period no transfer of H Shares will be registered. The record date to determine the eligibility to attend and vote at the EGM will be Thursday, September 10, 2026. In order to be eligible to attend and vote at the EGM, unregistered holders of H Shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates are lodged with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on Friday, September 4, 2026, being the last registration date.

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The form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.zzgqsh.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarized copy of that power of attorney or authority, at the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the EGM (i.e. not later than 2:00 p.m. on Wednesday, September 9, 2026) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM or any adjourned meeting should you so wish, and in such event, the form of proxy that you have completed and returned will be deemed to be revoked.

8. RECOMMENDATION

The Directors consider that all the resolutions as set out in the notice of the EGM are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions as set out in the notice and to be proposed at the EGM.

9. 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 in the omission of which would make any statement herein or this circular misleading.

Yours faithfully,

By order of the Board

Guoquan Food (Shanghai) Co., Ltd.

鍋圈食品(上海)股份有限公司

Mr. Yang Mingchao

*Chairman of the Board, Executive Director
and Chief Executive Officer*

APPENDIX PRINCIPAL TERMS OF THE 2026 H SHARE EQUITY INCENTIVE SCHEME

The following is a summary of the principal terms of the 2026 H Share Equity Incentive Scheme to be proposed for adoption at the EGM. It does not constitute and is not intended to form part of the 2026 H Share Equity Incentive Scheme, nor should it be deemed to affect the interpretation of the 2026 H Share Equity Incentive Scheme. The Directors reserve the right to make amendments to the 2026 H Share Equity Incentive Scheme as they deem necessary or appropriate at any time prior to the convening of the EGM, provided that such amendments shall not conflict with any material aspect of the summary set out in this appendix.

1. GENERAL INFORMATION AND PURPOSE OF THE SCHEME

1.1 The Scheme aims to:

- (a) attract and retain Eligible Participant(s) who make significant contributions to the long-term growth and success of the Group, and to recognize and reward Eligible Participant(s) for their past contributions to the Group;
- (b) encourage Eligible Participant(s) to make further contributions to the Company and strive to enhance the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole;
- (c) reinforce the Company's long-term remuneration incentive strategy; and
- (d) align the interests of Eligible Participant(s) with those of the Company and Shareholders to drive the Group's financial, business and operational performance for the long term.

2. SOURCE OF INCENTIVE SHARES

2.1 The source of the Incentive Shares under the Scheme will be: (i) treasury shares transferred by the Company; and/or (ii) existing H Shares purchased on-market by the Trustee.

3. CONDITIONS

3.1 The adoption of the Scheme is subject to:

an ordinary resolution passed by the Shareholders at the general meeting to approve and adopt the Scheme, and to authorise the Board to grant Incentive Shares to Selected Participant(s), as well as to deal with the Shares (including treasury shares) in connection with the share incentive granted under the Scheme by the Company.

4. ADMINISTRATION

4.1 The Scheme shall be administered by the following bodies of the Company:

- (a) the General Meeting (the “**General Meeting**”), as the supreme authority of the Company, is responsible for consideration and approval of the adoption of the Scheme. The General Meeting may authorise the Board and/or the Scheme Management Committee to handle all matters related to the Scheme within their authority;
- (b) the Board is the authorised governing body responsible for the day-to-day implementation and administration of the Scheme. To the extent authorised in the General Meeting, the Board shall be responsible for matters relating to the Scheme. Decisions of the Board on any matter arising under the Scheme (including the interpretation of any provisions) shall be final and binding. The Board may delegate its powers to the Scheme Management Committee by way of a Board resolution but the Board may withdraw such authorisation at any time;
- (c) the Remuneration Committee shall be responsible for reviewing matters relating to the Scheme (including but not limited to performance evaluation criteria and procedures) and making recommendations to the Board for consideration;
- (d) the independent non-executive Directors, who, as the supervisors of the Scheme, shall assess whether the Scheme will facilitate the sustainable development of the Company and whether the Scheme may harm the interests of the Company and all Shareholders from the perspective of Shareholders. In addition, the independent non-executive Directors will supervise whether the implementation of the Scheme complies with applicable laws, regulations, regulatory documents and the Listing Rules; and
- (e) the Company (acting through the Board and/or the Scheme Management Committee) may appoint one or more eligible Trustees in accordance with the Scheme Rules to administer the Scheme and the grant and vesting of the Incentive Shares. Subject to the provision of sufficient funding, the Board and/or the Scheme Management Committee shall instruct the Trustee(s) to purchase existing H Shares on the market as Incentive Shares under the Scheme and/or acquire treasury shares transferred by the Company. The Trustee(s) must be independent third parties, and no Director shall act as the Trustee or have any direct or indirect interest in the Trustee(s).

- 4.2 Subject to the Scheme Rules, the Listing Rules and any applicable laws and regulations, the Board and/or the Scheme Management Committee shall have the authority from time to time to:
- (a) administer and operate the Scheme, formulate detailed implementation rules, and take all necessary measures to implement the Scheme;
 - (b) interpret the Scheme and, subject to the Scheme Rules and Chapter 17 of the Listing Rules, revise and/or amend the Scheme Rules from time to time, provided that any such revisions and/or amendments shall be made in accordance with the provisions of the Scheme relating to revisions and/or amendments and shall comply with the requirements of Chapter 17 of the Listing Rules;
 - (c) assess Eligible Participant(s) and grant Incentive Shares, determine the purchase price, the vesting period and vesting conditions including performance assessment criteria, and enter into agreements relating to the Incentive Shares with Selected Participant(s) on behalf of the Company (such as Grant Instrument);
 - (d) subject to the approval of the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), revise the purchase price (if any), vesting period and vesting conditions including performance assessment criteria set out in the Grant Instrument from time to time in light of market changes in order to better achieve the purposes of the Scheme; in such case, a notice setting out the adjustments shall be issued to the relevant Selected Participant(s). For avoidance of doubt, this provision does not apply to changes come into effect automatically pursuant to existing terms of the Scheme;
 - (e) determine the form of vesting the Incentive Shares;
 - (f) transfer treasury shares from time to time in respect of the number of H Shares to be delivered pursuant to the granted Incentive Shares, in accordance with the terms and conditions of the Scheme and the Listing Rules; and apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the relevant H Shares at the appropriate time or times;
 - (g) make necessary adjustments to the Scheme Mandate Limit in the following circumstances (including but not limited to): (a) capitalisation of reserves; (b) distribution of bonus shares; (c) consolidation or sub-division of shares; or (d) issue of additional shares pursuant to the terms of the Scheme;

