THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

Fortior Technology (Shenzhen) Co., Ltd.
峰岹科技(深圳)股份有限公司

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

(Stock code: 1304)

(1) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME AND THE PROPOSED ISSUE OF RESTRICTED SHARES UNDER THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME;
(2) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME IMPLEMENTATION AND ASSESSMENT MANAGEMENT MEASURES;
(3) PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH MATTERS RELATING TO THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME; AND
(4) NOTICE OF THE 2026 SECOND EGM

Unless the context otherwise requires, capitalized terms used in this cover page and this circular shall have the same meanings as those defined in the section headed "Definitions" in this circular. A letter from the Board is set out on pages 4 to 44 of this circular.

A notice convening the 2026 Second EGM of the Company to be held at 801, Building 11, Software Park (Phase II), 1 Keji Central Road II, Gaoxin Central Zone, Nanshan District, Shenzhen, Guangdong, the PRC on 14 September 2026 at 11:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. Whether or not you intend to attend the 2026 Second EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's H share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 24 hours before the time of the meeting (i.e. not later than 11:00 a.m. on 13 September 2026) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

28 August 2026

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

"2024 A Share Restricted Share Incentive Scheme"	the 2024 A Share Restricted Share Incentive Scheme which was implemented on 27 September 2024
"2026 A Share Restricted Share Incentive Scheme"	the 2026 A Share Restricted Share Incentive Scheme to be adopted by the Company which is subject to the special resolution being considered and approved at the 2026 Second EGM
"2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures"	the Management Measures for Assessment for the Implementation of the 2026 A Share Restricted Share Incentive Scheme
"2026 Second EGM"	the extraordinary general meeting of the Company to be convened for the approval of, among others, (1) proposed adoption of the 2026 A Share Restricted Share Incentive Scheme and the proposed issue of Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme; (2) proposed adoption of the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures; and (3) proposed authorization to the Board to deal with matters relating to the 2026 A Share Restricted Share Incentive Scheme
"A Share(s)"	ordinary share(s) issued by the Company, with a nominal value of RMB1.00 each, which are traded in Renminbi and listed on the STAR Market
"A Shareholder(s)"	holder(s) of our A Shares
"Articles of Association"	articles of association of the Company (《公司章程》), as amended, modified or otherwise supplemented from time to time
"Board"	the board of Directors of the Company
"Company"	Fortior Technology (Shenzhen) Co., Ltd. (峰岹科技(深圳)股份有限公司), a company established under the laws of the PRC on 21 May 2010 and converted into a joint stock company with limited liability on 22 June 2020
"Company Law"	Company Law of the People's Republic of China
"Connected Participant(s)"	Participant(s) who is a connected person of the Company
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules

"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會)
"Director(s)"	the director(s) of the Company
"First Grant"	the proposed grant of not more than 1,970,000 Restricted Shares, representing approximately 98.5% of the total number of Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme
"Grant Date(s)"	the date(s) on which the Company grants the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme
"Grant Price"	the price of each Restricted Share under the 2026 A Share Restricted Share Incentive Scheme
"Group"	the Company and its subsidiaries
"Guidelines for Self-Discipline"	the Guidelines for Self-Discipline of Companies Listed on the STAR Market No. 4 – Information Disclosure of Equity Incentive (《科創板上市公司自律監管指南第4號–股權激勵信息披露》)
"H Share(s)"	overseas listed foreign shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
"H Shareholder(s)"	holders of H Share(s)
"Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Independent Directors"	the independent non-executive Directors
"Latest Practicable Date"	28 August 2026, being the latest practicable date prior to the issuance of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Management Measures"	the Management Measures for Share Incentives of Listed Companies (《上市公司股權激勵管理辦法》)
"Participant(s)"	the persons considered by the Board of Directors to be required to be incentivized by the Company, who shall be granted the Restricted Shares pursuant to the 2026 A Share Restricted Share Incentive Scheme
"PRC"	the People's Republic of China which, for the purpose of this circular, excludes Hong Kong, Macau and Taiwan

"Remuneration and Appraisal Committee"	the remuneration and appraisal committee of the Board
"Reserved Grant"	the reserved grant of not more than 30,000 Restricted Shares, representing approximately 1.50% of the total number of Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme
"Restricted Share(s)"	Type II Restricted Share(s) to be granted to the Participants by the Company at the Grant Price stipulated under the 2026 A Share Restricted Share Incentive Scheme
"RMB"	Renminbi, the lawful currency of the PRC
"Securities Law"	the Securities Law of the PRC (《中華人民共和國證券法》), as amended from time to time
"Share(s)"	A Share(s) and H Share(s)
"Shareholder(s)"	holders of the Company's Shares including A Share(s) and H Share(s)
"Shanghai Stock Exchange"	Shanghai Stock Exchange of the PRC
"STAR Market"	the Science and Technology Innovation Board of the Shanghai Stock Exchange (上海證券交易所科創板)
"STAR Market Listing Rules"	the Rules Governing the Listing of Stocks on the STAR Market of Shanghai Stock Exchange (《上海證券交易所科創板股票上市規則》), as amended from time to time
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Substantial Shareholder"	has the meaning ascribed to it under the Listing Rules
"treasury share(s)"	has the meaning ascribed to it under the Listing Rules
"Validity Period"	the validity period of the 2026 A Share Restricted Share Incentive Scheme commences from the date of the First Grant of the Restricted Shares until the date on which all Restricted Shares granted to the Participants have been vested or cancelled. The Validity Period shall not exceed 60 months
"%"	percent.

Fortior Technology (Shenzhen) Co., Ltd.
峰岹科技(深圳)股份有限公司

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

(Stock code: 1304)

Executive Directors:
Mr. Bi Lei
Dr. Bi Chao

Independent Non-executive Directors:
Dr. Lin Mingyao
Dr. Niu Shuangxia
Mr. Chen Jingyang

Registered Office:
203, Building 11
Software Park (Phase II)
1 Keji Central Road II, Gaoxin Central Zone
Nanshan District, Shenzhen
Guangdong
PRC

Principal Place of Business in Hong Kong:
40/F, Dah Sing Financial Centre
248 Queen's Road East
Wanchai
Hong Kong

28 August 2026

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME AND THE PROPOSED ISSUE OF RESTRICTED SHARES UNDER THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME; (2) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME IMPLEMENTATION AND ASSESSMENT MANAGEMENT MEASURES; (3) PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH MATTERS RELATING TO THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME; AND (4) NOTICE OF THE 2026 SECOND EGM

INTRODUCTION

The purpose of this circular is to provide you with, among other things, the notice of the 2026 Second EGM and the information reasonably necessary to enable you to make an informed decision at the 2026 Second EGM on whether to vote for or against the proposed resolutions or to abstain from voting.

Reference is made to the announcement of the Company dated 20 August 2026 in relation to (a) proposed adoption of the 2026 A Share Restricted Share Incentive Scheme and the proposed issue of Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme; (b) proposed adoption of the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures; and (c) proposed authorization to the Board to deal with matters relating to the 2026 A Share Restricted Share Incentive Scheme. The 2026 A Share Restricted Share Incentive Scheme involves the grant of share awards and the source of shares is the issuance of the Company's ordinary A Shares to the Participants and/or repurchase ordinary A Shares from the secondary market. Currently, the Company does not have any share scheme other than the 2024 A Share Restricted Share Incentive Scheme.

The purpose of this circular is to provide you with the notice of the 2026 Second EGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the 2026 Second EGM.

The following special resolutions will be proposed at the 2026 Second EGM for the Shareholders to consider, and if thought fit, to approve:

(1) proposed adoption of the 2026 A Share Restricted Share Incentive Scheme and the proposed issue of Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme;

(2) proposed adoption of the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures; and

(3) proposed authorization to the Board to deal with matters relating to the 2026 A Share Restricted Share Incentive Scheme.

(i) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME AND THE PROPOSED ISSUE OF RESTRICTED SHARES UNDER THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

The principal terms of the 2026 A Share Restricted Share Incentive Scheme are set out below:

I. Purpose of the 2026 A Share Restricted Share Incentive Scheme

To further enhance its long-term incentive mechanism, the Company aims at attracting and retaining key talent, motivating employees, and effectively aligning the interests of Shareholders, the Company, and individual employees, and ensures that all parties share a common focus on the long-term development of the Company – while fully safeguarding the interests of Shareholders – the Company hereby formulates the 2026 A Share Restricted Share Incentive Scheme in accordance with the principle of aligning returns with contribution, and in accordance with the relevant laws, regulations and regulatory documents including the Company Law, the Securities Law, the Management Measures, the Listing Rules and Guidelines for Self-Discipline and the relevant provisions of the Articles of Association.

After obtaining the approval of the Shareholders in respect of the First Grant and the Reserved Grant, the Company does not have intention to refresh the Scheme Mandate Limit under 2026 A Share Restricted Share Incentive Scheme.

II. Basis for Determining Participants and Scope of Participants

(1) Legal basis for determining Participants

The Participants under the 2026 A Share Restricted Share Incentive Scheme are determined in accordance with the provisions of relevant laws, regulations, normative documents such as the Company Law, the Securities Law, the Administrative Measures, the Listing Rules, and Guidelines for Self-Discipline as well as the Articles of Association, in combination with the actual situation of the Company.

(2) Positional basis for determining Participants

The Participants of the 2026 A Share Restricted Share Incentive Scheme are directors, senior management personnel, core technical personnel and technical (business) backbones (excluding Independent Directors). The above Participants are management personnel and technical and business backbones who have a direct impact on the Company's operating performance and future development, which is consistent with the purpose of this incentive scheme.

(3) Scope of Participants

1. The First Grant of the 2026 A Share Restricted Share Incentive Scheme involves a total of 301 Participants, accounting for 95.56% of the total number of employees of the Company as of 31 December 2025 (315 employees), including:

   (1) Directors and senior management personnel;

   (2) Core technical personnel;

   (3) Technical (business) backbones.

   Among the above Participants, directors and senior management personnel of the Company must be elected by the general meeting or appointed by the Board of Directors. All Participants must have an employment or labor relationship with the Company, its branches or subsidiaries at the time of the grant of the Restricted Shares and during the assessment period specified in the 2026 A Share Restricted Share Incentive Scheme.

2. The above Participants include Mr. Bi Lei, one of the Company's actual controllers, chairman, general manager, and core technical personnel; and Mr. Bi Chao, one of the Company's actual controllers, executive Director, chief technology officer, and core technical personnel. Mr. Bi Lei currently serves as one of the Company's actual controllers, chairman, general manager, and core technical personnel. He is a key leader of the Company and the lead for core technology R&D, playing a vital role in decision-making regarding major aspects of the Company, including strategic planning, R&D breakthroughs, operational management, and business expansion. Including him in the 2026 A Share Restricted Share Incentive Scheme will help him lead the Company in achieving its long-term development goals and strategies. This aligns with the Company's actual circumstances and development needs, and also serves the long-term interests of the broader Shareholder base, particularly small and medium-sized Shareholders. Mr. Bi Chao is one of the Company's actual controllers, a executive director, chief technology officer, and a core technical personnel, playing a vital role in the Company's core technology R&D, R&D team building, and business expansion. Including him in the 2026 A Share Restricted Share Incentive Scheme will help promote the stability and motivation of the Company's core technical personnel, facilitate further advancement in core technology R&D, and thereby contribute to the Company's long-term development. Therefore, designating Mr. Bi Lei and Mr. Bi Chao as Participants under the 2026 A Share Restricted Share Incentive Scheme aligns with the Company's actual circumstances and development needs, complies with the provisions of the Listing Rules and other relevant laws and regulations, and is both necessary and reasonable.

3. The above Participant includes foreign employees. The foreign employees included as Participants are key personnel in their respective positions who play a significant and indispensable role in the Company's day-to-day management, technology, operations, and business activities. Implementing the share incentive scheme will motivate and attract high-caliber foreign talent to join the Company, thereby contributing to its long-term development. Therefore, including these foreign employees as Participants is both necessary and reasonable.

4. According to Article 15 of the "Administrative Measures for Equity Incentive Plans of Listed Companies", "A listed company shall specify the grantees of the reserved rights within 12 months after the equity incentive plan is approved by the shareholders' meeting; if the grantees are not specified within 12 months, the reserved rights shall become invalid." Therefore, the Participants for the Reserved Grant portion shall be determined within 12 months after the 2026 A Share Restricted Share Incentive Scheme is deliberated and approved by the general meeting. After being proposed by the Board of Directors, receiving a clear opinion from the Remuneration and Appraisal Committee, and obtaining a professional opinion and legal opinion from lawyers, the Company shall disclose the relevant information of the Participants in a timely and accurate manner on the designated website in accordance with requirements. Where the Participants are not determined within 12 months, the reserved Restricted Shares shall become invalid. The criteria for determining the Participants of the reserved incentives shall refer to those for the First Grant.

(4) Verification of Participants

(1) After the 2026 A Share Restricted Share Incentive Scheme is deliberated and approved by the Board of Directors, the Company shall publicly disclose the lists of the Participants internally for a period of not less than 10 days.

(2) The Remuneration and Appraisal Committee shall review the list of Participants, fully listen to the opinions from the public disclosure, and disclose an explanation on the review and public disclosure of the list of Participants 5 days before the general meeting deliberates on the 2026 A Share Restricted Share Incentive Scheme. The list of Participants adjusted by the Board shall also be verified by the Remuneration and Appraisal Committee.

III. Incentive Method and Source and Number of Shares under the 2026 A Share Restricted Share Incentive Scheme

The 2026 A Share Restricted Share Incentive Scheme is a share award scheme. The source of shares of the share awards is the ordinary A Shares to be issued by the Company to the Participants and/or the ordinary A Shares repurchased by the Company from the secondary market and no H Share will be issued under the 2026 A Share Restricted Share Incentive Scheme.

The total number of A Shares which may be issued in respect of all awards to be granted under the 2026 A Share Restricted Share Incentive Scheme and any other scheme(s) of the Company (the "**Scheme Mandate Limit**") for the purpose of Rule 17.03(3) of the Listing Rules is 2,000,000 A Shares, representing approximately 1.74% of the total issued share capital of the Company as of the Latest Practicable Date. Amongst such 2,000,000 A Shares, 1,970,000 Restricted Shares will be granted under the First Grant, which accounts for approximately 1.71% of the total share capital of the Company as at the date of the announcement of the draft 2026 A Share Restricted Share Incentive Scheme and 98.50% of the total Restricted Shares to be granted under the 2026 A Share Restricted Share Incentive Scheme; 30,000 Restricted Shares are reserved for grant, which accounts for approximately 0.03% of the total share capital of the Company as at the date of the announcement of the draft 2026 A Share Restricted Share Incentive Scheme and 1.50% of the total Restricted Shares to be granted under the 2026 A Share Restricted Share Incentive Scheme. While the 1,970,000 Restricted Shares subject to the First Grant will be allocated for existing employees of the Group; the 30,000 Restricted Shares subject to the Reserved Grant are largely reserved for future employees of the Group.

Article 10.8 of the STAR Market Listing Rules states that "A-listed company may implement multiple equity incentive plans simultaneously. The total number of underlying shares involved in all equity incentive plans of a listed company that are in effect shall not exceed 20% of the company's total share capital." As of the date of the announcement of the 2026 A Share Restricted Share Incentive Scheme, the total number of options, shares and the restricted shares to be granted under the 2024 Restricted Share Incentive Scheme, the 2026 A Share Restricted Share Incentive Scheme and any other share schemes during their valid periods of all schemes does not exceed 10.00% of the relevant class of shares of the Company (excluding treasury shares) in aggregate at the time of the announcement date and the date of approval by the Shareholders of the draft 2026 A Share Restricted Share Incentive Scheme. The cumulative number of shares of the Company granted to any one Participant during their valid periods does not exceed 1.00% of the total share capital of the Company in aggregate at the time of submitting the 2026 A Share Restricted Share Incentive Scheme to the general meeting.

The Company implemented the 2024 A Share Restricted Share Incentive Scheme on 27 September 2024. As at the Latest Practicable Date, the Company had 1,106,700 Restricted Shares granted and outstanding for vesting under the 2024 A Share Restricted Share Incentive Scheme. Therefore, the total number of shares which may be issued in respect of all options, awards and Restricted Shares to be granted under the 2026 A Share Restricted Share Incentive Scheme, the 2024 A Share Restricted Share Incentive Scheme and any other share schemes are 3,106,700 shares, which represents approximately 2.70% of the total issued shares of the Company as at the date of the announcement and the date of approval by the Shareholders of the draft 2026 A Share Restricted Share Incentive Scheme.