- (h) in the event of any capitalisation or bonus issue, rights issue or open offer, and sub-division or consolidation of shares pursuant to FAQ No. 13 of Appendix I to the Listing Rules, necessary adjustments shall be made to the purchase price (if applicable) or the number of shares subject to the share incentives granted under the Scheme;
 - (i) handle the formalities (if any) with competent governments and institutions in respect of the Scheme, such as approval, registration, filing, verification and consent; sign, implement, amend and complete the documents submitted to relevant governments, authorities, organizations and individuals; and take all actions as it deems necessary, appropriate or advisable in relation to the Scheme;
 - (j) sign, execute, amend and terminate all documents in relation to the Scheme, handle all formalities in relation to the Scheme and conduct all relative actions as it considers necessary, expedient or appropriate for the effectiveness of the Scheme;
 - (k) engage the Trustee, bank, accountant, solicitor, advisor and other professional institutions for the purpose of the Scheme;
 - (l) decide on all matters in respect of the Trust Deed and sign the Trust Deed on behalf of the Company; and
 - (m) manage and implement other matters necessary for the implementation of the Scheme.
- 4.3 For the purposes of the Scheme, none of the Directors or person(s) of the Scheme Management Committee shall be personally liable for any contract or other instrument signed by them or on their behalf for the purposes of the Scheme, or for any judgment error made in good faith. The Company shall also indemnify and hold harmless each member of the Board and any person(s) of the Scheme Management Committee against any costs or expenses (including legal fees) or liabilities (including any payments made to settle claims with the approval of the Board) arising from any act or omission related to the Scheme, unless such liability results from the person's own willful neglect of duty, fraud, or bad faith.

5. VALIDITY PERIOD

- 5.1 Except for early termination as determined by the Board and/or the Scheme Management Committee pursuant to the Scheme Rules, the Scheme shall be valid for a period of ten (10) years from the Adoption Date ("**Validity Period**"). Upon expiry of the Validity

Period, no further share incentives shall be offered or granted, but the provisions of the Scheme shall remain in full force and effect in all other respects to the extent necessary to enable any share incentives granted prior thereto or in accordance with the terms of the Scheme to vest and become effective. Any termination shall not affect any subsisting rights of any Selected Participant(s).

6. ELIGIBLE PARTICIPANT(S)

6.1 The Eligible Participant(s) of the Scheme are the directors (excluding independent non-executive Directors), senior management or employees (whether full-time or part-time employees) of the Company and any of its subsidiaries. The Board and/or the Scheme Management Committee may, from time to time, at their absolute discretion, select any of the following Eligible Participant(s) as Selected Participant(s) to participate in the Scheme, and subject to the provisions of the Scheme, grant Incentive Shares to any Selected Participant(s) at such consideration (if any) and on such terms and conditions as the Board and/or the Scheme Management Committee may determine at their absolute discretion.

6.2 In determining the Incentive Shares to be granted to any Selected Participant(s), the Board and/or the Scheme Management Committee shall take into consideration matters including, but without limitation to:

- (a) the present contribution and expected contribution of the relevant Selected Participant(s) to the profits of the Group;
- (b) the general financial condition of the Group;
- (c) the Group's overall business objectives and future development plan; and
- (d) any other matter which the Board and/or the Scheme Management Committee considers relevant. The principal factors that will govern the selection and award size under item (d) include:
 - (i) the extent of the support, assistance, guidance, advice or efforts provided or to be provided by the relevant Selected Participant(s) towards the success of the Group;
 - (ii) the personal performance, time commitment, responsibilities or employment conditions of the relevant Selected Participant(s), having regard to prevailing market practices and industry standards; and
 - (iii) the length of cooperation between the relevant Selected Participant(s) and the Group.

6.3 If any relevant person falls under any of the following circumstances at the Grant Date, such person shall not be considered as an Eligible Participant:

- (a) has been publicly reprimanded or deemed as an inappropriate candidate for the share award scheme or similar scheme of a listed company by any securities regulatory body during recent 12 months;
- (b) has been imposed with penalties or is banned from trading securities by securities regulatory bodies due to material non-compliance with laws or regulations during recent 12 months;
- (c) is prohibited from serving as a director or senior management of the Company as stipulated by the Company Law or the Listing Rules;
- (d) is prohibited by laws and regulations from participating in the Scheme;
- (e) any other circumstances that seriously violate the relevant rules of the Group or cause major damage to the interests of the Group as determined by the Board and/or the Scheme Management Committee; or
- (f) any other circumstances required by the Board and/or the Scheme Management Committee to protect the interests of the Group and ensure compliance with applicable laws and regulations relating to the operation of the Scheme.

7. LAPSE AND CLAWBACK MECHANISM FOR INCENTIVE SHARES

7.1 Upon the occurrence of any of the following events (whether an event is deemed to have occurred shall be determined by the Board and/or the Scheme Management Committee at its/their sole discretion), unless otherwise resolved by the Board and/or the Scheme Management Committee at its/their sole discretion, such Selected Participant(s) shall cease to be an Eligible Participant(s), the unvested Incentive Shares granted to such Selected Participant(s) shall immediately and automatically lapse and shall not vest on the relevant Vesting Date, and such Selected Participant(s) shall immediately cease to have any rights and benefits in respect of the unvested Incentive Shares; the vested Shares shall be retained:

- (a) Selected Participant(s) being declared missing or dead, or suffering from physical or mental disability or incapacity;
- (b) where the employment or engagement relationship of Selected Participant(s) with any member company of the Group is terminated by reason of retirement;

- (c) voluntary resignation of Selected Participant(s);
- (d) the termination of the employment or service relationship between the Selected Participant(s) and any member of the Group (including but not limited to redundancy, non-renewal of contract upon expiration, incompetence, termination by mutual agreement or other reasons);
- (e) the Selected Participant(s) has/have left vacant his/her/their position(s) with any member of the Group or any position(s) relating to the Group for more than six months; or
- (f) the Selected Participant(s) has/have been declared bankrupt or become insolvent, or has/have entered into any arrangement or compromise with his/her/their creditors generally.

7.2 Upon the occurrence of any of the following events (whether the event is deemed to have occurred shall be determined at the sole discretion of the Board of Directors and/or the Scheme Management Committee), unless otherwise resolved by the Board of Directors and/or the Scheme Management Committee at their sole discretion, such Selected Participant(s) shall cease to be an Eligible Participant(s), the unvested Incentive Shares granted to such Selected Participant(s) shall immediately and automatically lapse and shall no longer vest on the relevant Vesting Date, and such Selected Participant(s) shall immediately cease to be entitled to the rights and benefits of the unvested Incentive Shares; and the clawback mechanism shall be triggered. The Board of Directors and/or the Scheme Management Committee shall have the right (but not the obligation) to determine that the Company shall repurchase the Incentive Shares and the corresponding interests thereof at a consideration to be determined from time to time. At the same time, the Company reserves the right to take legal actions, including but not limited to: (i) recovering any returns or economic benefits generated by such Selected Participant(s) through any Incentive Shares (including but not limited to any dividends, and proceeds or differential gains obtained from the sale of the relevant shares); (ii) deducting from any amounts payable by the relevant Group company to such Selected Participant(s) an amount corresponding to an equivalent number or value of the Incentive Shares; or (iii) in respect of any shares already delivered or any amounts already paid to the Selected Participant(s) (including cash-settled Incentive Shares), requiring such Selected Participant(s) to, upon the request of the Company, return the relevant shares or repay a cash amount equivalent to the value thereof (as determined by the Company):

- (a) the Selected Participant(s) commit any misconduct (whether or not his/her continuous service has been terminated);
- (b) at any time (whether or not the Selected Participant(s)'s continuous service has been terminated), the Selected Participant(s) provide any form of services to, or invest

in, any competing entity in any manner (other than acquiring in the open market an aggregate of not more than 1% of the equity interest in such competing entity), or breach any non-compete obligation he/she has undertaken to the Company;

- (c) causing material damage to the interests of the Company, disclosing the Group's commercial and technical secrets, breaching any confidentiality agreement with the Group, breaching the employment contract or the Company's rules and policies, or committing serious violations of laws or disciplines;
- (d) failing to perform or properly perform his/her duties, causing the Group to suffer a material loss in terms of assets and other material adverse impact;
- (e) accepting or soliciting bribes, engaging in corruption, theft, harming the interests and reputation of the Group, or committing other illegal acts that have a material adverse effect on the Group's image and has been subject to punishment;
- (f) maliciously destroying the Group's materials and resources;
- (g) such person has been convicted of any criminal offence;
- (h) such person is involved in any fraud or serious misconduct;
- (i) such person is convicted or held legally liable for a contravention of the Securities and Futures Ordinance or other securities laws or regulations of Hong Kong or any other applicable laws or regulations in force from time to time, or contravenes the relevant ordinances, laws and regulations;
- (j) there are material misstatements or omissions in the financial reports of the Group;
or
- (k) any other circumstances which the Board and/or the Scheme Management Committee determines in good faith to be comparable in nature and severity to the foregoing circumstances.

7.3 The Board of Directors and/or the Scheme Management Committee have the right to require the Selected Participant(s) to sell all vested shares within a specified period after ceasing to be an Eligible Participant, in order to comply with the requirements of the foreign exchange administration policies.

- 7.4 A Selected Participant(s) whose all or part of Incentive Shares lapse for any of the foregoing reasons shall no longer have any rights or claims of any kind against the Company, any other member of the Group, the Board and/or the Scheme Management Committee, the trust or trustee, or in respect of such or any other shares or any rights or interests therein.
- 7.5 For the avoidance of doubt, the lapse of the aforementioned Incentive Shares shall be deemed to be added back, and shall not be regarded as a utilization of the Scheme Mandate Limit; in respect of such returned shares, where they are derived from existing shares held by the Trust (including shares purchased by the Trustee from the market), such shares shall continue to be held by the Trustee and included in the shareholding pool of the Trust to be available for reallocation and grant; where they involve the unutilized quota for the issue of new shares under the Scheme Mandate Limit, such quota shall be restored and re-included in the Scheme Mandate Limit to be available for subsequent grants. Incentive Shares that have vested shall be deemed as having utilized the Scheme Mandate Limit.

8. CANCELLATION OF INCENTIVE SHARES

- 8.1 In the absence of circumstances causing the Incentive Shares to lapse as set out in the Scheme and/or the Grant Instrument, the Board of Directors and/or the Scheme Management Committee may, with the consent of the relevant Selected Participant(s), cancel any unvested Incentive Shares in accordance with the terms and conditions of the Scheme and/or the Grant Instrument. For the purpose of calculating the Scheme Mandate Limit of this Scheme, the cancelled Incentive Shares shall be regarded as utilized, and any new grant to the same Selected Participant(s) may only be made under a scheme with available Scheme Mandate Limit approved by the Shareholders referred to in Rule 17.03B or Rule 17.03C of the Listing Rules.

9. SCHEME MANDATE LIMIT AND INDIVIDUAL LIMIT

- 9.1 Subject to the rules of the Scheme and any waiver or ruling granted by the Hong Kong Stock Exchange, the total number of H Shares (including the transfer of treasury shares) which may be issued and allotted pursuant to all share incentives to be granted to Eligible Participants under the Scheme and any other share schemes of the Company shall not exceed 5% of the total number of issued shares of the relevant class (excluding treasury shares) as at the Adoption Date.

- 9.2 The Scheme Mandate Limit may be refreshed by the Shareholders in General Meeting three years after the later date of (i) the date of Shareholders' approval for the last refreshment; and (ii) the date of adoption of the Scheme, provided that:
- (a) the total number of new H Shares which may be issued in respect of all incentives and options to be granted under all Relevant Scheme(s) under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares (excluding treasury shares) in issue as at the date of approval of the refreshing of the Scheme Mandate Limit by the Shareholders; and
 - (b) a circular regarding the proposed refreshment of the Scheme Mandate Limit has been dispatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules, including but not limited to the number of Incentive Shares or options that have already been granted under the existing Scheme Mandate Limit and the reason for the refreshment.
- 9.3 If the Scheme Mandate Limit is proposed to be refreshed within any three-year period, such refreshment must be approved by the Shareholders at a General Meeting, at which any Controlling Shareholder and its associates (or (if there is no Controlling Shareholder) the directors of the issuer (excluding independent non-executive Directors) and the chief executive and their respective associates) must abstain from voting in favour of the relevant resolution, and any additional requirements set out in the Hong Kong Listing Rules must be complied with.
- 9.4 For the purposes of calculating the Scheme Mandate Limit, any Incentive Shares or share options that have lapsed in accordance with the terms of the Relevant Scheme shall not be treated as having been utilized.
- 9.5 Subject to any waiver or ruling granted by Hong Kong Stock Exchange, where any grant of Incentive Shares (excluding a grant of options) to a Director of the Company (other than an independent non-executive Director) or a chief executive, or any of their associates, would result in the new H Shares issued and to be issued in respect of all Incentive Shares granted to such person (excluding any Incentive Shares which have lapsed in accordance with the terms of this Scheme or the Relevant Schemes) under

this Scheme and any other share schemes involving the issue of new H Shares or the transfer of treasury shares (collectively with the Scheme, the “**Relevant Schemes**”) in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares (excluding treasury shares) as at the date of such grant, such grant of Incentive Shares shall not be valid unless:

- (a) the Grant has been duly approved by the Shareholders in General Meeting in the manner required by the relevant provisions of Chapter 17 of the Listing Rules, and the Selected Participant, his/her associates and all core connected persons of the Company have abstained from voting in favour of the resolution approving such grant at the General Meeting;
- (b) the number and terms of such Incentive Shares are determined before approval by the General Meeting of the Company; and
- (c) the Company has complied with any other applicable requirements of the Listing Rules.