The 2024 A Share Restricted Share Incentive Scheme will be expired on 15 October 2029 which is five years after the date of the first grant of the restricted shares. No Restricted Shares will be further granted under the 2024 A Share Restricted Share Incentive Scheme.

IV. Allocation of the Restricted Shares to the Participants, Scheme Mandate and Individual Limit

No.	Name	Nationality	Position	Number of Restricted Shares granted *(in ten thousand)*	Percentage to the total number of Restricted Shares granted	Percentage to the Company's total share capital as at the date of announcement of the 2026 A Share Restricted Share Incentive Scheme
I. Director, senior management personnel, core technical personnel						
1	Bi Lei	Singapore	chairman of the Board, executive Director, chief executive officer, general manager, and core technical personnel	6.5	3.25%	0.06%
2	Bi Chao	Singapore	executive Director, chief technology officer, core technical personnel	1	0.50%	0.01%
3	Li Baorong	China	core technical personnel	5	2.50%	0.04%
4	Sun Yunzi	China	secretary of the Board	2	1.00%	0.02%
5	Zhang Hongmei	China	chief financial officer	4	2.00%	0.03%
II. Other personnel considered by the Board to be motivated						
Technical (business) backbones (296 persons in total)				178.5	89.25%	1.55%
Reserved Grant				3	1.50%	0.03%
Total				200	100.00%	1.74%

Related Notes

1. The number of shares of the Company in aggregate granted to any one Participant above during their valid periods does not exceed 1% of the total share capital of the Company. The total number of underlying shares involved in all incentive schemes of the Company during their valid periods does not exceed 10% of the total share capital of the Company in aggregate.

2. The proposed Participants under 2026 A Share Restricted Share Incentive Scheme exclude Independent Directors.

3. The Participants under the Reserved Grant will be determined within 12 months after the 2026 A Share Restricted Share Incentive Scheme is considered and approved by the general meeting. Details of the Participants of the Reserved Grant shall be disclosed in a timely manner on the designated website as required following nomination by the Board, taking into account the views of the Remuneration and Appraisal Committee and having received the professional advice and legal opinions of PRC legal advisors.

4. Any discrepancies in the last digit between certain totals in the table above and the sum of the corresponding line items are due to rounding.

V. Life, validity period, grant date, vesting arrangement and lock-up period of 2026 A Share Restricted Share Incentive Scheme

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

The Validity Period of the 2026 A Share Restricted Share Incentive Scheme commences from the date of the First Grant of the Restricted Shares until the date on which all Restricted Shares granted to the Participants have been vested or cancelled. The Validity Period shall not exceed 60 months.

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

The Grant Date shall be determined by the Board after the 2026 A Share Restricted Share Incentive Scheme is considered and approved at the general meeting of the Company. After the share incentive scheme is approved by the general meeting, the Company shall, within 60 days, make the First Grant of Restricted Share to the Participants and complete the announcement. If the Company fails to complete the announcement of the First Grant within 60 days, the 2026 A Share Restricted Share Incentive Scheme shall be terminated, and the Board shall promptly disclose the reasons for the failure and shall not reconsider the share incentive scheme within 3 months (the period during which a listed company is prohibited from granting restricted shares pursuant to the Administrative Measures and relevant laws and regulations shall not be counted toward the 60-day period).

(3). Vesting arrangements of the 2026 A Share Restricted Share Incentive Scheme

(1) The Restricted Shares first granted under the 2026 A Share Restricted Share Incentive Scheme may be vested in tranches as per the agreed proportions 12 months after the date of First Grant for the First Grant, and 12 months after the date of Reserved Grant for the Reserved Grant upon the Participants satisfying the corresponding vesting conditions. The vesting date must be a trading day but shall not occur during the following periods:

1. Within fifteen days prior to the announcement of the Company's annual reports and semi-annual reports, or in the event of postponement in publishing the above-mentioned annual reports and semi-annual reports for special reasons, fifteen days prior to the original announcement date and ending on one day prior to the announcement date;

2. Five days prior to the release of the Company's quarterly reports, results forecast or preliminary report;

3. From the date of a major event which may have a material impact on the trading price of the Company's securities and derivatives or during the decision-making process until the date of legal disclosure of the same;

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

Where relevant laws, administrative regulations, or departmental rules stipulate otherwise regarding periods that may not be vested, such stipulations shall prevail.

(II) Vesting arrangement

The vesting period and vesting arrangements for the First Grant of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme are as follows:

Vesting arrangement	Vesting period	Percentage of vesting numbers to the vested interests
First Vesting Period	Commencing from the first trading day upon the expiry of 12 months from the date of First Grant to the last trading day upon the expiry of 24 months from the date of First Grant	30%
Second Vesting Period	Commencing from the first trading day upon the expiry of 24 months from the date of First Grant to the last trading day upon the expiry of 36 months from the date of First Grant	30%
Third Vesting Period	Commencing from the first trading day upon the expiry of 36 months from the date of First Grant to the last trading day upon the expiry of 48 months from the date of First Grant	40%

If the reserved Restricted Share is granted in full prior to the disclosure of the Company's third-quarter report for 2026, the vesting period for each tranche of the reserved Restricted Share shall be the same as those of the First Grant.

If the reserved Restricted Share is granted in full following disclosure of the Company's third-quarter report for 2026, the vesting period and vesting arrangement of the reserved Restricted Share shall be as set out in the table below:

Vesting arrangement	**Vesting period**	**Percentage of vesting numbers to the vested interests**
First Vesting Period	Commencing from the first trading day upon the expiry of 12 months from the date of Reserved Grant to the last trading day upon the expiry of 24 months from the date of Reserved Grant	50%
Second Vesting Period	Commencing from the first trading day upon the expiry of 24 months from the date of Reserved Grant to the last trading day upon the expiry of 36 months from the date of Reserved Grant	50%

(III) Transferability and Rights attached

Prior to the vesting, the Restricted Shares granted to the Participants under the 2026 A Share Restricted Share Incentive Scheme shall not be transferred or used to guarantee or repay debts. For the Restricted Shares granted to the Participants but not yet vested, shares increased due to capitalisation issue, bonus issue, etc. are also subject to the vesting conditions, and shall not be transferred or used to guarantee or repay debts prior to the vesting. Where the Restricted Shares are not allowed to be vested at that time, shares obtained for the aforementioned reasons shall also not be vested.

Restricted Share must be identical to all other issued A Shares; its grant shall be subject to all provisions of the Company's Articles of Association in effect at the time, and, upon the date of registration of the vesting of such Restricted Share with China Securities Depository and Clearing Corporation Limited, it shall rank pari passu with other issued and fully paid-up A Shares; provided that prior to the registration of the vesting of the Restricted Shares, the Participants shall not have the right to vote or participate in resolutions regarding such shares, nor shall they be entitled to any dividends or distributions (including dividends or distributions arising from the liquidation of the Company).

(4). LOCK-UP Period under the 2026 A Share Restricted Share Incentive Scheme

The lock-up period refers to the period during which the Restricted Shares granted to the Participants are restricted to be sold after the vesting. The lock-up provisions of 2026 A Share Restricted Share Incentive Scheme shall be implemented in accordance with the Company Law, the Securities Law, the Interim Measures on the Management of Shareholding Reduction by Shareholders of Listed Companies, Guidelines No. 15 of the Shanghai Stock Exchange for Self-regulation of Listed Companies – Shareholding Reduction by Shareholders, Directors and Senior Management, Certain Provisions on the Supervision of Short-term Trading and other relevant laws, regulations and regulatory documents and the Articles of Association, details of which are as follows:

1. For the Participants who are Directors and senior management of the Company, the shares transferred annually during their term of office as determined upon appointment and within six months after the expiry of their term shall not exceed 25% of the total shares held by them in the company. No shares of the Company held by them may be transferred after their termination of office within six months.

2. For Participants who are directors and senior management of the Company, if they have sold the Company's shares held by them within 6 months after purchasing such shares, or if they have purchased the shares within 6 months after selling their shares, the gains obtained therefrom shall be attributed to the Company and the Board shall forfeit the gains. Except for changes in the number of securities resulting from the grant and vesting of Restricted Share under an equity incentive scheme.

3. During the Validity Period of the 2026 A Share Restricted Share Incentive Scheme, if the relevant requirements under the relevant laws, regulations, regulatory documents including the Company Law, the Securities Law, the Interim Measures on the Management of Shareholding Reduction by Shareholders of Listed Companies, Guidelines No. 15 of the Shanghai Stock Exchange for Self-regulation of Listed Companies – Shareholding Reduction by Shareholders, Directors and Senior Management, Certain Provisions on the Supervision of Short-term Trading as well as the Articles of Association regarding the transfer of shares held by the directors and senior management of the Company are changed, the transfer of the shares of the Company held by the Participants under this section shall comply with the requirements as amended at the time of transfer.

VI. Grant price of Restricted Shares and the method for determining the grant price

(1). Grant Price of Restricted Shares

The first and reserved Grant Price for Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme is RMB100.00 per share. Upon satisfying the granting conditions and vesting conditions, the Participants may purchase the Company's ordinary A Shares granted to them at the corresponding price.

(2). Method for Determining the Grant Price of Restricted Shares

(I) Pricing Method

The Grant Price for these Restricted Shares will be determined through a discretionary pricing process:

The Grant Price for the Restricted Share is RMB100.00 per share (including the Reserved Grant), representing 59.88%, 60.64%, 50.05% and 50.20% of the average trading price on the 1st, 20th, 60th, and 120th trading days, respectively, prior to the announcement of the 2026 A Share Restricted Share Incentive Scheme.

(II) Basis for Pricing

First, the Grant Price and pricing method for the Company's Restricted Share are determined with the fundamental objectives of promoting the Company's development and safeguarding Shareholders' interests. They are based on confidence in the Company's future growth prospects and recognition of its intrinsic value, and are established in accordance with the principle of balancing incentives and accountability. The inherent mechanisms of equity incentive scheme ensure that their implementation will have a positive impact on the Company's ability to continue as a going concern and on Shareholders' interests.

The pricing method selected for this share incentive scheme was determined after comprehensively considering various factors, including the effectiveness of the incentive scheme and the Company's share-based payment expenses. In compliance with relevant laws, regulations, and normative documents, the Company has decided to set the Grant Price of the Restricted Share at RMB100.00 per share (including the Reserved Grant). The implementation of this incentive scheme will further motivate the core team and achieve a deep alignment of employee interests with those of Shareholders.

The Grant Price and pricing method for this incentive scheme comply with the provisions of Article 23 of the Management Measures and Rule 10.6 of Chapter 10 of the Listing Rules. The relevant pricing basis and pricing methods are reasonable and feasible, and are conducive to the smooth implementation of the incentive scheme, the motivation of the Company's existing core team, and the recruitment of outstanding high-level talent, as well as the Company's sustainable development. There are no circumstances that would harm the interests of the listed company or all its shareholders.

VII. Granting and vesting conditions for Restricted Shares

(1). Granting conditions for Restricted Shares

The Company shall grant the Restricted Shares to the Participants upon satisfaction of all of the following granting conditions; or conversely, if any of the following granting conditions has not been satisfied, no Restricted Shares shall be granted to the Participants.

(I) None of the following has occurred on the part of the Company:

1. an audit report on the financial and accounting report for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

2. an audit report on internal control over financial reporting for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

3. in the most recent 36 months upon listing, there have been cases of failure to distribute profits according to laws and regulations, the Articles of Association and public undertakings;

4. laws and regulations stipulate that share incentives shall not be implemented;

5. other circumstances as determined by the CSRC.

(II) None of the following has occurred on the part of the Participants:

1. being identified as an inappropriate candidate by the Shanghai Stock Exchange within the most recent 12 months;

2. being identified as an inappropriate candidate by the CSRC and its delegated institutions within the most recent 12 months;

3. being subject to administrative penalties or market ban measures by the CSRC and its delegated institutions due to material non-compliance with laws and regulations in the most recent 12 months;

4. being prohibited from acting as a director or a member of the senior management of the Company under the Company Law;

5. being prohibited from participation in share schemes of listed companies by laws and regulations;

6. other circumstances as determined by the CSRC.

(2). Vesting conditions of the Restricted Shares

Restricted Shares granted to the Participants need to satisfy all of the following vesting conditions before they are vested in tranches:

(I) None of the following has occurred on the part of the Company:

1. an audit report on the financial and accounting report for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

2. an audit report on internal control over financial reporting for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

3. in the most recent 36 months upon listing, there have been cases of failure to distribute profits according to laws and regulations, the Articles of Association and public undertakings;

4. laws and regulations stipulate that equity incentives shall not be implemented;

5. other circumstances as determined by the CSRC.

(II) None of the following has occurred on the Participant:

1. the Participant has been determined as an inappropriate candidate by relevant stock exchange within the most recent 12 months;

2. the Participant has been identified as an inappropriate candidate by the CSRC and its delegated institutions within the most recent 12 months;

3. the Participant has been subject to administrative punishment or market ban measures by the CSRC and its delegated institutions due to major breach of laws and regulations in the most recent 12 months;

4. the Participant shall not act as a director or member of the senior management of a company according to the Company Law;

5. applicable laws and regulations stipulate that the Participant shall not participate in the equity incentives of listed companies;

6. other circumstances as determined by the CSRC.

In the event that any one of the circumstances specified in (I) above arises, the Restricted Shares that have been granted but have not yet been vested to all of the Participants under the 2026 A Share Restricted Share Incentive Scheme shall not be vested and shall be cancelled. In the event that the Restricted Shares shall not be granted to a Participant as specified in the above subparagraph (II), the Restricted Shares that have been granted but have not yet been vested to such Participant under the 2026 A Share Restricted Share Incentive Scheme shall not be vested and shall be cancelled.

(III) Requirements on length of employment of the Participants for vesting of Restricted Shares

Before each tranche of Restricted Shares granted to the Participants can be vested, the Participant must be employed for more than 12 months.

(IV) Performance targets and assessment requirements at the Company level

1. First Grant

Under the First Grant of the 2026 A Share Restricted Share Incentive Scheme, the Company's performance evaluations and vesting for the Participants will be evaluated on an annual basis for the 3 financial years of 2026 to 2028, and the achievement of performance assessment target will be one of the vesting conditions for the Participants. The annual performance evaluation targets for the First Grant of the 2026 A Share Restricted Share Incentive Scheme are shown in the table below:

Vesting Period	Assessment year	Performance assessment indicator categories	Performance assessment Target
First Vesting Period	2026	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2026 shall be no less than 40%; (2) new products sales revenue in 2026 shall be no less than RMB60.00 million
Second Vesting Period	2027	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2027 shall be no less than 90%; (2) new products sales revenue in 2027 shall be no less than RMB70.00 million
Third Vesting Period	2028	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2028 shall be no less than 150%; (2) new products sales revenue in 2028 shall be no less than RMB80.00 million

Note: 1. The "operating revenue" referred to above is calculated based on the figures set forth in the consolidated financial statements audited by the accounting firm engaged by the Company (the same applies hereinafter);

2. the "new products sales revenue" referred to above means the sales revenue generated during the assessment year from chip products for which the Company released the Datasheet (i.e., the product data sheet approved and archived through the parent company's system) for the first time within the 36 months preceding the assessment period (the same applies hereinafter).

3. The performance targets associated with the vesting conditions for the aforementioned Restricted Share do not constitute performance forecasts or substantive commitments by the Company to investors.

If the reserved Restricted Share under the 2026 A Share Restricted Share Incentive Scheme are granted prior to the date of disclosure of the 2026 third-quarter report, the performance assessment requirements of the Reserved Grant will be the same as the First Grant.

If the reserved Restricted Share under the 2026 A Share Restricted Share Incentive Scheme are granted following the date of disclosure of the 2026 third-quarter report, the performance assessment requirements for each vesting period of the reserved Restricted Shares are as follows:

Vesting Period	Assessment year	Performance assessment indicator categories	Performance assessment Target
First Vesting Period	2027	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2027 shall be no less than 90%; (2)new products sales revenue in 2027 shall be no less than RMB70.00 million
Second Vesting Period	2028	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2028 shall be no less than 150%; (2) new products sales revenue in 2028 shall be no less than RMB80.00 million

If the Company fails to meet the aforementioned performance evaluation requirements, all Restricted Share scheduled for vesting in the evaluation year for all Participants will be revoked and deemed void and invalid.

(V) Performance assessment requirements at the Participants' individual level

Performance evaluations at the individual level for Participants shall be conducted in accordance with the Company's current relevant regulations. The results of individual performance evaluations for Participants are divided into two grades, with the corresponding vesting conditions as follows:

Assessment standards	**Pass**	**Fail**
Vesting proportion at individual level	100%	0%

If the Company reaches performance assessment target, the Participants' number of the Restricted Shares actually to be vested for the year = individual's number of the Restricted Shares intended to be vested for the year x vesting proportion at individual level.

If the Restricted Shares that the Participants belong to in the current plan cannot be vested due to assessment reasons, the Restricted Shares shall become invalid and shall not be deferred to the next year.

(3). Explanation on reasonableness and scientific basis of the performance appraisal indicators

The performance appraisal indicators for the 2026 A Share Restricted Share Incentive Scheme are divided into two levels: company-level performance evaluation and individual-level performance evaluation.

The performance appraisal indicators established by the Company for this scheme are the revenue growth rate and new products sales revenue. This appraisal indicator accurately reflects the Company's operational performance, market conditions, and profitability, and serves as an effective indicator for forecasting business expansion trends and measuring the Company's operational efficiency and growth potential. The performance evaluation targets set by the Company fully take into account a range of factors, including the Company's past and current operating conditions as well as its future development plans. These targets are reasonable and scientifically sound, helping to motivate employees, ensure the achievement of the Company's future development strategies and operational goals, and deliver more efficient and sustainable returns to shareholders.

In addition to the performance assessment at the company level, the Company has also set up a stringent performance assessment mechanism for individual Participants, achieving a comprehensive and accurate evaluation of the Participants' working performance. The Company will determine whether individual Participants have met the vesting conditions based on the results of their annual performance evaluation.

In summary, the Company's appraisal mechanism under the incentive scheme is integrated, comprehensive and practicable. Meanwhile, the Participants are subject to the scientific and reasonable performance indicators, through which the appraisal purpose of this incentive scheme can be achieved.

VIII. Procedures of implementation of the 2026 A Share Restricted Share Incentive Scheme

(1). Procedures for the 2026 A Share Restricted Share Incentive Scheme to take effect

(I) The Remuneration and Appraisal Committee is responsible for preparing the draft of the 2026 A Share Restricted Share Incentive Scheme and its summary.

(II) The Board shall adopt at a resolution on the 2026 A Share Restricted Share Incentive Scheme in accordance with laws. When the Board considers the 2026 A Share Restricted Share Incentive Scheme, any director who is also a Participant or is a related party to a Participant shall abstain from voting. The Board shall, after reviewing and passing the 2026 A Share Restricted Share Incentive Scheme and performing the publicity and announcement procedures therefor, submit the 2026 A Share Restricted Share Incentive Scheme to the general meeting for consideration. The Board shall seek approval from the general meeting for the implementation of the grant, vesting and registration of the Restricted Shares.

(III) The Remuneration and Appraisal Committee shall give opinions on whether the 2026 A Share Restricted Share Incentive Scheme is beneficial to the sustainable development of the Company or whether there is any noticeable damage to the interests of the Company and all Shareholders as a whole. The legal advisors engaged by the Company as to PRC laws shall issue legal opinion regarding the 2026 A Share Restricted Share Incentive Scheme.

(IV) The Company shall conduct a self-examination regarding the trading of the Company's shares by insiders with knowledge of inside information during the six-month period preceding the announcement of the 2026 A Share Restricted Share Incentive Scheme.

(V) The 2026 A Share Restricted Share Incentive Scheme shall be implemented upon consideration and approval at the general meeting. Before convening the general meeting, the Company shall announce the list of the Participants internally via Company website or other channels for not less than 10 days. The Remuneration and Appraisal Committee shall review the list of the Participants and consider public opinions. The Company shall disclose the explanation of the Remuneration and Appraisal Committee regarding the review of the list of Participants under the 2026 A Share Restricted Share Incentive Scheme and the status of announcement 5 days prior to the consideration of the 2026 A Share Restricted Share Incentive Scheme at the general meeting.

(VI) At the general meeting, it is required to vote on the 2026 A Share Restricted Share Incentive Scheme under clause 9 of the Management Measures, and the 2026 A Share Restricted Share Incentive Scheme shall be passed by not less than two-third of the voting rights held by the shareholders present at the meeting. Except for the directors and senior management of the Company, as well as the shareholders individually or collectively holding more than 5% of the Company's Shares, the voting by other shareholders shall be separately counted and disclosed.

When the 2026 A Share Restricted Share Incentive Scheme is considered at the Company's general meeting, shareholders who are Participants or shareholders who have a related relationship with the Participants shall abstain from voting thereon.

(VII) The Company shall grant the Restricted Shares to the Participants within the prescribed period upon approval of the 2026 A Share Restricted Share Incentive Scheme at the general meeting of the Company and the fulfilment of grant conditions stipulated under the 2026 A Share Restricted Share Incentive Scheme. The Board shall be responsible for the implementation of the grant and vesting of the Restricted Shares in accordance with the mandate granted at the general meeting.

(2) Procedures for Granting of the Restricted Shares

(I) Upon consideration and approval of the 2026 A Share Restricted Share Incentive Scheme at the general meeting and passing the resolution of interest granted to the Participants at the board meeting, the Company shall sign an Agreement on Grant of the Restricted Shares with the Participants in order to define their respective rights and obligations.

(II) The Remuneration and Appraisal Committee shall make recommendations to the Board regarding whether the conditions for the grantees to receive their benefits have been met and the Board shall consider and announce whether the conditions of a grant to a Participant as set out in the 2026 A Share Restricted Share Incentive Scheme have been satisfied before the Company makes a grant to such Participant. The Remuneration and Appraisal Committee shall express their views explicitly at the same time. The law firm shall issue legal opinions on whether the conditions for the granting of interests to the Participants are fulfilled or not.

(III) The Remuneration and Appraisal Committee of the Company shall verify and provide opinions on the grant date of Restricted Shares and the list of Participants.

(IV) If there is any deviation in the grant of the interest to the Participants and the administration of the 2026 A Share Restricted Share Incentive Scheme, the Remuneration and Appraisal Committee shall make recommendations to the Board of the Company and the Remuneration and Appraisal Committee (in case of change of the Participants) and law firm shall both express their views explicitly at the same time.

(V) The Company shall grant Participants with part of the Restricted Shares under the First Grant and complete the announcement within 60 days after the 2026 A Share Restricted Share Incentive Scheme is considered and approved at general meeting. In the event the Company fails to complete the procedures for the first time within such 60 days, the 2026 A Share Restricted Share Incentive Scheme shall be terminated, and the Board shall promptly disclose the reason for such failure timely and no incentive scheme will be considered in the following three months (the period in which listed companies are not allowed to grant interest in accordance with the Management Measures and relevant laws and regulations is not included in the 60 days).

Participants eligible for reserved interest shall be confirmed within 12 months after the 2026 A Share Restricted Share Incentive Scheme is considered and approved at the general meeting. If Participants are not confirmed within 12 months, the reserved interest will lapse.

(3) Procedures for the vesting of the Restricted Shares and Cancellation

(I) Before the vesting of the Restricted Shares, the Remuneration and Appraisal Committee shall make recommendations to the Board regarding whether the vesting conditions for the Participants have been met and the Board shall consider whether the vesting conditions of the Participants as set out in the 2026 A Share Restricted Share Incentive Scheme have been fulfilled, and the Remuneration and Appraisal Committee shall simultaneously issue clear opinions, and the law firm shall issue legal opinions on whether the vesting conditions for the exercise of the Participants have been fulfilled. For the Participants who have fulfilled the vesting conditions, the Company shall handle the vesting in a unified manner, and for the Participants who have not fulfilled the vesting conditions, the Restricted Shares in the relevant tranche shall not be vested and shall be cancelled by the Company. The issuer shall disclose the announcement of the resolutions of the Board in a timely manner after the vesting of the Participants, and announce the opinions of the Remuneration and Appraisal Committee and the law firm and the relevant implementation thereof.

Due to administrative arrangements by PRC regulatory authorities concerning company capital verification and securities registration changes, the Company will handle the vesting in a unified manner. The Company will take an active role to take actions to handle the vesting instead of allowing the Participants to apply to the securities registration institute directly for such matters. The Company will implement the procedures for handling vesting in a unified manner which include: (1) the Company determines the period of payment of grant price by the Participants, (2) the Company will verify the payment, and (3) the Company will arrange the registration of the new A Shares under the names of the Participants.

(II) Before handling the vesting of the Restricted Shares in a unified manner, the Company shall apply to the Shanghai Stock Exchange. After confirmation by the Shanghai Stock Exchange, the securities depository and clearing institution shall handle the matters regarding the vesting of the Restricted Shares.

(III) The vesting of Restricted shares shall not be accelerated under any circumstances.

(4) Procedures for amendments to the 2026 A Share Restricted Share Incentive Scheme

(I) If the Company intends to amend the 2026 A Share Restricted Share Incentive Scheme before it is considered at the general meeting, the Remuneration and Appraisal Committee shall make recommendations to the Board and such amendment shall be considered and approved by the Board.

(II) If the Company intends to amend the 2026 A Share Restricted Share Incentive Scheme after it is considered at the general meeting, such amendment shall be considered and approved at the general meeting, and shall not result in the following:

1. accelerating the vesting;

2. reducing the Grant/vesting Price (except for circumstances where the Grant/vesting Price is lowered due to capitalisation issue, bonus issue, rights issue and other reasons) as stated in the section headed "Adjustment method and procedures of the 2026 A Share Restricted Share Incentive Scheme" in this Letter from the Board.

(III) The Remuneration and Appraisal Committee of the Company shall express their opinions on whether the amended scheme is beneficial to the sustainable development of the Company, and whether there is any obvious damage to the interests of the Company and the shareholders as a whole. The law firm shall issue professional opinions on whether the amended scheme complies with the provisions of the Management Measures and relevant laws and regulations, and whether there is any obvious damage to the interests of the Company and the shareholders as a whole.

(5) Procedures for termination of the 2026 A Share Restricted Share Incentive Scheme

(I) If the Company intends to terminate the implementation of the 2026 A Share Restricted Share Incentive Scheme before it is considered at the general meeting, such termination shall be considered and approved by the Board.

(II) If the Company intends to terminate the implementation of the 2026 A Share Restricted Share Incentive Scheme after it is considered and approved at the general meeting, such termination shall be considered and approved at the general meeting.

(III) The law firm shall issue professional opinions on whether the Company's termination of the 2026 A Share Restricted Share Incentive Scheme complies with the provisions of the Management Measures and relevant laws and regulations, and whether there is any obvious damage to the interests of the Company and the Shareholders as a whole.

IX. Adjustment method and procedures of the 2026 A Share Restricted Share Incentive Scheme

(1) Adjustment method of the grant number and vesting number of Restricted Shares

In the event of any capitalisation issue, bonus issue, sub-division of shares, rights issue or share consolidation of the Company in the period from the announcement date of the draft 2026 A Share Restricted Share Incentive Scheme to the Restricted Shares granted to the Participants and from the Restricted Shares granted to the Participants to vesting, the number of Restricted Shares (grant/vest) shall be adjusted accordingly. The adjustment method is as follows:

(I) Capitalisation issue, bonus issue and sub-division of shares

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

Where: Q_0 represents the number of Restricted Shares (grant/vest) before the adjustment; n represents the ratio of increase per share resulting from the capitalisation issue, bonus issue or sub-division of shares (i.e., the number of shares increased per share upon capitalisation issue, bonus issue or sub-division); Q represents the adjusted number of Restricted Shares (grant/vest).

(II) Rights issue

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

Where: Q_0 represents the number of Restricted Shares (grant/vest) before the adjustment; P1 represents the closing price as at the record date; P2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e., the ratio of the number of shares to be issued under the rights issue to the total share capital of the Company before the rights issue); Q represents the adjusted number of Restricted Shares (grant/vest).

(III) Share consolidation

$$Q = Q_0 \times n$$

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

(IV) Addition issue

Under the circumstance of additional issue of new shares, no adjustment will be made on the number of Restricted Shares (grant/vest).

(2) Adjustment method of the Grant Price of the Restricted Shares

In the event of any capitalisation issue, bonus issue, sub-division of shares, rights issue, share consolidation or dividend distribution of the Company in the period from the announcement date of the 2026 A Share Restricted Share Incentive Scheme to the Restricted Shares granted to the Participants, an adjustment to the Grant Price of Restricted Shares shall be made by the Company accordingly. The adjustment method is as follows:

(I) Capitalisation issue, bonus issue and sub-division of shares

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

Where: P_0 represents the Grant Price before the adjustment; n represents the ratio of increase per share resulting from the capitalisation issue, bonus issue or sub-division of shares; P represents the adjusted Grant Price.

(II) Rights issue

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

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

(III) Share consolidation

$$P = P_0 \div n$$

Where: P_0 represents the Grant Price before the adjustment; n represents the proportion of share result from consolidation; P represents the adjusted Grant Price.

(IV) Dividend distribution

$$P = P_0 - V$$

Where: P_0 represents the Grant Price before the adjustment; V represents the declared dividend per share; P represents the adjusted Grant Price. P shall be greater than 1 after the adjustment for dividend distribution.

(V) Addition issue

Under the circumstance of additional issue of new shares, no adjustment will be made on the Grant Price of the Restricted Shares.

(3) Adjustment procedures of the 2026 A Share Restricted Share Incentive Scheme

In the event of the above circumstances, the Board shall consider and approve the resolution on the adjustment of the Grant/vesting number of Restricted Shares and the Grant Price (if the Grant/vesting number and price of Restricted Shares needs to be adjusted for matters other than the above circumstances, such resolution shall be submitted to the general meeting of the Company for consideration, in addition to the consideration of the relevant resolution by the Board). The Company shall engage a law firm to issue professional opinions to the Board on whether the above adjustments are in compliance with the Management Measures, the Articles of Association and the 2026 A Share Restricted Share Incentive Scheme. After the adjustment proposal is considered and approved by the Board, the Company shall timely disclose the announcement of the resolutions of the Board and the legal opinion issued by the law firm.

X. Accounting treatment on the Restricted Shares

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11 – Share-based Payments《(企業會計準則第11號 – 股份支付》) and the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments 《(企業會計準則第22號 – 金融工具確認和計量》), the Company shall, on each balance sheet date during the period from the Grant Date to the vesting date, revise the number of Restricted Shares expected to be vested according to the latest information such as the change in the number of persons entitled to be vested and the completion of performance indicators, and recognize the services obtained in the current period in relevant costs or expenses and capital reserve according to the fair value of the Restricted Shares on the Grant Date. Such revisions of the Restricted Shares are alterations which shall take effect automatically under the existing terms of the 2026 A Share Restricted Share Incentive Scheme in accordance with Note 2 to Rule 17.03(18).

(1). Fair value of the Restricted Shares and the determination method

In accordance with the Application Case of Share-Based Payments Standards – Grant of Restricted Shares《(股份支付準則應用案例 – 授予限制性股票》) issued by the Accounting Department of the Ministry of Finance of the People's Republic of China, the measurement of share-based payment expenses for Type II Restricted Shares shall refer to the provisions for share options. In accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments 《(企業會計準則第22號 – 金融工具確認和計量》) and relevant provisions under Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Company selected the Black-Scholes model to calculate the fair value of share-based payments for Type II Restricted Shares. On 20 August 2026, the model was used to predict the First Grant of 1.97 million Type II Restricted Shares (a formal calculation will be performed upon First Grant). Relevant parameters selected are as follows:

1. Underlying share price: RMB168.04 per share (assuming the closing price of the Company on the Grant Date is the closing price as at 20 August 2026);

2. Validity Period: 12 months, 24 months and 36 months (the period from the Grant Date of Type II Restricted Shares to the first vesting date of each tranche);

3. Historical volatility: 14.61%, 17.22% and 15.94% (using the volatility of Shanghai Composite Index for the latest 12 months, 24 months and 36 months, respectively);

4. Risk-free interest rate: 1.1999%, 1.2311% and 1.2499% (using the 1-year, 2-year and 3-year maturity yields of Chinese government bonds, respectively);

5. Dividend yield: 0% (the 2026 A Share Restricted Share Incentive Scheme stipulates that the grant price of the Restricted Shares will be adjusted to 0 as specified in the event of an ex-dividend on cash dividends).