9.6 Subject to any waiver or ruling granted by the Hong Kong Stock Exchange, where any grant of options or incentive shares to an Independent Non-executive Director or a Substantial Shareholder of the Company, or any of their respective associates, would result in the number of new H Shares issued and to be issued in respect of all options and incentive shares granted to such person under this Scheme and any other share schemes involving the issue of new H Shares or the transfer of treasury shares (excluding any options and incentive shares that have lapsed in accordance with the terms of the Scheme or the relevant scheme(s)) in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of issued shares (excluding treasury shares) as at the date of grant, such grant of incentive shares shall not be valid unless:

- (a) the grant has been duly approved by the Shareholders in General Meeting in the manner required by the relevant provisions of Chapter 17 of the Listing Rules, and the Selected Participant(s), his/her associates and all core connected persons of the Company have abstained from voting in favour of the resolution approving such grant at the General Meeting;
- (b) the number and terms of such Incentive Shares are determined before approval by the General Meeting of the Company; and
- (c) the Company has complied with any other applicable requirements of the Listing Rules.

9.7 Subject to the rules of the Scheme and any waiver or ruling granted by the Hong Kong Stock Exchange, if the grant of Options and/or Incentive Shares to any Selected Participant(s) would result in the number of new H Shares issued and to be issued in respect of all Options and Incentive Shares granted to such person under this Scheme and any other share schemes involving the issue of new H Shares or the transfer of treasury shares by the Company in the 12-month period up to and including the date of grant (excluding any Options and Incentive Shares which have lapsed in accordance with the terms of this Scheme or the relevant scheme(s)) exceeding 1% of the total number of issued Shares (excluding treasury shares) as at the date of grant, such grant of Incentive Shares shall not be valid unless:

- (a) the Grant has been duly approved by the Shareholders in General Meeting in the manner required by the relevant provisions of Chapter 17 of the Listing Rules, and the Selected Participant(s), his/her close associates (or associates if the Selected Participant is a connected person) and all core connected persons of the Company have abstained from voting in favour of the resolution approving such grant at the General Meeting;
- (b) the number and terms of such Incentive Shares are determined before approval by the General Meeting of the Company; and
- (c) the Company has complied with any other applicable requirements of the Listing Rules.

10. GRANT OF INCENTIVE SHARES

10.1 Subject to the Listing Rules and the Scheme, the Board and/or the Scheme Management Committee may, at their absolute discretion from time to time, select any Eligible Participant(s) to be a Selected Participant to participate in the Scheme, and grant Incentive Shares to any Selected Participant and on such terms and conditions as the Board and/or the Scheme Management Committee may determine at their absolute discretion.

10.2 The grant of Incentive Shares to any Director, chief executive (as defined in the Listing Rules) or substantial Shareholder of the Company (or any of their respective associates) shall require the prior approval of the independent non-executive Directors (excluding any independent non-executive Director to whom the grant is to be made).

- 10.3 For the avoidance of doubt, no grant of any Incentive Shares by the Company shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or the Directors of any applicable securities laws and regulations in any jurisdiction.
- 10.4 The Board and/or the Scheme Management Committee shall not grant any Incentive Shares under the Scheme Rules if dealing in H Shares is prohibited under the Listing Rules or any code or requirement of applicable law from time to time, nor shall they give instructions to the Trustee for the acquisition of any H Shares under the Scheme. Without limiting the generality of the foregoing, no such instruction shall be issued, and no such grant shall be made and no such instruction shall be issued, during the following periods:
- (a) after the Company becomes aware of any information required to be disclosed under Rule 13.09 of the Listing Rules or inside information required to be disclosed under Part XIVA of the Securities and Futures Ordinance until the trading day (inclusive) on which such information is publicly announced in accordance with the Listing Rules, the Securities and Futures Ordinance, and/or applicable laws;
 - (b) during the period commencing 30 days immediately preceding the earlier of: (i) the date of the Board of Directors' meeting (as such date is first notified to the Stock Exchange) for the approval of the Company's results for any year, half-year, quarter or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish its results for any year, half-year, quarter or any other interim period under the Listing Rules (whether or not required under the Listing Rules), and ending on the deadline of the results announcement (inclusive), including any period of delay in publishing such results announcement;
 - (c) (in the event that the Selected Participant is a director or the chief executive of the Company) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company, during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company, or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
 - (d) in any circumstances where the trading of Shares by the Selected Participant(s) (including Directors of the Company) is prohibited under the Listing Rules, the Securities and Futures Ordinance or any other applicable laws or regulations;

- (e) in the absence of any necessary approval from any government or regulatory authority; and
- (f) in any case where the granting of Incentive Shares is prohibited by or would result in a contravention of the Listing Rules, the Securities and Futures Ordinance or any other applicable laws or regulations.

11. GRANT INSTRUMENT

- 11.1 The Grant Date shall be determined by the Board and/or the Scheme Management Committee upon the approval of the Scheme by the General Meeting and the fulfillment of the conditions for grant. The determination of the Grant Date shall comply with the Listing Rules and other applicable laws and regulations and does not expose the Company to any material risks (including but not limited to compliance risk).
- 11.2 Each Grant shall be evidenced by a Grant Instrument, which shall be issued by the Board and/or the Scheme Management Committee by electronic or paper means as determined from time to time. The Grant Instrument shall specify the names of the Selected Participant(s), the purchase price, any vesting conditions (if any, including without limitation performance-based criteria, vesting period and other standards), the number of Incentive Shares granted, and such other terms and conditions as the Board and/or the Scheme Management Committee shall, in their sole discretion, determine.
- 11.3 Selected Participant(s) who receive grants under the Scheme are required to pay the Purchase Price for obtaining the Incentive Shares, and the Purchase Price shall be determined based on the respective ranks of the Selected Participant(s). The Board and/or the Scheme Management Committee may in its/their absolute discretion determine the method and term for the payment of Purchase Price by the Selected Participant(s).

Ranks	Purchase Price
Vice President level	RMB1.0/Share
Director level	RMB0.8/Share
Manager level	RMB0.6/Share
Supervisor level and specialist level	RMB0.4/Share

11.4 Upon acceptance of such grant offer by the Selected Participant(s) in the manner and within the period specified in the Grant Instrument, the share incentive relating to such offer shall be deemed effective on the Grant Date stated in the Grant Instrument. For the avoidance of doubt, the Board and/or the Scheme Management Committee may, at its sole and absolute discretion, determine that the relevant Selected Participant(s) shall not be required to pay any consideration upon acceptance of the share incentive.

11.5 A Grant Instrument in respect of Incentive Shares granted under the Scheme shall be deemed subject to the provisions of the Scheme, whether or not all terms are set out in the Grant Instrument. Upon acceptance of the relevant Grant Instrument by the Selected Participant(s), the Selected Participant(s) shall be deemed to have agreed, undertaken and warranted to comply with the Scheme Rules.

12. VESTING OF INCENTIVE SHARES

12.1 Vesting of Incentive Shares is subject to the following conditions:

- (a) unless otherwise required by the Scheme Rules, the Scheme is still valid and has not been terminated;
- (b) the vesting schedule set out in the Grant Instrument has been achieved;
- (c) the Selected Participant(s) remain Eligible Participant(s);
- (d) there are no circumstances in which the Selected Participant(s) are not permitted to be vested with the underlying H Shares pursuant to the Scheme;
- (e) the performance targets, assessment conditions and other conditions (if any) set out in the Grant Instrument have been achieved;
- (f) the Selected Participant(s) are not prohibited by any applicable laws and regulations from participating in the Scheme.

12.2 The vesting of the Incentive Shares under the Scheme is subject to the assessment of the Group's core operating profit. The Board and/or the Scheme Management Committee may, at its/their own discretion, stipulate the terms for achieving the assessment targets (including but not limited to: vesting shall be subject to the satisfaction of either of the following conditions: (i) achievement of the cumulative performance targets from the year of grant to the year immediately preceding the vesting; or (ii) achievement of the single-year performance target for the year immediately preceding the vesting), and adjust the assessment requirements subject to compliance with the Scheme Rules, the Listing Rules and any applicable laws and regulations; the terms set out in the Grant Instrument shall prevail.

The specific reference target value of the core operating profit for each assessment year are as follows:

Assessment Year	Reference Target Value of the Core Operating Profit
2026	RMB600 million
2027	RMB700 million
2028	RMB800 million
2029	RMB1.0 billion
2030	RMB1.2 billion
2031-2035	Determined from time to time at the sole discretion of the Board and/or the Scheme Management Committee based on the annual results and performance of the Group

12.3 The vesting period for any Incentive Shares shall not be less than twelve (12) months. Notwithstanding any other provisions of the Scheme, subject to the purpose of the Scheme and applicable laws and regulations (including the Listing Rules), the Board and/or the Scheme Management Committee may, in its/their absolute discretion, determine to grant Incentive Shares with a vesting period of less than 12 months to Employee Participant(s) under the following specific circumstances:

- (a) Incentive Shares refer to “make-whole” share incentives granted to an Employee Participant who is a new joiner of the Group, in replacement of the share incentives forfeited by such person upon his/her departure from his/her former employer;

- (b) Incentive Shares are granted to Employee Participants whose employment is terminated due to death, disability or the occurrence of any event beyond their control (in such cases, the vesting of the share incentives may be accelerated);
- (c) the vesting of the Incentive Shares is based on the performance-based conditions provided in the Grant Instrument and the Scheme Rules, in lieu of time-based vesting criteria;
- (d) Grants that are made in batches during a year for administrative and compliance reasons. They may include Incentive Shares that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which the Incentive Shares would have been granted;
- (e) Incentive Shares are granted on a mixed or accelerated vesting schedule (for example, the Incentive Shares may vest evenly over a period of twelve (12) months); and
- (f) Incentive Shares have a total vesting and holding period of more than twelve (12) months.

12.4 If the Selected Participant(s) fail to meet the vesting conditions applicable to the relevant Incentive Shares, the Board and/or the Scheme Management Committee may, in their absolute discretion, defer the vesting schedule or adjust the vesting percentage, failing which the relevant Incentive Shares shall not vest and shall lapse immediately. If the Group's core operating profit targets are not met, the Incentive Shares which have not vested for the relevant assessment period may be deferred to subsequent assessment periods, provided that the vesting period following such deferral shall not be shorter than the original vesting period, and any adjustment which results in a benefit to the Selected Participant(s) shall be subject to the necessary approvals under Rule 17.03(18) of the Listing Rules.

12.5 Within a reasonable time after the fulfillment of vesting conditions and vesting schedule, the Board and/or the Scheme Management Committee shall, as soon as practicable, issue a Vesting Notice to the Selected Participant(s) by electronic or paper means as determined from time to time. The Vesting Notice shall specify the extent to which the vesting conditions and vesting schedule would be met, fulfilled, satisfied or waived and the number of Incentive Shares to vest during the relevant vesting period.

12.6 If the Vesting Date is not a Business Day, the Vesting Date shall be the first Business Day immediately after the trading halt or suspension of the H Shares.

12.7 For the purpose of vesting of the Incentives, the Board and/or the Scheme Management Committee may:

- (a) procure the Company to transfer the relevant number of treasury shares in issue as Share Incentives to the Grantee and rank as fully paid up Shares directly;
- (b) pay, or procure the payment of, an amount equivalent to the market value of the share incentives to the Grantee in cash, for the purpose of satisfying the relevant Share Incentives of the Grantee upon vesting;
- (c) direct and procure the Trustee to release the Incentive Shares to the Selected Participant(s) by transferring the Incentive Shares to the Selected Participant(s) (in the form determined by the Board and/or the Scheme Management Committee and/or the Trustee from time to time); or
- (d) to the extent that it is not practicable for the Selected Participant(s) to receive the Incentives in the form of H Shares solely due to legal or regulatory restrictions on the Selected Participant(s)'s ability to receive the Incentives in the form of H Shares, or any restrictions or circumstances that render the Trustee unable to effect any such transfer to the Selected Participant(s), the Board and/or the Scheme Management Committee shall direct and procure the Trustee to sell the Incentive Shares vested in the Selected Participant(s) through such transaction methods as may be specified, and pay to the Selected Participant(s) cash equivalent to the actual sale proceeds of the Incentive Shares set out in the Vesting Notice.

12.8 Any stamp duty arising out of the transfer of the Incentive Shares to the Selected Participant(s) shall be borne by the Company. Any duty or other direct costs and expenses arising out of the sale of the Incentive Shares due to the vesting shall be borne by the Selected Participant(s).

12.9 All costs and expenses in relation to all dealings in Incentive Shares after vesting of the Incentive Shares to the Selected Participant(s) shall be borne by the Selected Participant(s), and neither the Company nor the Trustee shall be liable for any such costs and expenses thereafter.