(2). Estimated impact on operating performance in each period due to implementation of the Restricted Shares

The fair value of Type II Restricted Shares on the Grant Date will be determined by the Company in accordance with the accounting standards and relevant valuation instruments, and the share-based payments under the 2026 A Share Restricted Share Incentive Scheme will be further determined accordingly, which will be amortized according to the vesting ratio during the implementation of the 2026 A Share Restricted Share Incentive Scheme. The costs of incentive arising from the 2026 A Share Restricted Share Incentive Scheme will be charged to the recurring profit and loss.

According to the requirements of the PRC Accounting Standards, the impact of Type II Restricted Shares under the First Grant of the 2026 A Share Restricted Share Incentive Scheme on the accounting costs for each period is as follows (assuming the closing price on the First Grant Date is RMB168.04 per share):

Number of First Grant *(ten thousand shares)*	**Estimated total amortization costs** *(RMB0'000)*	**2026** *(RMB0'000)*	**2027** *(RMB0'000)*	**2028** *(RMB0'000)*	**2029** *(RMB0'000)*
197	13,938.14	2,689.74	6,705.39	3,282.22	1,260.80

Note: 1. The above calculation results do not represent the final accounting costs. The actual accounting costs are related to the Grant Date, the Grant Price and the number of Restricted Shares vested. If a Participant resigns before vesting, or fails to meet the corresponding standards of the performance assessment of the Company or personal performance assessment, the actual number of shares vested will be reduced accordingly and thus lower the share payment. Besides, the possible dilutive effects are brought to the attention of shareholders;

2. The final result of the above impact on the Company's operating results will be subject to the annual audit report issued by the accounting firm.

According to the preliminary evaluation by the Company based on the information available, the amortization of expenses of the Restricted Shares will have an impact on the net profit each year within the validity period. But at the same time, the implementation of the 2026 A Share Restricted Share Incentive Scheme will further enhance the cohesion of employees and team stability, and effectively motivate management team, thereby improving operating efficiency and bringing higher operating performance and intrinsic value to the Company.

XI. Other rights and obligations of the Company/Participants

(1) Rights and obligations of the Company

(I) The Company has the right to interpret and implement the 2026 A Share Restricted Share Incentive Scheme, and to conduct performance appraisal on the Participants in accordance with the provisions of the 2026 A Share Restricted Share Incentive Scheme. If the Participants fail to meet the vesting conditions as determined in the 2026 A Share Restricted Share Incentive Scheme, according to the principles stipulated in the 2026 A Share Restricted Share Incentive Scheme, the Restricted Shares that have been granted to the Participants but have not yet been vested shall not be vested and shall be cancelled.

(II) The Company undertakes not to provide loans and any other forms of financial assistance, including providing guarantee for their loans, to the Participants to obtain relevant Restricted Shares according to the 2026 A Share Restricted Share Incentive Scheme.

(III) The Company shall timely report and disclose the documents related to the 2026 A Share Restricted Share Incentive Scheme in accordance with relevant regulations.

(IV) In accordance with the 2026 A Share Restricted Share Incentive Scheme and relevant requirements of the CSRC, the Shanghai Stock Exchange and China Securities Depository and Clearing Co., Ltd., the Company shall proactively procure the vesting of Restricted Shares for the Participants that meet the vesting conditions. However, the Company shall not be held liable if the Participants fails to complete the vesting of Restricted Shares and causes losses to the Participants due to the reasons on the part of the CSRC, the Shanghai Stock Exchange and the China Securities Depository and Clearing Co., Ltd.

(V) Clawback Mechanism: If the Participants violate the laws and professional ethics, divulge company secrets, and neglect their duty or malfeasance or have other acts that seriously damage the Company's interests or reputation, upon being reviewed by the Remuneration and Appraisal Committee and reported to the Board for approval, the Restricted Shares that have been granted to the Participants but have not yet been vested, shall not be vested and shall be cancelled. If the circumstances are serious, the Company may also seek compensation for the losses incurred in accordance with the provisions of relevant laws.

(2) Rights and Obligations of the Participants

(I) The Participants shall be diligent and responsible, abide by professional ethics, and make due contributions to the development of the Company in accordance with the requirements of the positions the Company recruits for.

(II) The source of funds for the Participants is their self-financing.

(III) The Restricted Shares granted to the Participants shall not be transferred, pledged for guarantees or used for repayment of debt before vesting. Participants are not entitled to voting rights before vesting, or rights to participate in any dividends or distribution.

(IV) The income received by the Participants as a result of the 2026 A Share Restricted Share Incentive Scheme shall be subject to individual income tax and other taxes in accordance with national tax regulations.

(V) The Participants promise that, if there are false records, misleading statements or major omissions in the Company's information disclosure documents, resulting in non-compliance with the arrangement for granting interest or vesting, the Participants shall return all the benefits obtained from the 2026 A Share Restricted Share Incentive Scheme to the Company after confirming the existence of false records, misleading statements or major omissions in the relevant information disclosure documents.

(VI) Upon consideration and approval of the 2026 A Share Restricted Share Incentive Scheme at the general meeting, and passing the resolution of granting interest to the Participants at the Board meeting, the Company shall sign an "Agreement on Grant of Restricted Shares" with the Participants in order to set out their respective rights and obligations as well as other matters.

(VII) Other relevant rights and obligations stipulated in laws, regulations and the 2026 A Share Restricted Share Incentive Scheme.

XII. Handling unusual changes to the Company/the Participants

(1) Handling unusual changes to the Company

(I) In the event that any of the circumstances below occurs in respect of the Company, the 2026 A Share Restricted Share Incentive Scheme shall be terminated and the Restricted Shares that have been granted to the Participants but not yet vested shall not be vested:

1. an audit report on the financial and accounting report for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

2. an audit report on internal control over financial reporting for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

3. in the most recent 36 months upon listing, there have been cases of failure to distribute profits according to laws and regulations, the Articles of Association and public undertakings;

4. laws and regulations stipulate that share incentives shall not be implemented;

5. other circumstances where the share incentive schemes should be terminated as determined by the CSRC.

(II) The 2026 A Share Restricted Share Incentive Scheme shall remain unchanged if any of the following events occurs to the Company:

1. a change of control of the Company;

2. a merger or division of the Company.

(III) Where false statements or misleading statements in or material omissions from the information disclosure documents of the Company result in non-compliance with conditions for the grant or vesting of Restricted Shares, the Restricted Shares granted to Participants but not yet vested shall not be vested. In respect of the Restricted Shares already vested, the Participants concerned shall return to the Company all interests gained. The Board shall recover the income of Participants in accordance with the provisions of the preceding paragraph. The Participants who bear no responsibility for the aforesaid matters and who incur losses as a result of the return of interests may seek compensation from the Company or responsible parties.

(2) Change in personal particulars of the Participants

(I) If a Participant has undergone a change of position but he/she still works in the Company or subsidiaries of the Company, the vesting of Restricted Shares granted to him/her shall be carried out in accordance with the procedures stipulated in the 2026 A Share Restricted Share Incentive Scheme prior to the change of his/her position(s). However, if the Participant's position(s) has changed due to his/her incompetence to his/her position, violation of laws, violation of professional ethics, leakage of confidential information of the Company, dereliction of duty or malfeasance, serious violation of the Company's system and other acts that damage the interests or reputation of the Company, or the Company or subsidiaries of the Company terminate the labour or employment relationship with the Participant due to the above reasons, the Restricted Shares that have been granted to the Participant but not yet vested shall not be vested and shall be cancelled by the Company.

(II) If a Participant resigns, including circumstances of voluntary resignation, resignation due to layoffs of the Company, labour contract expired and no longer renewed, dismissal due to personal fault, negotiated termination of labour contract or employment agreement, Restricted Shares that have been granted to the Participant but not yet vested since the date of resignation shall not be vested and shall be cancelled by the Company. The Participant shall pay the Company the individual income tax involved in the vested Restricted Shares before resignation.

Personal fault includes, but is not limited to, the following acts, for which the Company is entitled to recover from the Participant, depending on the gravity of the circumstances, with respect to the consequential losses in accordance with the provisions of the relevant law:

Violation of employment contracts, confidentiality agreements, non-competition agreements or any other similar agreements with the Company or its affiliates; violation of the laws of the country of residence, circumstances resulting in criminal offenses or other adverse circumstances affecting the performance of duties.

(III) If a Participant retires normally in accordance with national laws and regulations and the Company's requirements (including subsequently re-employed by the Company after retirement or continues to provide labour services for the Company in other forms, and provided that such participant complies with the confidentiality obligation and has no behaviour that harms the Company's interests, the Restricted Shares granted to him/her shall remain valid and shall be vested in accordance with the procedures stipulated in the 2026 A Share Restricted Share Incentive Scheme. Upon occurrence of the circumstances described in this clause, if the Participant has no individual performance assessment, the conditions for his/her individual performance assessment shall no longer be included in the vesting conditions; if the Participant has an individual performance assessment, his/her individual performance assessment shall remain as one of the vesting conditions for the Restricted Shares.

(IV) The resignation of a Participant due to his/her incapacity shall be dealt with in the following two circumstances:

1. When a Participant resigns due to incapacity in performing his/her duties, the vesting of Restricted Shares granted to him/her shall be carried out in accordance with the procedures stipulated in the 2026 A Share Restricted Share Incentive Scheme prior to the incapacity. His/her personal performance assessment conditions shall not be included in the vesting conditions. The Participants shall pay to the Company the individual income tax in relation to the Restricted Shares that have been vested before they leave the Company, and the individual income tax in relation to the Restricted Shares to be vested in the current period shall be paid in advance each time vesting.

2. When a Participant leaves the Company due to incapacity not resulting from performance of duties, the Restricted Shares that have been granted to the Participant but not yet vested shall not be vested. Prior to the resignation of the Participants, the Participants shall pay to the Company the individual income tax involved in the Restricted Shares that have been vested.

(V) The death of a Participant shall be dealt with in the following two circumstances:

1. If a Participant dies in the course of performing his/her duties, the Restricted Shares granted to him/her shall be inherited by his/her designated successor or legal successor and shall be vested in accordance with the procedures stipulated in the Scheme prior to the death of the Participant. His/her personal performance assessment conditions shall no longer be included in the vesting conditions. The successor shall pay to the Company the individual income tax in respect of the Restricted Shares vested before the inheritance, and the individual income tax in respect of the Restricted Shares to be vested in the current period shall be paid in advance each time vesting.

2. If a Participant dies other than due to his/her duty, the Restricted Shares that have been granted to the Participant but have not yet been vested shall not be vested on the date of occurrence of such event. The Company is entitled to request the successors to pay the individual income tax in respect of the Restricted Shares that have been vested before the inheritance.

(VI) Other unspecified circumstances not stipulated in the 2026 A Share Restricted Share Incentive Scheme shall be determined by the Board and its treatment method shall be determined.

(3) Settlement mechanism for relevant disputes between the Company and Participants

The disputes between the Company and the Participants shall be resolved in accordance with the provisions of the 2026 A Share Restricted Share Incentive Scheme and the Agreement on the Grant of Restricted Shares; if the provisions are unclear, such matter shall be resolved through negotiation in accordance with national laws and the principles of fairness and reasonableness; if the negotiation fails, a lawsuit shall be filed with the people's court with jurisdiction in the place where the Company is located.

Other than the proposed authorizations to the Board to deal with matters relating to the 2026 A Share Restricted Share Incentive Scheme, the Directors cannot change any specific term of the 2026 A Share Restricted Share Incentive Scheme without the approval of the Shareholders in general meeting.

The resolution in relation to the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme was considered and approved at the meeting of the Board held on 20 August 2026. On the same date, the Board has also resolved to propose the 2026 A Share Restricted Share Incentive Scheme to be approved by the Shareholders at the 2026 Second EGM. A special resolution will be proposed at the 2026 Second EGM to consider and, if thought fit, approve the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme.

Purposes and Reasons for and Benefits of the Adoption of the 2026 A Share Restricted Share Incentive Scheme

The purpose of the 2026 A Share Restricted Share Incentive Scheme is to improve the Company's incentive mechanism, further enhance the enthusiasm, creativity, and cohesion of employees, promote the continuous growth of Company's business, and achieve development by enhancing the value of the Company and granting benefits to the employees. The 2026 A Share Restricted Share Incentive Scheme is formulated in accordance with the relevant rules and regulations and the Articles of Association.

The Company is of the view that the adoption and implementation of the 2026 A Share Restricted Share Incentive Scheme is beneficial to the Company and its Shareholders as a whole, and the terms and conditions of the 2026 A Share Restricted Share Incentive Scheme are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Given the nature of the business of the Company and the highly competitive industry in which it operates, it is extremely important for the Company to recruit and retain talents, and the Company's long-term development plan will highly depend on the loyalty and contribution of the Participants. The 2026 A Share Restricted Share Incentive Scheme is considered a critical component of the Company's employee appraisal system and effectively aligns the employee's achievements at the individual level with the Company's overall performance. The Company is of the view that the adoption of the 2026 A Share Incentive Restricted Share Scheme will aid in achieving the aforesaid goals. The terms of the 2026 A Share Restricted Share Incentive Scheme are consistent with the Group's actual conditions and the industry norm, which aligns with the purpose of the 2026 A Share Restricted Share Incentive Scheme.

Listing Rules Implications

The 2026 A Share Restricted Share Incentive Scheme constitutes a share scheme under Chapter 17 of the Listing Rules. The Company will comply with the applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the 2026 A Share Restricted Share Incentive Scheme.

Pursuant to the 2026 A Share Restricted Share Incentive Scheme, the Participants of the 2026 A Share Restricted Share Incentive Scheme include two Directors, namely, Mr. Bi Lei and Mr. Bi Chao, who are connected persons of the Company pursuant to Chapter 14A of the Listing Rules. Therefore, the grant of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme involves the grant of the Restricted Shares to connected persons of the Company. The number of Restricted Shares proposed to be granted to Mr. Bi Lei and Mr. Bi Chao represent about 0.06% and 0.01% of the issued A Shares in the share capital of the Company, respectively. The aggregated total number of Restricted Shares to be granted and other share awards and options which would result in the shares issued and to be issued in respect of all awards and options granted to Mr. Bi Lei and Mr. Bi Chao in the 12-month period up to and including the date of such grant being all less than 0.1% of the issued A Shares in the share capital of the Company, respectively, and thus such grant is not required to be approved by the Shareholders under Rule 17.04(2) of the Listing Rules.

The participation of the above connected persons in the 2026 A Share Restricted Share Incentive Scheme will facilitate the stability and motivation of the Company's core personnel, thereby contributing to the long-term development of the Company, the Directors (including the Independent Directors) are of the view that the proposed grant of Restricted Shares to Mr. Bi Lei and Mr. Bi Chao under the grant of the 2026 A Share Restricted Share Incentive Scheme will achieve the purpose of the 2026 A Share Restricted Share Incentive Scheme, and the terms and conditions of the proposed grant of Restricted Shares to Mr. Bi Lei and Mr. Bi Chao under the First Grant of the 2026 A Share Restricted Share Incentive Scheme are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. Bi Lei, as Connected Participant under the First Grant of the 2026 A Share Restricted Share Incentive Scheme, abstained from voting on the resolution(s) in relation to the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme, the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures and the review and verification of the list of Participants at the Remuneration and Appraisal Committee meeting.

Mr. Bi Lei and Mr. Bi Chao, as Connected Participants under the First Grant of the 2026 A Share Restricted Share Incentive Scheme, shall declared in time their interests in the 2026 A Share Restricted Share Incentive Scheme within the timeframe as stipulated by laws and regulations and abstained from voting on the resolutions in relation to the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme, the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures and the proposed authorization to the Board to deal with relevant matters of the 2026 A Share Restricted Share Incentive Scheme at the Board meeting as a result of their interests. Save for the abovementioned Directors, there is no other Director who is required to abstain from voting on the Board resolutions in relation to the 2026 A Share Restricted Share Incentive Scheme. The Board (including all the Independent Directors) has approved the A Share Restricted Share Incentive Scheme that proposed to grant Restricted Shares to Mr. Bi Lei and Mr. Bi Chao.

In the event that any grant of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme (i) will result in any grant of awards granted to any Participant(s) representing in aggregate over 1% of the issued Shares of the Company (excluding treasury shares) over any 12-month period up to and including the relevant Grant Date; and/or (ii) will cause the Restricted Shares granted to any Participant(s) who is a Director, chief executive, substantial shareholder of the Company or any of their respective associates, representing in aggregate over 0.1% of the issued Shares of the Company (excluding treasury shares) over any 12-month period up to and including the relevant Grant Date, the Company will comply with the relevant requirements under Chapter 17 of the Listing Rules.