12.10 Other than the stamp duty payable by the Company in accordance with Rule 12.8, all other taxes (including but not limited to personal income taxes, VAT, professional taxes, salary taxes and similar taxes (as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Selected Participant(s)'s participation in the Scheme or in relation to the Incentive Shares or cash equivalents of Incentive Shares) shall be borne by the Selected Participant(s), and neither the Company nor the Trustee shall be liable for any Taxes. The Selected Participant(s) will indemnify the Trustee and all members of the Group against any liability each of them may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this provision, notwithstanding any provision in the Scheme Rules (but subject to applicable law), the Trustee or any member of the Group may:

- (a) reduce or withhold the number of Selected Participant(s)'s Incentive Shares underlying the Incentive (the number of Incentive Shares underlying the Incentive which may be reduced or withheld shall be limited to the number of Incentive Shares which the Company reasonably believes that their fair market value on the date of withholding is sufficient to cover any such liability) for the purpose of payment of the Purchase Price or relevant Taxes;
- (b) sell such number of H Shares to which the Selected Participant(s) become entitled under the Scheme on behalf of the Selected Participant(s), and retain the proceeds to pay the Grant Price and/or pay such proceeds to relevant authorities or government agencies;
- (c) deduct or withhold, without notice to the Selected Participant(s), the amount of any such liability from any payment to the Selected Participant(s) made under the Scheme or any payments payable by a member of the Group to the Selected Participant(s), including from the salary payable to the Selected Participant(s) by any member of the Group; and/or
- (d) require the Selected Participant(s) to remit from their own account(s) to the Trustee or any member of the Group, in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by the Trustee or any member of the Group on account of the Selected Participant(s) or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amount.

The Company and/or the Trustee shall not be obliged to transfer any Incentive Shares (or pay the actual sale price of such Incentive Shares in cash) to the Selected Participant(s) unless and until the Trustee and/or the Company are satisfied that such Selected Participant(s)'s obligations under the Scheme Rules have been fulfilled.

13. TRANSFER OF INCENTIVE SHARES AND OTHER RIGHTS

13.1 The Incentive Shares granted under the Scheme shall be personal to the Selected Participant(s) and shall not be transferable. During the scheme period, unless and until the Share Incentives vest and are actually transferred to the Grantee (if applicable) in accordance with the Scheme Rules, the Selected Participant(s) shall not in any way dispose of the granted Share Incentives, including but not limited to sell, transfer, pledge, charge, mortgage, encumber or create any interest in favour of any third party, nor enter into any agreement to effect any of the foregoing. Any purported transfer, assignment, charge, pledge or other sale of the unvested Share Incentives in breach of the provisions of this clause shall be null and void, and the corresponding unvested Share Incentives shall lapse and be cancelled.

13.2 For the avoidance of doubt, the Company has no arrangement to provide financial assistance to the Selected Participant(s) to facilitate their respective acquisition of shares under conditional grants.

13.3 Any actual or purported breach of Rule 13.1 shall entitle the Company to cancel all or any part of any Incentive Shares granted to Selected Participant(s) but unvested, and no compensation or replacement award will be given other than the contribution already made by the Selected Participant(s) (if any). A decision by the Board and/or the Scheme Management Committee as to whether the Selected Participant(s) has breached any of the above provisions shall be final and conclusive.

14. VOTING RIGHTS AND DIVIDENDS

14.1 Under the Scheme, the Trustee shall not exercise any voting rights in respect of any unvested Shares held on trust. The Trustee shall abstain from exercising any voting rights in respect of any unvested Shares held by it on any matters requiring shareholders' approval under the Listing Rules.

14.2 Prior to the vesting of the share incentives, a Grantee shall have no right to exercise any voting rights or enjoy any dividend rights (including those arising from the winding up of the Company) in respect of such unvested share incentives. Dividends received in respect of the unvested share incentives held by the Grantee shall be treated as cash income of the relevant Trust.

14.3 The H Shares to be transferred upon the vesting of the Incentive Shares shall be subject to all provisions of the articles of association of the Company then in force, and shall rank *pari passu* in all respects with the existing fully paid H Shares in issue on the date of transfer of such H Shares upon the vesting of the Incentive Shares, and shall carry the same voting rights, dividend rights, transfer rights and other rights (including rights arising from the liquidation or winding up of the Company), and, without prejudice to the generality of the foregoing, the holders of which shall be entitled to participate in all dividends or other distributions paid or made on or after the date on which such H Shares are transferred.

15. CHANGE OF CONTROL, PUBLIC OFFER, RIGHTS ISSUE, BONUS WARRANTS, ETC.

15.1 If there occurs an event of change in control of the Company (whether by way of offer, merger, scheme of arrangement or otherwise), the Board and/or the Scheme Management Committee shall determine at its sole and absolute discretion whether any Incentive Shares shall vest in the Selected Participant(s) and the time at which such Incentive Shares shall vest. If the Board and/or the Scheme Management Committee determines that any Incentive Shares shall be vested to any Selected Participant(s), the Trustee shall distribute the Incentive Shares to such Selected Participant(s) and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant(s) and any family members of such participant in accordance with the provisions of the Scheme. The Board and/or the Scheme Management Committee shall not reduce the vesting period for Incentive Shares to less than 12 months as a result of any event of change in control unless any of the circumstances listed under Rule 12.3 applies.

Subject to obtaining a waiver from the Hong Kong Stock Exchange, the Company may allow a transfer of the incentive to a vehicle (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such Selected Participant (e.g. for estate planning or tax planning purposes), provided that such transfer would continue to meet the purpose of the Scheme and comply with Chapter 17 of the Listing Rules. Where such waiver is granted, any transfer to a permitted transferee shall be subject to the terms of the Trust Deed and the applicable laws and regulations including but not limited to the Listing Rules (as amended from time to time).

15.2 If there occurs an event of alteration in the capital structure of the Company (including but not limited to capitalization or bonus issue, rights issue or open offer with price-dilutive element, and subdivision or consolidation of shares) whilst any Incentive Share remains unvested, the Board and/or the Scheme Management Committee may make equitable adjustments that it considers appropriate, at its sole and absolute discretion, including: (i) the Scheme Mandate Limit under the Scheme; and/or (ii) the number of H Shares that may be offered by the Company to the Selected Participant(s) pursuant to the Incentive Shares that have already been granted but not vested, provided that:

- (a) no such adjustments shall be made in respect of an issue of securities by the Company as consideration in a transaction;