Pursuant to Rule 17.03(13) of the Listing Rules, in the case of capitalization issue, bonus issue, share split, share consolidation or reduction of capital, the scheme documents shall include provisions for adjustments to be made to the grant price and/or the number of shares granted as awards under the 2026 A Share Restricted Share Incentive Scheme.

In addition to the adjustment to the Grant Price as required under Rule 17.03(13) of the Listing Rules, the 2026 A Share Restricted Share Incentive Scheme also provides for an adjustment to the Grant Price upon dividend distribution (the "**Proposed Adjustment**"). The Proposed Adjustment is a mandatory requirement for the Company to comply with under Article 48 of the Management Measures, which states that "where adjustments to the equity price or quantity are required due to stock split or dividend distribution, or for other reasons, the board of directors of the listed company shall make such adjustments in accordance with the principles, methods and procedures stipulated in the equity incentive plan".

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

(1) the 2026 A Share Restricted Share Incentive Scheme only entitles the Participants to acquire A Shares but not H Shares of the Company. According to the opinion from AllBright Law Offices (Shenzhen) (上海市錦天城(深圳)律師事務所), the legal advisor to the Company as to the PRC laws, (i) the proposed terms of the 2026 A Share Restricted Share Incentive Scheme are prepared in accordance with the related regulations of the PRC laws and the requirements of the relevant regulatory authorities of the PRC (including but not limited to the the CSRC and the Shanghai Stock Exchange), including Company Law, Securities Law, Management Measures, STAR Market Listing Rules and Guidelines for Self-Discipline, (ii) the Board shall make adjustments and discharge disclosure obligations in relation to Proposed Adjustment in accordance with the requirements of Management Measures; and (iii) the Proposed Adjustment is a mandatory requirement for the Company to comply with under Article 48 of the Management Measures, which states that "where adjustments to the equity price or quantity are required due to stock split or dividend distribution, or for other reasons, the board of directors of the listed company shall make such adjustments in accordance with the principles, methods and procedures stipulated in the equity incentive plan";

(2) the proposed terms of the 2026 A Share Restricted Share Incentive Scheme, including the Proposed Adjustment, have been reviewed by AllBright Law Offices (Shenzhen) (上海市錦天城(深圳)律師事務所), and approved by the Board;

(3) the adjusted grant price will be equal to the Grant Price (i.e. RMB100 per Share) minus the dividend paid. For information purposes only, the Company's dividend distributed in the past three financial years ranged from RMB0.61 per Share to RMB0.78 per Share;

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

(5) the A Shares, being the underlying Shares of the Restricted Shares, have been trading at a significant premium over the H Shares. Considering the insignificant number of new A Shares involved in the grant of Restricted Shares, the dilutive impact of the Proposed Adjustment under the 2026 A Share Restricted Share Incentive Scheme (if any) is minimal; and

(6) the Company is also of the view that it would be unduly burdensome for the Company to fully comply with the requirements under Rule 17.03(13) of the Listing Rules as such requirements would (i) result in directly conflict with the aforesaid PRC regulatory requirements; and (ii) otherwise require the Company to engage an independent financial adviser or auditors to review and confirm that each adjustment to the grant price (in the event of distribution of dividends of the Company since the date of announcement and before the vesting of the Restricted Shares) satisfy the requirements set forth in the Note under Rule 17.03(13). Therefore, the Company is of the view that full compliance with the requirements under Note to Rule 17.03(13) would result in an adjustment mechanism (in the event of distribution of dividends) that is otherwise disproportionate and unnecessary for the 2026 A Share Restricted Share Incentive Scheme.

Proposed Issue of Restricted Shares Under the 2026 A Share Restricted Share Incentive Scheme

The Company proposed to issue no more than 2,000,000 Restricted Shares to the Participants (including those under the First Grant of the 2026 A Share Restricted Share Incentive Scheme and the Reserved Grant of the 2026 A Share Restricted Share Incentive Scheme) under the 2026 A Share Restricted Share Incentive Scheme, representing approximately 1.74% of the total issued share capital of the Company as of the Latest Practicable Date, which is subject to the approval at the 2026 Second EGM.

Subject to the approval at the 2026 Second EGM, the Board will grant no more than 2,000,000 A Shares under the 2026 A Share Restricted Share Incentive Scheme at the Grant Price of RMB100.00 per A Share. Accordingly, the total amount to be paid by the Participants to purchase no more than 2,000,000 A Shares will be no more than RMB200,000,000.

In addition to the principal terms of the 2026 A Share Restricted Share Incentive Scheme summarized in the section above, further information in relation to the issue and allotment of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme are set out below.

Total funds to be raised and the proposed use of proceeds

No more than RMB200,000,000 will be paid by the Participants to subscribe for no more than 2,000,000 Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme. The proceeds from the subscription of the Restricted Shares to be issued under the 2026 A Share Restricted Share Incentive Scheme are intended to supplement working capital of the Group.

Dilution Effect

The shareholding structure of the Company before and after the vesting of the Restricted Shares granted under the 2026 A Share Restricted Share Incentive Scheme to the Participants is set out as follows:

	As of the Latest Practicable Date	**Assuming full vesting and issue of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme** *(note)*
Number of A Shares	93,558,080	95,558,080
Number of H Shares	21,556,000	21,556,000
Total	115,114,080	117,114,080

Notes:

Assuming that all Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme are issued by the Company and no other Shares are issued or repurchased by the Company.

The dilution impact on the share capital of the Company upon the issuance of all Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme is about 1.71%.

As of the Latest Practicable Date, the number of and percentage of the public float (has the meaning ascribed thereto under the Listing Rules) are 21,556,000 Shares and approximately 18.73%. In the event of full vesting and issuance of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme, the number of and percentage of the public float are expected to be 21,556,000 Shares and approximately 18.41%. Based on publicly available information and to the best of the Directors' knowledge, as at the Latest Practicable Date the Company's public float complies with the requirements of Rules 8.08 and 19A.13A of the Listing Rules and the exemption from the minimum public float requirement granted by the Hong Kong Stock Exchange upon the Company's listing of its H Shares. The Company expects that upon full vesting and issuance of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme, it will continue to be able to comply with the requirement of minimum public float under Rules 8.08 and 19A.13A of the Listing Rules.

Grant Price

The Grant Price of the Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme shall be RMB100.00 per A Share, which was determined with reference to the basis set out in the section headed "Principal Terms of the 2026 A Share Restricted Share Incentive Scheme" above.

Aggregate nominal value

The nominal value of the A Shares is RMB1 per A Share. The aggregate nominal value of the Restricted Shares to be granted under the 2026 A Share Restricted Share Incentive Scheme shall be no more than RMB2,000,000.

Further announcements

The Company will publish announcements when the First Grant and the Reserved Grant occur in accordance with the requirements set out in Rules 17.06A, 17.06B and 17.06C of the Listing Rules.

(ii) PROPOSED ADOPTION OF THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME IMPLEMENTATION AND ASSESSMENT MANAGEMENT MEASURES

To ensure the smooth implementation of the 2026 A Share Restricted Share Incentive Scheme, the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures has been formulated according to the Company Law, the Securities Law, the Management Measures, Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange and Guidelines No. 4 for Self-regulation of Companies Listed on the Science and Technology Innovation Board – Information Disclosure on Equity Incentives and other relevant laws, administrative regulations, normative documents, the relevant requirements of the Articles of Association and the 2026 A Share Restricted Share Incentive Scheme (draft) of Fortior Technology (Shenzhen) Co., Ltd. as well as the actual situation of the Company.

The full text of the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures is set out in Appendix II to this circular. The 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures was prepared in Chinese language. In the event of any discrepancy between the English translation and the Chinese version of the 2026 A Share Restricted Share Incentive Scheme Assessment Management Measures, the Chinese version shall prevail.

A special resolution will be proposed at the 2026 Second EGM to consider and, if thought fit, approve the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures.

(iii) PROPOSED AUTHORIZATION TO THE BOARD TO DEAL WITH MATTERS RELATING TO THE 2026 A SHARE RESTRICTED SHARE INCENTIVE SCHEME

To specifically implement the 2026 Restricted Share Incentive Scheme of the Company, the Board proposes at the general meeting that the Board be granted authority to handle the following matters related to the Restricted Share Incentive Scheme of the Company, including but not limited to:

1. to propose at the general meeting of the Company that the Board be authorized to be responsible for the following matters in relation to the implementation of the Share Incentive Scheme:

    (1) to grant authority to the Board to determine the grant date of the 2026 A Share Restricted Share Incentive Scheme;

    (2) to grant authority to the Board to adjust accordingly the granting/vesting price of Restricted Shares in accordance with the methods stipulated in the 2026 A Share Restricted Share Incentive Scheme in the event of matters such as capitalisation issue, bonus issue, sub-division or share consolidation, share placement and dividend distribution of the Company;

    (3) to grant authority to the Board to adjust accordingly the granting/vesting number of Restricted Shares in accordance with the methods stipulated in the Restricted Share Incentive Scheme in the event of matters such as capitalisation issue, bonus issue, sub-division or share consolidation and share placement of the Company;

(4) to grant authority to the Board to allocate and adjust among the Participants the Restricted Shares resulting from employee departures or waivers prior to the grant of Restricted Shares;

(5) to grant authority to the Board to grant Restricted Shares to the Participants when they meet the conditions and handle all relevant matters, including signing the Agreement on Grant of the Restricted Shares with the Participants;

(6) to grant authority to the Board to determine whether the Restricted Shares granted to the Participants can be vested, to review and confirm the Participants' qualifications for vesting and quantity of vesting, and agree to the delegation to the Remuneration and Appraisal Committee for it to exercise such right;

(7) to grant authority to the Board to handle all necessary matters for the vesting of Restricted Shares of the Participants, including but not limited to filing an application to the Stock Exchange for vesting and applying to the China Securities Depository and Clearing Co., Ltd. for handling the relevant registration and clearing;

(8) to grant authority to the Board to handle relevant matters in accordance with the provisions of the 2026 A Share Restricted Share Incentive Scheme of the Company, including but not limited to cancelling the qualifications of the Participants for vesting, cancelling the unvested Restricted Shares of the Participants, handling the inheritance of the unvested Restricted Shares of the deceased (death) Participants;

(9) to grant authority to the Board to manage and adjust the 2026 A Share Restricted Share Incentive Scheme and formulate or revise the management and implementation provisions of the incentive scheme from time to time, provided that they are consistent with the terms of the Restricted Share Incentive Scheme. However, if laws, regulations or relevant regulatory authorities require such revision to be approved by the general meeting or/and relevant regulatory authorities, such revision by the Board must be approved accordingly;

(10) to grant authority to the Board to sign, execute, modify and terminate any agreement related to the Share Incentive Scheme;

(11) to grant authority to the Board to determine all matters related to the Participants, number of grant and date of grant of the reserved Restricted Shares under the Share Incentive Scheme of the Company;

(12) to grant authority to the Board to handle other necessary matters required to implement the Restricted Share Incentive Scheme, except for rights expressly stipulated in the relevant documents to be exercised by the general meeting.

2. to propose at the general meeting of the Company to grant authority to the Board to handle procedures including application for approval, registration, filing, obtaining approval and seeking consent related to the Restricted Share Incentive Scheme with the relevant governments and authorities; sign, execute, modify and complete documents submitted to the relevant governments, authorities, institutions and individuals; revise the Articles of Association, change of registered capital of the Company, and handle the registration of the change in the registered capital of the Company; and perform all acts that it deems necessary, proper or fit in relation to the Restricted Share Incentive Scheme;

3. to propose at the general meeting of the Company to grant authority to the Board to appoint intermediaries such as the financial advisor, receiving banks, accountants, lawyers, and securities companies for the implementation of the Restricted Share Incentive Scheme;

4. to propose at the general meeting of the Company to give consent that the term of the authority granted to the Board be the same as the validity period of the Restricted Share Incentive Scheme.

The authority for approval of the above delegated matters, except for matters clearly stipulated in laws, administrative regulations, rules of the CSRC, regulatory documents, the Restricted Share Incentive Scheme or the Articles of Association requiring approval by the Board by way of resolution, can be exercised directly on behalf of the Board by the chairman of the Board or appropriate persons delegated by the Board.

The Company will propose a special resolution at the 2026 Second EGM to consider and, if thought fit, approve the proposed authorization for the Board to handle matters relating to the 2026 A Share Restricted Share Incentive Scheme.

DOCUMENT ON DISPLAY

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

VOTING BY WAY OF POLL

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to vote at the 2026 Second EGM in accordance with the Articles of Association. An announcement on the poll results will be made by the Company after the 2026 Second EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

EGM

A notice convening the 2026 Second EGM to be held at 11:00 a.m. on 14 September 2026 at 801, Building 11, Software Park (Phase II), 1 Keji Central Road II, Gaoxin Central Zone, Nanshan District, Shenzhen, Guangdong, the PRC, is set out on pages EGM-1 to EGM-2 of this circular for the purpose of considering and, if thought fit, passing the special resolutions approving the matters set out above.

A form of proxy for use at the 2026 Second EGM (or any adjournment thereof) is enclosed with this circular. Whether or not you are able to attend the 2026 Second EGM (or any adjournment thereof), you are requested to complete and return the form of proxy in accordance with the instructions printed thereon to the Hong Kong H Share registrar and transfer office of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event, no later than 24 hours before the time fixed for holding the 2026 Second EGM (or any adjournment thereof). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the 2026 Second EGM (or any adjournment thereof) should you so desire.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries: (1) Mr. Bi Lei was interested in 36,585,147 Shares, representing approximately 31.78% of the total issued Shares of the Company, (2) Mr. Bi Chao was interested in 36,585,147 Shares, representing approximately 31.78% of the total issued Shares of the Company, (3) Mr. Li Baorong (李寶榮) was interested in 62,000 Shares, representing approximately 0.05% of the total issued Shares of the Company,(4) Ms. Zhang Hongmei (張紅梅) was interested in 10,000 Shares, representing approximately 0.01% of the total issued Shares of the Company; each of the aforesaid Participants will abstain from voting for resolutions numbered 1 to 3 at the 2026 Second EGM; and certain other Participants (save for Mr. Bi Lei, Mr. Bi Chao, Mr. Li Bairong and Ms. Zhang Hongmei named above) were also existing Shareholders of the Company. Each of such other Participants and their respective associates held less than 0.1% of the total issued Shares of the Company. Such other Participants and their respective associates will also abstain from voting for resolutions numbered 1 to 3 at the 2026 Second EGM.

Save for as disclosed above, as at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder had a material interest in the above resolutions, and no other Shareholder is required to abstain from voting on the relevant resolutions to be proposed at the 2026 Second EGM.

Pursuant to the relevant regulations of the PRC, the Directors and senior management of the Company, who will participate in the 2026 A Share Restricted Share Incentive Scheme, shall abstain from voting on the resolutions relating to the adoption of the 2026 A Share Restricted Share Incentive Scheme at the 2026 Second EGM. The Company shall separately calculate and disclose the voting results of Shareholders excluding the Company's Directors, senior management and Shareholders holding 5% or more of the Company's Shares individually or in aggregate.

Pursuant to Rule 13.39(4) of the Listing Rules, all the resolutions to be proposed at the 2026 Second EGM will be voted by way of poll by the Shareholders. When considering the Share Incentive Scheme at the general meeting of the Company, Shareholders who are Participants or who have a connected relationship with the Participants shall abstain from voting.

RECORD DATE FOR THE 2026 SECOND EGM

The record date for determining the identity of the Shareholders who are entitled to attend and vote at the 2026 Second EGM will be Monday, 7 September 2026. Shareholders whose name appears on the register of members of the Company on Monday, 7 September 2026 shall be entitled to attend and vote at the 2026 Second EGM. All transfer documents accompanied by the relevant share certificates, must be lodged with the H Share registrar of the Company, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 7 September 2026.

RECOMMENDATION

The Board believes that the above resolutions Meeting are in the best interests of the Company and the Shareholders as a whole and therefore recommends the Shareholders to vote in favour of the resolutions as set out in the notice of the 2026 Second EGM.

RESPONSIBILITY STATEMENT

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

By order of the Board
Fortior Technology (Shenzhen) Co., Ltd.
Bi Lei
Chairman of the Board

Note: Any discrepancies in the last digit between the totals presented in this circular and the sum of the individual figures are due to rounding.

SPECIAL NOTES

1. The 2026 Restricted Share Incentive Scheme is formulated in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Rules Governing the Listing of Shares on the Science and Technology Innovation Board of the Shanghai Stock Exchange, the Measures for the Management of Shares Incentives of Listed Companies, the Science and Technology Innovation Board Listed Company Self-Regulatory Guide No. 4 − Information Disclosure for Equity Incentives, other relevant laws, regulations, normative documents, and the Articles of Fortior Technology (Shenzhen) Co., Ltd.

2. The Incentive Scheme takes the form of Restricted Shares (Type II Restricted Share). The shares are derived from the issuance of ordinary A shares of Fortior Technology (Shenzhen) Co., Ltd. (hereinafter referred to as the "**Company**" or "**we**") and/or from the repurchase of the Company's ordinary A shares on the secondary market to the Incentive Participants by the Company.

   The Incentive Participants who satisfy the grant conditions under the Incentive Scheme shall, upon fulfilling the corresponding Vesting Conditions, be granted with ordinary A shares of the Company in multiple installments at the Grant Price. Such shares will be registered with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. The Restricted Shares granted to the Incentive Participants do not carry shareholder rights of the Company before they are vested, and such Restricted Shares may not be transferred, used for guarantee or repayment of debts, etc.

3. The Incentive Scheme proposes to grant 2,000,000 Restricted Shares, representing approximately 1.74% of the total share capital of the Company of 115,114,080 shares as at the announcement date of the draft Incentive Scheme. Among them, 1,970,000 shares are to be granted firstly, representing approximately 1.71% of the total share capital of the Company of 115,114,080 shares as at the announcement date of the Incentive Scheme; the First Grant constitutes approximately 98.50% of the total equity interests granted in this round; 30,000 shares are reserved, representing 0.03% of the total share capital of the Company of 115,114,080 shares as at the announcement date of the Incentive Scheme; the reserved portion accounts for approximately 1.50% of the total equity interests granted in this round.

   As of the announcement date of the Incentive Scheme, the aggregate number of underlying shares covered by all of the Company's equity incentive schemes currently in effect does not exceed 10.00% of the Company's total share capital as at the announcement date of the draft Incentive Scheme and as at the date the Incentive Scheme is submitted to the general meeting for consideration. The cumulative number of shares of the Company granted to any single Incentive Participant under all equity incentive schemes currently in effect does not exceed 1.00% of the Company's total share capital as at the date the Incentive Scheme is submitted to the general meeting for consideration.

   From the date of announcement of the draft Incentive Scheme until the completion of the vesting and registration of the Restricted Shares granted to the Incentive Participants, if the Company undertakes any matter such as Capitalisation issue, bonus issue and sub-division of shares, rights issue or share consolidation, the number of Restricted Shares shall be adjusted accordingly in accordance with the relevant provisions of the Incentive Scheme.

4. The Grant Price of the Restricted Shares under the Incentive Scheme (including reserved shares) is RMB100.00 per share.

   From the announcement date of the draft Incentive Scheme until the Restricted Shares granted to the Incentive Participants, and from the date of such grant until vesting, if the Capitalisation issue, bonus issue and sub-division of shares, consolidation or rights issue, or distribution of cash dividends, and other matters occur on the Company, the Grant Price and number of the Restricted Shares shall be adjusted according to the relevant provisions of the Incentive Scheme.

5. A total of 301 Incentive Participants are eligible for the First Grant under the Incentive Scheme, representing 95.56% of the Company's total workforce (as of 31 December 2025, the Company's total workforce was 315 employees), including the Company's directors, senior management, core technical personnel, and technical (business) backbones (excluding independent directors) of the Group. The Incentive Participants for the reserved grants will be determined within 12 months after the Scheme is approved by the general meeting. The criteria for determining the reserved Incentive Participants shall be based on the criteria for the First Grant.

6. The Valid Period of the Incentive Scheme shall be from the date of the first grant of Restricted Shares until the date when all the Restricted Shares granted to the Incentive Participants are either vested or invalidated/forfeited, with a maximum term not exceeding 60 months. Provided that the Incentive Participants meet both the company-level performance evaluation and the individual-level performance evaluation, the shares may vest in accordance with the proportion stipulated in the Scheme.

7. The Company does not fall under any of the circumstances specified in Article 7 of the Measures for the Management of Shares Incentives of Listed Companies that would prohibit any equity incentive:

   (I) An audit report with an adverse opinion or a disclaimer of opinion was issued by certified public accountants on the financial accounting report for the most recent accounting year;

   (II) An audit report with an adverse opinion or a disclaimer of opinion was issued by certified public accountants on the internal control of the financial report for the most recent accounting year;

   (III) There has been an instance of profit distribution not conducted in accordance with laws and regulations, the Articles or public commitments within the 36 months immediately following the listing;

   (IV) There are circumstances where the implementation of equity incentives is prohibited by laws and regulations;

   (V) There are other circumstances identified by the China Securities Regulatory Commission.

8. The Incentive Participants under the Incentive Scheme do not include the Independent Directors. The Incentive Participants comply with Article 8 of the Measures for the Management of Shares Incentives of Listed Companies, and none of them fall under the following circumstances that would disqualify them from being Incentive Participants:

   (I) Being identified as an inappropriate candidate by a stock exchange in the past 12 months;

   (II) Being identified as an inappropriate candidate by the China Securities Regulatory Commission (CSRC) or its local offices in the past 12 months;

   (III) Being subjected to administrative penalties or market entry bans by the CSRC or its local offices due to significant violations of laws or regulations in the past 12 months;

   (IV) Falling under the circumstances specified in the Company Law that disqualify them from serving as directors or senior management of the Company;

   (V) Falling under the circumstances where participation in equity incentives of listed companies is prohibited by laws or regulations;

   (VI) Other circumstances identified by the CSRC.

9. The Company undertakes not to provide loans or any other form of financial assistance to the Incentive Participants for acquiring Restricted Shares under the Incentive Scheme, including providing guarantees for their loans.

10. The Incentive Scheme was drafted by the Remuneration and Appraisal Committee of the Board of the Company. It may be implemented only after it has been reviewed and approved by the Board of the Company and subsequently reviewed and approved by the general meeting of the Company. When the general meeting of the Company votes on this equity incentive scheme, both in-person and online voting options will be available.

11. Within 60 days from the date of approval of the Incentive Scheme at the general meeting, the Company will convene a board meeting to complete the procedures for the first grant to Incentive Participants and make relevant announcements. If the Company fails to complete the above procedures within 60 days, the Incentive Scheme will be terminated, and any Restricted Shares not yet granted will become void. The reserved portion shall be granted within 12 months after the equity incentive scheme is approved at the general meeting of the Company.

12. The implementation of the Incentive Scheme will not result in the shareholding distribution failing to meet the requirements of the listing requirements.

CHAPTER I DEFINITIONS

Unless otherwise specified, capitalised terms shall have the same meanings as those hereinafter defined:

Fortior Technology, the Company, Listed Company	峰岹科技(深圳)股份有限公司(Fortior Technology (Shenzhen) Co., Ltd.)
The Incentive Scheme, the Scheme	the 2026 Restricted Share Incentive Scheme of Fortior Technology (Shenzhen) Co., Ltd.
Restricted Share(s), Type II Restricted Share(s)	the A Share(s) of the Company to be obtained in tranches and registered by the Incentive Participants who meet the conditions for grant under the Incentive Scheme after meeting the corresponding Vesting Conditions
Incentive Participant(s)	Pursuant to the provisions of the Incentive Scheme, directors, the senior management, core technical personnel, and technical (business) backbones
Grant Date	the date on which the Company grants the Restricted Shares to the Incentive Participants
Grant Price	the price per share of Restricted Share granted by the Company to the Incentive Participants
Valid Period	the period commencing on the date of the first grant and ending on the date on which all Restricted Shares granted to the Incentive Participants have been vested or cancelled
Vesting	the act of registering the Restricted Shares by the Listed Company to the account of an Incentive Participant after the Vesting Conditions having been satisfied by the Incentive Participant
Vesting Conditions	the Vesting Conditions as stipulated under the Restricted Share Incentive Scheme which must be satisfied by the Incentive Participant in order to obtain the Incentive Shares
Vesting Date	the date on which the registration of the granted Restricted Shares is completed after the Vesting Conditions having been satisfied by the Incentive Participant, which must be a trading day
Company Law	the Company Law of the People's Republic of China
Securities Law	the Securities Law of the People's Republic of China

Management Measures	the Measures for the Management of Shares Incentives of Listed Companies
Listing Rules	the Rules Governing the Listing of Shares on the Science and Technology Innovation Board of the Shanghai Stock Exchange
Guidelines for Self-Discipline	the Guidelines for Self-Discipline of Companies Listed on the STAR Market No. 4 – Information Disclosure of Equity Incentive (《科創板上市公司自律監管指南第4號–股權激勵信息披露》)
Articles	articles of association of Fortior Technology (Shenzhen) Co., Ltd.*
CSRC	the China Securities Regulatory Commission
SSE	Shanghai Stock Exchange
RMB, RMB0,000	RMB, RMB0,000

Notes: 1. Unless otherwise stated, the financial data and financial indicators referenced herein shall mean the financial data on a consolidated basis and financial indicators calculated based on such financial data.

2. Some figures shown as totals herein may not be an arithmetic aggregation of the figures preceding them due to rounding adjustments.

CHAPTER II PURPOSE AND PRINCIPLES OF THE INCENTIVE SCHEME

I. PURPOSE OF THE INCENTIVE SCHEME

To further enhance its long-term incentive mechanism, the Company aimed at attracting and retaining key talent, motivating employees, and effectively aligning the interests of shareholders, the Company, and individual employees, and ensure that all parties share a common focus on the long-term development of the Company – while fully safeguarding the interests of shareholders – the Company hereby formulates the Incentive Scheme in accordance with the principle of aligning returns with contribution, and in accordance with the relevant laws, regulations and regulatory documents including the Company Law, the Securities Law, the Management Measures, the Listing Rules and Guidelines for Self-Discipline and the relevant provisions of the Articles.

II. SUMMARY OF OTHER INCENTIVE SCHEMES AND LONG-TERM INCENTIVE MECHANISM

As of the date of the announcement of the Incentive Scheme, the Company is also implementing the 2024 Restricted Share Incentive Scheme, the brief details of which are as follows:

The 2024 Restricted Share Incentive Scheme was approved at the Company's Second Extraordinary General Meeting of 2024. On 22 November 2024, the Company granted 1,599,000 Type II Restricted Shares to 221 Incentive Participants at a Grant Price of RMB70.00 per share. The vesting conditions for the first vesting period of this portion of Type II Restricted Share have been met, and the registration or listing of these shares was completed on 21 January 2026. On 9 April 2025, the Company granted 30,000 shares of Restricted Share to four Incentive Participants at a Grant Price of RMB70.00 per share. This portion of Type II Restricted Share has not yet vested.

The Incentive Scheme is independent of the Company's existing 2024 Restricted Share Incentive Scheme and is not related thereto.

CHAPTER III ADMINISTRATIVE BODIES OF THE INCENTIVE SCHEME

I. The general meeting, as the highest authority of the Company, is responsible for deliberating and approving the implementation, modification and termination of the Incentive Scheme. It may authorize the board of directors to handle certain matters related to the Incentive Scheme within its scope of authority.

II. The board of directors is the executive and administrative body of the Incentive Scheme, responsible for its implementation. The Remuneration and Appraisal Committee established under the board of directors shall formulate and revise the Incentive Scheme and submit it to the Board for deliberation. After the Board approves the Incentive Scheme, it shall be submitted to the general meeting for approval. The Board shall handle matters related to the Incentive Scheme within the scope authorized by the general meeting.

III. The Remuneration and Appraisal Committee of the board of directors shall express opinions on whether the Incentive Scheme is conducive to the sustainable development of the Company and whether there are circumstances that obviously harm the interests of the Company and all shareholders. The Committee shall supervise the implementation of the Incentive Scheme to ensure compliance with relevant laws, administrative regulations, normative documents and the business rules of the stock exchange, and review the list of Incentive Participants.

Where the Company modifies the equity Incentive Scheme before it is deliberated and approved by the general meeting, the Remuneration and Appraisal Committee shall express opinions on whether the modified plan is conducive to the Company's sustainable development and whether there are circumstances that obviously harm the interests of the Company and all shareholders.

Before the Company grants equity interests to Incentive Participants, the Board shall express a clear opinion on the conditions for Incentive Participants to obtain equity interests as set out in the equity Incentive Scheme. If there is any discrepancy between the equity interests granted by the Company to Incentive Participants and the arrangements under the Incentive Scheme, the Remuneration and Appraisal Committee (when there is a change in Incentive Participants) shall also express a clear opinion.

Before the restricted shares granted to Incentive Participants vest, the Remuneration and Appraisal Committee shall express a clear opinion on whether the vesting conditions for Incentive Participants as set out in the equity Incentive Scheme have been met.

CHAPTER IV BASIS FOR DETERMINING AND SCOPE OF INCENTIVE PARTICIPANTS

I. BASIS FOR DETERMINING INCENTIVE PARTICIPANTS

(I) Legal basis for determining Incentive Participants

The Incentive Participants under the Incentive Scheme are determined in accordance with the provisions of relevant laws, regulations, normative documents such as the Company Law, the Securities Law, the Administrative Measures, the Listing Rules, and Guidelines for Self-Discipline, as well as the Articles, in combination with the actual situation of the Company.

(II) Positional basis for determining Incentive Participants

The Incentive Participants of the Incentive Scheme are directors, senior management personnel, core technical personnel and technical (business) backbones. The above Incentive Participants are management personnel and technical and business backbones who have a direct impact on the Company's operating performance and future development, which is consistent with the purpose of the Incentive Scheme.

II. SCOPE OF INCENTIVE PARTICIPANTS

(I) The first grant of the Incentive Scheme involves a total of 301 Incentive Participants, accounting for 95.56% of the total number of employees of the Company (as of 31 December 2025, the total number of employees was 315 employees), including:

1. Directors and senior management personnel;

2. Core technical personnel;

3. Technical (business) backbones.

The Incentive Participants set forth above do not include Independent Directors.. Directors and senior management personnel of the Company must be elected by the general meeting of the Company or appointed by the board of directors. All Incentive Participants must have an employment or labor relationship with the Company, its branches or subsidiaries at the time of the grant of restricted shares and during the assessment period specified in the Incentive Scheme.

(II) The above Participants include Mr. Bi Lei, one of the listed company's actual controllers, chairman, general manager, and core technical personnel; and Mr. Bi Chao, one of the Company's actual controllers, executive Director, chief technology officer, and core technical personnel. Mr. Bi Lei currently serves as one of the Company's actual controllers, chairman, general manager, and core technical personnel. He is a key leader of the Company and the lead for core technology R&D, playing a vital role in decision-making regarding major aspects of the Company, including strategic planning, R&D breakthroughs, operational management, and business expansion. Including him in the Company's Incentive Scheme will help him lead the Company in achieving its long-term development goals and strategies. This aligns with the Company's actual circumstances and development needs, and also serves the long-term interests of the broader shareholder base, particularly small and medium-sized shareholders. Mr. Bi Chao is one of the Company's actual controllers, an executive director, chief technology officer, and a core technical personnel, playing a vital role in the Company's core technology R&D, R&D team building, and business expansion. Including him in the Incentive Scheme will help promote the stability and motivation of the Company's core technical personnel, facilitate further advancement in core technology R&D, and thereby contribute to the Company's long-term development. Therefore, designating Mr. Bi Lei and Mr. Bi Chao as Participants under the Incentive Scheme aligns with the Company's actual circumstances and development needs, complies with the provisions of the Listing Rules and other relevant laws and regulations, and is both necessary and reasonable.

(III) The above Participants includes foreign employees. The foreign employees included in this group are key personnel in their respective positions who play a significant and indispensable role in the Company's day-to-day management, technology, operations, and business activities. Implementing the equity incentive scheme will motivate and attract high-caliber foreign talent to join the Company, thereby contributing to its long-term development. Therefore, including these foreign employees as Participants is both necessary and reasonable.

(IV) The Incentive Participants for the reserved grant portion shall be determined within 12 months after the Incentive Scheme is deliberated and approved by the general meeting. After being proposed by the board of directors, receiving a clear opinion from the Remuneration and Appraisal Committee of the Board, and obtaining a professional opinion and legal opinion from lawyers, the Company shall disclose the relevant information of the Incentive Participants in a timely and accurate manner on the designated website in accordance with requirements. Where the Incentive Participants are not determined within 12 months, the reserved equity interests shall become invalid. The determination criteria for the reserved Incentive Participants shall be established in accordance with those for the first grant.