- (b) any such adjustments made must give each Selected Participant the same proportion of the share capital of the Company, rounded to the nearest whole H Share, as that to which he/she was previously entitled, provided that no such adjustment shall result in Shares being issued at a price below their par value (if any);
- (c) no adjustment shall be made to the advantage of the Selected Participant(s) without specific prior approval from the Shareholders of the Company;
- (d) any adjustment made should have a neutral impact or worse from the perspective of the Selected Participant(s);
- (e) any such adjustments, other than those made on a capitalization issue, shall be confirmed by an independent financial adviser or the auditors in writing to the Directors as satisfying the requirements of the Scheme Rules, the requirements of the relevant provisions of the Listing Rules and the supplementary guidance on Rule 17.03(13) of the Listing Rules as provided by the Hong Kong Stock Exchange from time to time (the “**Supplementary Guidance**”) and any further guidance/interpretation of the Listing Rules issued by the Hong Kong Stock Exchange from time to time, and that in the opinion of the auditors or the independent financial adviser, the adjustments made by the Board and/or the Scheme Management Committee under the Scheme Rules are fair and reasonable. The independent financial adviser or the auditors (as the case may be) shall act as experts and not as arbitrators and their certification shall be final and binding on the Company and the Selected Participant(s). The costs of the independent financial adviser or the auditors (as the case may be) shall be borne by the Company; and
- (f) any adjustments to be made will comply with the Listing Rules, the Supplementary Guidance and any further guidance/interpretation of the Listing Rules issued by the Hong Kong Stock Exchange from time to time.

If there has been any alteration in the capital structure of the Company as above-mentioned, the Company shall notify each Selected Participant (with a copy of the notification to the Trustee) of the adjustment to be made after such alteration in the capital structure of the Company.

- 15.3 In the event of a capitalization or bonus issue and a rights issue with price-dilutive element or an open offer with price-dilutive element, the Company shall apply the formulas for calculating the adjusted number of Incentive Shares and the adjusted Purchase Price as prescribed in Section I “Capitalisation or Bonus Issue and Rights Issue or Open Offer” of the Supplementary Guidance issued by the Stock Exchange (as updated from time to time), which are set out below:

$$\text{Adjusted number of Incentive Shares} = \text{Original number of Incentive Shares} \times F$$

$$\text{Adjusted Purchase Price} = \text{Original Purchase Price} \times 1/F$$

Where:

$$F = \text{CUM}/\text{TEEP}$$

CUM = Closing price as shown in the daily quotation sheet of the Stock Exchange on the last trading day before going ex-entitlement

$$\text{TEEP (Theoretical Ex Entitlement Price)} = [\text{CUM} + [M \times R]]/[1 + M]$$

M = Entitlement per existing Share

R = Subscription price

- 15.4 In the event of a subdivision or consolidation of share capital or a reduction in share capital, the Company shall apply the formulas for calculating the adjusted number of Incentive Shares and the adjusted Purchase Price as prescribed in Section II “Subdivision or Consolidation of Shares” of the Supplementary Guidance issued by the Stock Exchange (as updated from time to time), which are set out below:

$$\text{Adjusted number of Incentive Shares} = \text{Original number of Incentive Shares} \times F$$

$$\text{Adjusted Purchase Price} = \text{Original Purchase Price} \times 1/F$$

Where F = Subdivision or consolidation factor or reduction in share capital factor

15.5 Unless otherwise determined by the Board and/or the Scheme Management Committee:

- (a) in the event the Company undertakes an open offer of new securities in respect of any Shares which are held directly or indirectly by the Trustee under the Scheme, the Trustee shall not subscribe for, or procure the subscription of, any new Shares. In the event of a rights issue, the Trustee shall sell or procure to be sold such amount of the nil-paid rights allotted to it (or a designee) on the market as is appropriate and the net proceeds of sale of such rights shall be held as part of the Trust;
- (b) in the event the Company issues bonus warrants in respect of any Shares which are held directly or indirectly by the Trustee, the Trustee shall not subscribe for, and, where applicable, procure the subscription of, any new Shares by exercising any of the subscription rights attached to the bonus warrants and shall sell or procure to sell the bonus warrants created and granted to it on the market and the net proceeds of sale of such bonus warrants shall be held as part of the Trust;
- (c) in the event that the Company undertakes an issue of bonus shares, the bonus shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust;
- (d) in the event the Company undertakes a scrip dividend scheme, the Trustee shall elect or, where applicable, procure the holding company to elect to receive scrip shares and scrip shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust;
- (e) in the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon the Trust, the Trustee shall dispose of or, where applicable, procure the disposal of such distribution and the net sale proceeds thereof shall be treated as cash income of the Shares held as part of the Trust.

15.6 If notice is duly given by the Company to its Shareholders to convene a General Meeting for the purpose of considering a resolution for the voluntary winding-up of the Company (other than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) or an order of winding up of the Company is made, the Board and/or the Scheme Management Committee shall determine at its sole and absolute discretion whether any Incentive Shares shall vest in the Selected Participant(s) and the time at which such Incentive Shares shall vest. If the Board and/or the Scheme Management Committee determines that any Incentive Shares shall vest, it shall promptly notify such Selected Participant(s) (with a copy of the notification to the Trustee) and shall use its reasonable endeavours to procure the Trustee to take such action as may be necessary to transfer the legal and beneficial ownership of the Incentive Shares to such Selected Participant(s) and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the participant and any family members of such participant. For the avoidance of doubt, if the Board and/or the Scheme Management Committee determine that such unvested Incentive Share interests shall not vest, such Incentive Shares shall lapse immediately under all circumstances. The Board and/or the Scheme Management Committee shall not reduce the vesting period for Incentive Shares to less than 12 months as a result of such determination unless any of the circumstances listed under Rule 12.3 applies.

16. INTERPRETATION

16.1 Any decision made under the Scheme, including the interpretation of the Scheme Rules, shall be made by the Board and/or the Scheme Management Committee. The decision by the Board and/or the Scheme Management Committee shall be final and binding.

17. ALTERATION OF THE SCHEME

17.1 Upon adoption of the Scheme by the General Meeting, the Scheme may be amended at the discretion of the Board and/or the Scheme Management Committee in accordance with applicable laws and regulations. In the event of any inconsistency between the Scheme Rules and the relevant laws, regulations, agreements or Listing Rules, the provisions of the relevant laws, regulations, agreements and Listing Rules shall prevail. Subject to the provisions of the relevant laws, regulations, agreements and Listing Rules, the amendment of the Scheme Rules by the Board and/or the Scheme Management Committee shall be subject to the approval of the Shareholders or the Hong Kong Stock Exchange.

17.2 The Scheme may be amended in any respect by a resolution of the Board provided that, (i) unless with the prior written consent of the Trustee, any such amendment or modification shall not impose any additional or more onerous duties, responsibilities or liabilities on the Trustee; and (ii) any alteration to the terms and conditions of the Scheme that are of a material nature, or any alteration to the authority of the Board and/or the Scheme Management Committee to alter the terms of the Scheme or any alteration to the specific terms of the Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Selected Participant(s) or proposed Selected Participant(s) must be approved by the Shareholders at the General Meeting. The Board's and/or the Scheme Management Committee's determination as to whether any proposed alteration to the terms and conditions of the Scheme is material shall be conclusive.