III. VERIFICATION OF INCENTIVE PARTICIPANTS

(I) After the Incentive Scheme is deliberated and approved by the board of directors, the Company shall publicly disclose the list of the Incentive Participants internally for a period of not less than 10 days.

(II) The Remuneration and Appraisal Committee of the board of directors of the Company shall review the list of Incentive Participants, fully listen to the opinions from the public disclosure, and disclose an explanation on the review and public disclosure of the list of Incentive Participants 5 days before the general meeting deliberates on the Incentive Scheme. The list of Incentive Participants adjusted by the board of directors shall also be verified by the Remuneration and Appraisal Committee.

CHAPTER V INCENTIVE METHOD, SOURCE, NUMBER AND ALLOCATION OF RESTRICTED SHARES

I. INCENTIVE METHOD AND SOURCE OF SHARES UNDER THE INCENTIVE SCHEME

The incentive instruments adopted in the Incentive Scheme are Type II Restricted Shares, the source of shares is the ordinary A shares to be issued by the Company to the Incentive Participants and/or ordinary A Shares repurchased from the secondary market.

II. NUMBER OF RESTRICTED SHARES TO BE GRANTED

The Incentive Scheme proposes to grant 2,000,000 Restricted Shares, representing approximately 1.74% of the total share capital of the Company of 115,114,080 shares as at the announcement date of the draft Incentive Scheme. The 2,000,000 A Shares, being the Scheme Mandate Limit, represents the total number of A Shares which may be issued in respect of all awards to be granted under the 2026 A Share Restricted Share Incentive Scheme and any other scheme(s) of the Company for the purpose of Rule 17.03(3) of the Listing Rules. Among such 2,000,000 Restricted Shares, 1,970,000 shares are to be granted firstly, representing approximately 1.71% of the total share capital of the Company of 115,114,080 shares as at the announcement date of the Incentive Scheme; the First Grant constitutes approximately 98.50% of the total equity interests granted in this round; 30,000 shares are reserved, representing 0.03% of the total share capital of the Company of 115,114,080 shares as at the announcement date of the Incentive Scheme; the reserved portion accounts for approximately 1.50% of the total equity interests granted in this round.

As of the announcement date of the Incentive Scheme, the aggregate number of underlying shares covered by all of the Company's equity incentive schemes currently in effect does not exceed 10.00% of the Company's total issued-and-outstanding share capital as of the announcement date of the draft Incentive Scheme. The cumulative number of shares of the Company under the Scheme granted to any of the Incentive Participants under all valid equity incentive schemes does not exceed 1.00% of the total share capital of the Company as of the date the Incentive Scheme is submitted to the general meeting for consideration.

III. ALLOCATION OF THE RESTRICTED SHARES TO THE INCENTIVE PARTICIPANTS

The allocation of Restricted Share granted under the Incentive Scheme among the Incentive Participants is shown in the table below:

No.	Name	Nationality	Position	Number of Restricted Shares granted *(in ten thousand)*	Percentage to the total number of Restricted Shares granted	Percentage to the Company's total share capital as at the date of announcement of the Incentive Scheme
I. Director, senior management personnel, core technical personnel						
1	Bi Lei	Singapore	chairman of the Board, executive Director, chief executive officer, general manager, and core technical personnel	6.5	3.25%	0.06%
2	Bi Chao	Singapore	executive director, chief technology officer, core technical personnel	1	0.50%	0.01%
3	Li Baorong	China	core technical personnel	5	2.50%	0.04%
4	Sun Yunzi	China	secretary of the Board	2	1.00%	0.02%
5	Zhang Hongmei	China	chief financial officer	4	2.00%	0.03%
II. Other personnel considered by the Board to be motivated						
Technical (business) backbones (296 persons in total)				178.5	89.25%	1.55%
Reserved Grant				3	1.50%	0.03%
Total				200	100.00%	1.74%

Notes:

1. The number of shares of the Company in aggregate granted to any one Participants above during the entire Valid Period does not exceed 1% of the total share capital of the Company. The total number of underlying shares involved in 2026 A Share Restricted Share Incentive Scheme of the Company during the entire Valid Period does not exceed 10% of the total share capital of the Company in aggregate.

2. The Incentive Participants under the First Grant of the proposed Incentive Scheme exclude Independent Directors.

3. The Incentive Participants under the Reserved Grant will be determined within 12 months after the Incentive Scheme is considered and approved by the general meeting. Details of Participants of the Reserved Grant shall be disclosed in a timely manner on the designated website as required following nomination by the Board, taking into account the views of the Remuneration and Appraisal Committee of the Board and having received the professional advice and legal opinions of legal advisors.

4. Any discrepancies in the last digit between certain totals in the table above and the sum of the corresponding line items are due to rounding.

CHAPTER VI VALIDITY PERIOD, GRANT DATE, VESTING ARRANGEMENT AND LOCK-UP PERIOD OF INCENTIVE SCHEME

I. VALIDITY PERIOD OF THE INCENTIVE SCHEME

The Validity Period of the Incentive Scheme commences from the date of the first grant of the Restricted Shares until the date on which all Restricted Shares granted to the Incentive Participants have been vested or cancelled. The Validity Period shall not exceed 60 months.

II. GRANT DATE OF THE INCENTIVE SCHEME

The Grant Date shall be determined by the Board after the Incentive Scheme is considered and approved at the general meeting of the Company. The Grant Date must be a trading day. After the equity incentive scheme is approved by the general meeting, the Company shall, within 60 days, make the First Grant of Restricted Share to the Incentive Participants and complete the announcement. If the Company fails to complete the announcement of the First Grant within 60 days, the Incentive Scheme shall be terminated, and the Board shall promptly disclose the reasons for the failure and shall not reconsider the equity incentive scheme within 3 months (the period during which a listed company is prohibited from granting Restricted Shares pursuant to the Administrative Measures and relevant laws and regulations shall not be counted toward the 60-day period).

III. VESTING PERIOD AND VESTING ARRANGEMENTS OF THE INCENTIVE SCHEME

(I) The Restricted Shares first granted under the Incentive Scheme may be vested in tranches as per the agreed proportions 12 months after the date of First Grant for the First Grant, and 12 months after the date of Reserved Grant for the Reserved Grant upon the Incentive Participants satisfying the corresponding Vesting Conditions. The Vesting Date must be a trading day but shall not occur during the following periods:

1. Within fifteen days prior to the announcement of the Company's annual reports and semiannual reports, or in the event of postponement in publishing the above-mentioned annual reports and semi-annual reports for special reasons, fifteen days prior to the original announcement date and ending on one day prior to the announcement date;

2. Five days prior to the release of the Company's quarterly reports, results forecast or preliminary report;

3. From the date of a major event which may have a material impact on the trading price of the Company's securities and derivatives or during the decision-making process until the date of legal disclosure of the same;

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

Where relevant laws, administrative regulations, or departmental rules stipulate otherwise regarding periods that may not be vested, such stipulations shall prevail.

(II) Vesting arrangement

The vesting period and vesting arrangements for the First Grant of the Restricted Shares under the Incentive Scheme are as follows:

Vesting arrangement	Vesting period	Percentage of vesting numbers to the vested interests
First Vesting Period	Commencing from the first trading day upon the expiry of 12 months from the date of First Grant to the last trading day upon the expiry of 24 months from the date of First Grant	30%
Second Vesting Period	Commencing from the first trading day upon the expiry of 24 months from the date of First Grant to the last trading day upon the expiry of 36 months from the date of First Grant	30%
Third Vesting Period	Commencing from the first trading day upon the expiry of 36 months from the date of First Grant to the last trading day upon the expiry of 48 months from the date of First Grant	40%

If the Reserved Restricted Share is granted in full prior to the disclosure of the Company's third-quarter report for 2026, the vesting period for each tranche of the reserved Restricted Share shall be the same as those of the First Grant.

If the Reserved Restricted Share is granted in full following disclosure of the Company's third-quarter report for 2026, the vesting period and vesting arrangement of the reserved Restricted Share shall be as set out in the table below:

Vesting arrangement	Vesting period	Percentage of vesting numbers to the vested interests
First Vesting Period	Commencing from the first trading day upon the expiry of 12 months from the date of Reserved Grant to the last trading day upon the expiry of 24 months from the date of Reserved Grant	50%
Second Vesting Period	Commencing from the first trading day upon the expiry of 24 months from the date of Reserved Grant to the last trading day upon the expiry of 36 months from the date of Reserved Grant	50%

Prior to the Vesting, the Restricted Shares granted to the Incentive Participants under the Incentive Scheme shall not be transferred or used to guarantee or repay debts. For the Restricted Shares granted to the Incentive Participants but not yet vested, shares increased due to capitalisation issue, bonus issue, etc. are also subject to the Vesting Conditions, and shall not be transferred or used to guarantee or repay debts prior to the Vesting. Where the Restricted Shares are not allowed to be vested at that time, shares obtained for the aforementioned reasons shall also not be vested.

IV. LOCK-UP PERIOD UNDER THE INCENTIVE SCHEME

The lock-up period refers to the period during which the Restricted Shares granted to the Incentive Participants are restricted to be sold after the vesting. The lock-up provisions of Restricted Share Incentive Scheme shall be implemented in accordance with the Company Law, the Securities Law, the Interim Measures on the Management of Shareholding Reduction by Shareholders of Listed Companies, Guidelines No. 15 of the Shanghai Stock Exchange for Self-regulation of Listed Companies – Shareholding Reduction by Shareholders, Directors and Senior Management, Certain Provisions on the Supervision of Short-term Trading and other relevant laws, regulations and regulatory documents and the Articles, details of which are as follows:

(I) For the Incentive Participants who are directors and senior management of the Company, the shares transferred annually during their term of office shall not exceed 25% of the total shares held by them in the company. No shares of the Company held by them may be transferred after their termination of office within six months.

(II) For Incentive Participants who are directors and senior management of the Company, if they have sold the Company's shares held by them within 6 months after purchasing such shares, or if they have purchased the shares within 6 months after selling their shares, the gains obtained therefrom shall be attributed to the Company and the Board of the Company shall forfeit the gains. Except for changes in the number of securities resulting from the grant and vesting of Restricted Share under an equity incentive scheme.

(III) During the Validity Period of the Incentive Scheme, if the relevant requirements under the relevant laws, regulations, regulatory documents including the Company Law, the Securities Law, the Interim Measures on the Management of Shareholding Reduction by Shareholders of Listed Companies, Guidelines No. 15 of the Shanghai Stock Exchange for Self-regulation of Listed Companies – Shareholding Reduction by Shareholders, Directors and Senior Management, Certain Provisions on the Supervision of Short-term Trading as well as the Articles regarding the transfer of shares held by the directors and senior management of the Company are changed, the transfer of the shares of the Company held by the Incentive Participants under this section shall comply with the requirements as amended at the time of transfer.

CHAPTER VII GRANT PRICE OF RESTRICTED SHARES AND THE METHOD FOR DETERMINING THE GRANT PRICE

I. GRANT PRICE OF RESTRICTED SHARES

The Grant Price for Restricted Shares under the Scheme (including Reserved Grant) is RMB100.00 per share. Upon satisfying the granting conditions and Vesting Conditions, the Incentive Participants may purchase the Company's shares granted to them at a price of RMB100.00 per share.

II. METHOD FOR DETERMINING THE GRANT PRICE OF RESTRICTED SHARES

(I) Pricing Method

The Grant Price for these Restricted Shares will be determined through a discretionary pricing process:

The Grant Price for the Restricted Share is RMB100.00 per share (including the Reserved Grant), representing 59.88%, 60.64%, 50.05% and 50.20% of the average trading price on the 1st, 20th, 60th, and 120th trading days, respectively, prior to the announcement of the Incentive Scheme.

(II) Basis for Pricing

First, the Grant Price and pricing method for the Company's Restricted Share grant are determined with the fundamental objectives of promoting the Company's development and safeguarding shareholders' interests. They are based on confidence in the Company's future growth prospects and recognition of its intrinsic value, and are established in accordance with the principle of balancing incentives and accountability. The inherent mechanisms of equity incentive scheme ensure that their implementation will have a positive impact on the Company's ability to continue as a going concern and on shareholders' interests.

The pricing method selected for this equity incentive scheme was determined after comprehensively considering various factors, including the effectiveness of the Incentive Scheme and the Company's share-based payment expenses. In compliance with relevant laws, regulations, and normative documents, the Company has decided to set the Grant Price of the Restricted Share at RMB100.00 per share (including the Reserved Grant). The implementation of the Incentive Scheme will further motivate the core team and achieve a deep alignment of employee interests with those of shareholders.

The Grant Price and pricing method for the Incentive Scheme comply with the provisions of Article 23 of the Management Measures and Rule 10.6 of Chapter 10 of the Listing Rules.

Article 23 of the "Administrative Measures for Equity Incentive of Listed Companies" stipulates that when granting restricted shares to incentive recipients, listed companies shall determine the grant price or the method for determining the grant price. The grant price shall not be lower than the par value of the stock, and in principle, shall not be lower than the higher of the following prices:

(i) 50% of the average trading price of the company's stock on the trading day immediately preceding the publication of the draft equity incentive plan;

(ii) 50% of the average trading price of the company's stock over the 20, 60, or 120 trading days preceding the publication of the draft equity incentive plan.

If a listed company adopts other methods to determine the grant price of restricted stock, it shall explain the pricing basis and pricing method in the equity incentive plan.

Section VI. Grant Price, Exercise Price, and Determination Method of the Self-Regulatory Guidelines for Listed Companies on the Science and Technology Innovation Board No. 4 − Disclosure of Equity Incentive Information stipulates that if the incentive method is restricted stock, the grant price of the restricted stock or the method for determining the grant price shall be disclosed.

If the grant price is lower than 50% of the average trading price of the company's shares over the preceding 1, 20, 60, or 120 trading days, the pricing basis and method must be explained. Listed companies must engage an independent financial advisor to provide opinions on the feasibility of the equity incentive plan, the rationality of the relevant pricing basis and method, whether it is conducive to the company's sustainable development, whether it harms the interests of the listed company, and its impact on shareholder interests.

The relevant pricing basis and pricing methods are reasonable and feasible, and are conducive to the smooth implementation of the Incentive Scheme, the motivation of the Company's existing core team, and the recruitment of outstanding high-level talent, as well as the Company's sustainable development. There are no circumstances that would harm the interests of the listed company or all its shareholders.

CHAPTER VIII GRANTING AND VESTING CONDITIONS FOR RESTRICTED SHARES

I. GRANTING CONDITIONS FOR RESTRICTED SHARES

The Company shall grant the Restricted Shares to the Incentive Participants upon satisfaction of all of the following granting conditions; or conversely, if any of the following granting conditions has not been satisfied, no Restricted Shares shall be granted to the Incentive Participants.

(I) None of the following has occurred on the part of the Company:

1. an audit report on the financial and accounting report for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

2. an audit report on internal control over financial reporting for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

3. in the most recent 36 months upon listing, there have been cases of failure to distribute profits according to laws and regulations, the Articles and public undertakings;

4. laws and regulations stipulate that share incentives shall not be implemented;

5. other circumstances as determined by the CSRC.

(II) None of the following has occurred on the part of the Incentive Participants:

1. being identified as an inappropriate candidate by the SSE within the most recent 12 months;

2. being identified as an inappropriate candidate by the CSRC and its delegated institutions within the most recent 12 months;

3. being subject to administrative penalties or market ban measures by the CSRC and its delegated institutions due to material non-compliance with laws and regulations in the most recent 12 months;

4. being prohibited from acting as a director or a member of the senior management of the Company under the Company Law;

5. being prohibited from participation in share schemes of listed companies by laws and regulations;

6. other circumstances as determined by the CSRC.

II. VESTING CONDITIONS OF THE RESTRICTED SHARES

Restricted Shares granted to the Incentive Participants need to satisfy all of the following Vesting Conditions before they are vested in tranches:

(I) None of the following has occurred on the part of the Company:

1. an audit report on the financial and accounting report for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

2. an audit report on internal control over financial reporting for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

3. in the most recent 36 months upon listing, there have been cases of failure to distribute profits according to laws and regulations, the Articles and public undertakings;

4. laws and regulations stipulate that equity incentives shall not be implemented;

5. other circumstances as determined by the CSRC.