17.3 Any change to the terms of Incentive Shares granted to Selected Participant(s) must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial Grant of such Incentive Shares under the Scheme was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the Scheme.

17.4 The Board and/or the Scheme Management Committee may amend the terms of the Scheme in order to comply with the relevant provisions of the Listing Rules to reflect any amendments made by the Hong Kong Stock Exchange to the relevant Listing Rules after the Adoption Date, and the Scheme has been drafted to reflect the position as at the Adoption Date of the Scheme.

18. TERMINATION OF THE SCHEME

18.1 The Scheme shall be terminated on the earlier of:

- (a) the date of the tenth anniversary of the Adoption Date; and
- (b) such date of early termination as determined by the Board and/or the Scheme Management Committee, provided that such termination shall not affect any subsisting rights of any Selected Participant(s);

18.2 Upon termination of the Scheme:

- (a) no further grant of Incentive Shares may be made under the Scheme;
- (b) the unvested Incentive Shares granted to the Selected Participant(s) under the Scheme shall continue to be valid in accordance with the Scheme Rules and the relevant grant conditions, and shall continue to be held by the Trustee and vested in the Selected Participant(s) according to the conditions of the Incentive Shares, subject to the receipt by the Trustee of the required documents prescribed by the Trustee;
- (c) unless otherwise determined by the Board and/or the Scheme Management Committee, the Trustee shall sell all remaining H Shares held in the Trust (excluding any Incentive Shares to be vested to Selected Participant(s)) within twenty-eight (28) Business Days (during periods when trading in Shares is not suspended), or such longer period as may be agreed between the Trustee and the Board and/or the Scheme Management Committee; and
- (d) all net proceeds of sale and such other funds and properties remaining in the Trust managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses and reasonable provision required for the fulfilment of outstanding Incentive Shares) shall be remitted to the Company forthwith. For the avoidance of doubt, the Trustee shall not transfer any H Shares to the Company, nor shall the Company hold any H Shares whatsoever (other than its interest in the proceeds of sale of such Shares).

NOTICE OF EXTRAORDINARY GENERAL MEETING

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GUOQUAN FOOD (SHANGHAI) CO., LTD.

鍋圈食品(上海)股份有限公司

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

(Stock Code: 2517)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the 2026 first extraordinary general meeting (the “**EGM**”) of Guoquan Food (Shanghai) Co., Ltd. (鍋圈食品(上海)股份有限公司) (the “**Company**”) will be convened at the Conference Room on the 5th Floor, No. 3, Lane 187, Xinghong Road, Minhang District, Shanghai, PRC at 2:00 p.m. on Thursday, September 10, 2026 for the purposes of considering and, if thought fit, approving the following resolutions. For details of the resolutions, please refer to the circular dated August 26, 2026 of the Company (the “**Circular**”). Unless the context otherwise requires, capitalized terms used in this notice shall have the same meanings as defined in the Circular.

ORDINARY RESOLUTIONS

1. To consider and approve the resolution on the adoption of the 2026 H Share Equity Incentive Scheme of the Company (the details of which are set out in the Circular)
2. To consider and approve the resolution on the adoption of the Scheme Mandate Limit of the 2026 H Share Equity Incentive Scheme of the Company (representing 5% of the total number of Shares (excluding treasury shares and repurchased Shares pending cancellation) issued as at the date of approval of this resolution at the EGM), subject to the passing of resolution No. 1 above (details of which are set out in the Circular)

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. To consider and approve the resolution on the authorisation to the Board and/or the Scheme Management Committee to handle matters relating to the 2026 H Share Equity Incentive Scheme of the Company
4. To consider and approve the profit distribution plan of the Company for the half year of 2026
5. To consider and approve the resolution on the provision of guarantees for financing of subsidiaries
6. To consider and approve the resolution on the change in the use of proceeds

By order of the Board
Guoquan Food (Shanghai) Co., Ltd.
鍋圈食品(上海)股份有限公司
Mr. Yang Mingchao
*Chairperson of the Board, Executive Director
and Chief Executive Officer*

Hong Kong, August 26, 2026

As at the date of this notice, the Board of the Company comprises Mr. Yang Mingchao, Mr. Meng Xianjin, Mr. An Haolei, Ms. Luo Na and Ms. Yang Tongyu as executive directors; Mr. Liu Zhengzheng as a non-executive director; Mr. Zeng Xiaosong, Ms. Yu Fang Jing, Mr. Li Jianfeng and Mr. Shi Kangping as independent non-executive directors; and Ms. Zheng Min as an employee director.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes

1. The register of members of the Company will be closed from Monday, September 7, 2026 to Thursday, September 10, 2026 (both days inclusive) for determining the entitlement of Shareholders to attend and vote at the EGM, during which period no transfers of Shares will be registered. To be eligible to attend and vote at the EGM, all share transfer documents together with the relevant Share certificates must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, September 4, 2026. All Shareholders whose names appear on the register of members of the Company on Thursday, September 10, 2026 are entitled to attend and vote at the EGM.
2. A Shareholder entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote in his/her/its stead. The proxy needs not be a member of the Company. If more than one proxy is appointed, the number and class of Shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.

The instrument appointing a proxy must be in writing under the hand of the Shareholder or his/her/its attorney duly authorised in writing. If the Shareholder is a corporation, that instrument must be executed either under its common seal or under the hand of its Director(s) or duly authorised attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorising that attorney to sign or other authorisation documents must be notarized.

In order to be valid, the proxy form together with the notarized power of attorney or other authorisation documents (if any) must be deposited at the Company's H Share registrar, 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 holding the EGM (i.e. before 2:00 p.m. on Wednesday, September 9, 2026) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the EGM or any adjournment thereof should they so wish at that time.

3. If the attending Shareholder is a corporation, its legal representative shall present his or her identification document, a valid certificate proving his or her qualification as a legal representative and proof of shareholding; if a proxy is appointed to attend the meeting, such proxy shall present his or her ID card and a written power of attorney issued by the relevant Shareholder in accordance with law.
4. Pursuant to Rule 13.39(4) of the Listing Rules, subject to certain exceptions, all votes of the Shareholders at the general meetings must be taken by poll. Therefore, voting on the resolutions contained in the notice of the EGM will be conducted by poll.
5. The EGM is expected to last for half a day. Shareholders or their proxies attending the EGM (and any adjournment thereof) shall produce their identity documents. Shareholders or their proxies attending the EGM shall be responsible for their own traveling and accommodation expenses.