(II) None of the following has occurred on the part of the Participants:

1. the Participant has been determined as an inappropriate candidate by relevant stock exchange within the most recent 12 months;

2. the Participant has been identified as an inappropriate candidate by the CSRC and its delegated institutions within the most recent 12 months;

3. the Participant has been subject to administrative punishment or market ban measures by the CSRC and its delegated institutions due to major breach of laws and regulations in the most recent 12 months;

4. the Participant shall not act as a director or member of the senior management of a company according to the PRC Company Law;

5. applicable laws and regulations stipulate that the Participant shall not participate in the equity incentives of listed companies;

6. other circumstances as determined by the CSRC.

In the event that any one of the circumstances specified in (I) above arises, the Restricted Shares that have been granted but have not yet been vested to all of the Participants under the Incentive Scheme shall not be vested and shall be cancelled. In the event that an Incentive Participant falls under any of the circumstances specified in (II) above, the Restricted Shares that have been granted but have not yet been vested to such Participant under the Incentive Scheme shall not be vested and shall be cancelled.

(III) Requirements on length of employment of the Incentive Participants for vesting of Equity Interests

Before each tranche of Restricted Shares granted to the Participants can be vested, the Participant must be employed for more than 12 months.

(IV) Performance assessment at the Company level

Under the First Grant of the Incentive Scheme, the Company's performance evaluations and vesting will be evaluated on an annual basis for the 3 financial years of 2026 to 2028, and the achievement of performance assessment target will be one of the vesting conditions for the Participants. The annual performance evaluation targets for the First Grant of the Incentive Scheme are shown in the table below:

Vesting Period	Assessment year	Performance assessment indicator categories	Performance assessment Target
First Vesting Period	2026	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2026 shall be no less than 40%; (2) new products sales revenue in 2026 shall be no less than RMB60.00 million
Second Vesting Period	2027	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2027 shall be no less than 90%; (2) new products sales revenue in 2027 shall be no less than RMB70.00 million
Third Vesting Period	2028	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2028 shall be no less than 150%; (2) new products sales revenue in 2028 shall be no less than RMB80.00 million

Notes: 1. The "operating revenue" referred to above is calculated based on the figures set forth in the consolidated financial statements audited by the accounting firm engaged by the Company (the same applies hereinafter);

2. the "new products sales revenue" referred to above means the sales revenue generated during the assessment year from chip products for which the Company released the Datasheet (i.e., the product data sheet approved and archived through the parent company's system) for the first time within the 36 months preceding the assessment period (the same applies hereinafter).

3. The performance targets associated with the vesting conditions for the aforementioned Restricted Share do not constitute performance forecasts or substantive commitments by the Company to investors.

If the reserved Restricted Share under the Incentive Scheme are granted prior to the date of disclosure of the 2026 third quarter report, the performance assessment requirements of the Reserved Grant will be the same as the First Grant.

If the reserved Restricted Share under the Incentive Scheme are granted following the date of disclosure of the 2026 third quarter report, the performance assessment requirements for each vesting period of the reserved Restricted Shares are as follows:

Vesting Period	**Assessment year**	**Performance assessment indicator categories**	**Performance assessment Target**
First Vesting Period	2027	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2027 shall be no less than 90%; (2) new products sales revenue in 2027 shall be no less than RMB70.00 million
Second Vesting Period	2028	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2028 shall be no less than 150%; (2) new products sales revenue in 2028 shall be no less than RMB80.00 million

If the Company fails to meet the aforementioned performance evaluation requirements, all Restricted Share scheduled for vesting in the evaluation year for all Incentive Participants will be revoked and deemed void and invalid.

(V) Performance assessment requirements at the Incentive Participants' individual level

Performance evaluations at the individual level for Incentive Participants shall be conducted in accordance with the Company's current relevant regulations. The results of individual performance evaluations for Incentive Participants are divided into two grades, with the corresponding vesting conditions as follows:

Assessment standards	Pass	Fail
Vesting proportion at individual level	100%	0%

If the Company reaches performance assessment target, the Incentive Participants' number of the Restricted Shares actually to be vested for the year = individual's number of the Restricted Shares intended to be vested for the year x vesting proportion at individual level.

If the Restricted Shares that the Incentive Participants belong to in the current plan cannot be vested due to assessment reasons, the Restricted Shares shall become invalid and shall not be deferred to the next year.

III. EXPLANATION ON REASONABLENESS AND SCIENTIFIC BASIS OF THE PERFORMANCE APPRAISAL INDICATORS

The performance appraisal indicators for the Restricted Share Incentive Scheme are divided into two levels: company-level performance evaluation and individual-level performance evaluation.

The Company's performance assessment indicator for this Scheme are the revenue growth rate and new products sales revenue, which can truly reflect the Company's operating conditions, market position and profitability, and is an effective indicator for predicting the business expansion trend of the enterprise and measuring the operating efficiency and growth potential of the Company. The performance assessment targets set by the Company have fully taken into account the Company's past and current operating conditions as well as future development plans and other comprehensive factors. The indicators are reasonably and scientifically set, which will help to enhance employee motivation, ensure the realization of the Company's future development strategies and operating objectives, and bring more efficient and sustainable returns to shareholders.

In addition to the performance assessment at the company level, the Company has also set up a stringent performance assessment mechanism for the Incentive Participants at the individual level, which is expected to lead to a more accurate and comprehensive evaluation on the performance of the Incentive Participants. The Company will determine whether the relevant Incentive Participants meet the conditions of vesting according to the annual performance assessment results.

In summary, the Company's appraisal mechanism under the Share Incentive Scheme is integrated, comprehensive and practicable. Meanwhile, the Incentive Participants are subject to the scientific and reasonable performance indicators, through which the appraisal purpose of the Share Incentive Scheme can be achieved.

CHAPTER IX ADJUSTMENT METHODS AND PROCEDURES OF THE RESTRICTED SHARE INCENTIVE SCHEME

I. ADJUSTMENT METHODS FOR THE NUMBER OF RESTRICTED SHARES GRANTED AND VESTED

From the announcement date of the Incentive Scheme to the date prior to the grant of Restricted Shares to the Incentive Participants, and from the date of such grant to the date prior to vesting, if the Company has any event such as capitalisation issue, bonus issue and sub-division of shares, rights issue, or share consolidation, the number of Restricted Shares granted/vested shall be adjusted accordingly. The adjustment methods are as follows:

(I) Capitalisation issue, bonus issue and sub-division of shares

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

Where: Q_0 represents the number of Restricted Shares (grant/vest) before the adjustment; n represents the ratio of increase per share resulting from the capitalisation issue, bonus issue or sub-division of shares (i.e., the number of shares increased per share upon capitalisation issue, bonus issue or sub-division); Q represents the adjusted number of Restricted Shares (grant/vest).

(II) Rights issue

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

Where: Q_0 represents the number of Restricted Shares (grant/vest) before the adjustment; P1 represents the closing price as at the record date; P2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e., the ratio of the number of shares to be issued under the rights issue to the total share capital of the Company before the rights issue); Q represents the adjusted number of Restricted Shares (grant/vest).

(III) Share consolidation

$$Q = Q_0 \times n$$

Where: Q0 represents the number of Restricted Shares (grant/vest) before the adjustment; n represents the ratio of consolidation of shares (i.e., one share of the Company shall be consolidated into n shares); Q represents the adjusted number of Restricted Shares (grant/vest).

(IV) Addition issue

Under the circumstance of additional issue of new shares, no adjustment will be made on the number of Restricted Shares (grant/vest).

II. ADJUSTMENT METHODS OF THE GRANT PRICE OF RESTRICTED SHARES

In the event of any capitalisation issue, bonus issue, sub-division of shares, rights issue, share consolidation or dividend distribution of the Company in the period from the announcement date of the Incentive Scheme to the completion of Vesting and registration of Restricted Shares granted to the Incentive Participants, an adjustment to the Grant Price of Restricted Shares shall be made by the Company accordingly. The adjustment method is as follows:

(I) Capitalisation issue, bonus issue and sub-division of shares

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

Where: P0 represents the Grant Price before the adjustment; n represents the ratio of increase per share resulting from the capitalisation issue, bonus issue or sub-division of shares; P represents the adjusted Grant Price.

(II) Rights issue

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

Where: P_0 represents the Grant Price before the adjustment; P1 represents the closing price as at the record date; P2 represents the price of the rights issue; n represents the ratio of the rights issue (i.e., the ratio of the number of shares to be issued under the rights issue to the total share capital of the Company before the rights issue); P represents the adjusted Grant Price.

(III) Share consolidation

$$P = P_0 \div n$$

Where: P0 represents the Grant Price before the adjustment; n represents the proportion of a share that may result from consolidation; P represents the adjusted Grant Price.

(IV) Dividend distribution

$$P = P_0 - V$$

Where: P_0 represents the Grant Price before the adjustment; V represents the declared dividend per share; P represents the adjusted Grant Price. P shall be greater than 0.1 after the adjustment for dividend distribution.

(V) Addition issue

Under the circumstance of additional issue of new shares, no adjustment will be made on the Grant Price of the Restricted Shares.

III. ADJUSTMENT PROCEDURES OF THE RESTRICTED SHARE INCENTIVE SCHEME

In the event of the above circumstances, the board of directors of the Company shall consider and approve the resolution on the adjustment of the number of Restricted Shares and the Grant/vesting Price (if the number and price of Restricted Shares to be granted/vested needs to be adjusted for matters other than the above circumstances, such resolution shall be submitted to the general meeting of the Company for consideration, in addition to the consideration of the relevant resolution by the board of directors). The Company shall engage a law firm to issue professional opinions on whether the above adjustments are in compliance with the Management Measures, the Articles and the Incentive Scheme. After the adjustment proposal is considered and approved by the board of directors, the Company shall timely disclose the announcement of the resolutions of the board of directors and the legal opinion issued by the law firm.

CHAPTER X ACCOUNTING TREATMENT OF RESTRICTED SHARES

In accordance with the requirements of the Accounting Standards for Business Enterprises No. 11 − Sharebased Payments (《企業會計準則第11號− 股份支付》) and the Accounting Standards for Business Enterprises No. 22 − Recognition and Measurement of Financial Instruments (《企業會計準則第22號− 金融工具確認和計量》), the Company shall, on each balance sheet date during the period from the Grant Date to the Vesting Date, revise the number of Restricted Shares expected to be vested according to (i) the latest information such as the change in the number of persons entitled to be vested and the completion of performance indicators, and recognize the services obtained in the current period in relevant costs or expenses and capital reserve according to the fair value of the Restricted Shares on the Grant Date.

I. FAIR VALUE OF THE RESTRICTED SHARES AND THE METHOD OF DETERMINATION

In accordance with the Application Case of Share-Based Payments Standards − Grant of Restricted Shares (《股份支付準則應用案例−授予限制性股票》) issued by the Accounting Department of the Ministry of Finance of the People's Republic of China, the measurement of the share-based payment expense in respect of Type II Restricted Shares is made by reference to the treatment applicable to share options. In accordance with the relevant provisions of Accounting Standard for Business Enterprises No. 11 − Share-based Payment and Accounting Standard for Business Enterprises No. 22 − Recognition and Measurement of Financial Instruments, the Company selected the Black-Scholes model to calculate the fair value of the Type II Restricted Shares, and on 20 August 2026 conducted a preliminary calculation using this model in respect of the 1,970,000 Type II Restricted Shares proposed to be granted under the First Grant (a formal calculation will be conducted at the time of the First Grant). The parameters adopted are as follows:

1. Underlying share price: RMB168.04 per share (assuming the closing price on the First Grant Date is RMB168.04 per share);

2. Validity period: 12 months, 24 months, 36 months (the period from the Grant Date of Type II Restricted Shares to each vesting date);

3. Historical volatility: 14.61%, 17.22% and 15.94% (using the volatility of the Shanghai Composite Index over the most recent 12 months, 24 months and 36 months, respectively);

4. Risk-free interest rate: 1.1999%, 1.2311% and 1.2499% (being the yields to maturity of 1-year, 2-year and 3-year China Government Bonds, respectively);

5. Dividend yield: 0% (this Scheme provides that if the Company has a cash dividend distribution event, the Grant Price of the Restricted Shares will be adjusted, and the value is taken as 0 in accordance with regulations).

II. ESTIMATED IMPACT ON OPERATING PERFORMANCE IN EACH PERIOD DUE TO IMPLEMENTATION OF THE RESTRICTED SHARES

The fair value of the Type II Restricted Shares on the Grant Date will be determined by the Company in accordance with the requirements of accounting standards and related valuation tools, and the share-based payments under the Incentive Scheme will be further determined accordingly, which will be amortized according to the Vesting ratio during the implementation of the Incentive Scheme. The costs of incentive arising from the Incentive Scheme will be charged to the recurring profit and loss.

In accordance with the requirements of the PRC Accounting Standards, the impact of the Type II Restricted Shares granted for the first time under this Incentive Scheme on the accounting costs for each period is shown in the table below (assuming the closing price on the first Grant Date is 168.04 RMB/share):

First grant quantity *(10,000 shares)*	**Estimated total amortization expenses** *(RMB0,000)*	**2026** *(RMB0,000)*	**2027** *(RMB0,000)*	**2028** *(RMB0,000)*	**2029** *(RMB0,000)*
197	13,938.14	2,689.74	6,705.39	3,282.22	1,260.80

Note: 1. The above calculation results do not represent the final accounting costs. The actual accounting costs are related to the Grant Date, the Grant Price and the number of Restricted Shares vested. If an Incentive Participant resigns before Vesting, or fails to meet the corresponding standards of the performance assessment of the Company or personal performance assessment, the actual number of shares vested will be reduced accordingly and thus lower the share payment. Besides, the possible dilutive effects are brought to the attention of shareholders;

2. The final result of the above impact on the Company's operating results will be subject to the annual audit report issued by the accounting firm.

According to the preliminary evaluation by the Company based on the information available, the amortization of expenses of the Restricted Shares will have an impact on the net profit each year within the Validity Period. But at the same time, the implementation of the Restricted Share Incentive Scheme will further enhance the cohesion of employees and team stability, and effectively motivate management team, thereby improving operating efficiency and bringing higher operating performance and intrinsic value to the Company.

CHAPTER XI PROCEDURES OF IMPLEMENTATION OF THE RESTRICTED SHARE INCENTIVE SCHEME

I. EFFECTIVE PROCEDURES OF THE RESTRICTED SHARE INCENTIVE SCHEME

(I) The Remuneration and Appraisal Committee under the board of directors of the Company is responsible for preparing the draft of the Incentive Scheme and its summary.

(II) The board of directors of the Company shall adopt at a resolution on the Incentive Scheme in accordance with laws. When the board of directors considers the Incentive Scheme, any director who is also an Incentive Participant or is a related party to an Incentive Participant shall abstain from voting. The board of directors shall, after reviewing and passing the Incentive Scheme and performing the publicity and announcement procedures therefor, submit the Incentive Scheme to the general meeting for consideration. The board of directors shall seek approval from the general meeting for the implementation of the grant, vesting and registration of the Restricted Shares.

(III) The Remuneration and Appraisal Committee under the board of directors shall give opinions of whether the Incentive Scheme is beneficial to the sustainable development of the Company or whether there is any noticeable damage to the interests of the Company and all shareholders as a whole. The solicitor engaged by the Company shall issue legal letter to give professional opinions regarding the Incentive Scheme according to the laws, administrative regulations and the Management Measures.

(IV) The Company shall conduct a self-examination regarding the trading of the Company's shares by insiders with knowledge of inside information during the six-month period preceding the announcement of this Incentive Scheme.

(V) The Incentive Scheme shall be implemented upon consideration and approval at the general meeting (including the A Shareholders' class meeting and H Shareholders' class meeting, the same below). Before convening the general meeting, the Company shall announce the name and position of the Incentive Participants internally via Company website or other channels for not less than 10 days. The Remuneration and Appraisal Committee under the board of directors shall review the list of the Incentive Participants and consider public opinions. The Company shall disclose the explanation of the Remuneration and Appraisal Committee under the board of directors regarding the review of the list of Incentive Participants under the Incentive Scheme and the status of announcement 5 days prior to the consideration of the Incentive Scheme at the general meeting.

(VI) At the general meeting, it is required to vote on the Incentive Scheme under clause 9 of the Management Measures, and the Incentive Scheme shall be passed by not less than 2/3 of the voting rights held by the shareholders present at the meeting. Except for the directors and senior management of the Company, as well as the shareholders individually or collectively holding more than 5% of the Company's Shares, the voting by other shareholders shall be separately counted and disclosed.

When the Incentive Scheme is considered at the Company's general meeting, shareholders who are Incentive Participants or shareholders who have a related relationship with the Incentive Participants shall abstain from voting thereon.

(VII) The Company shall grant the Restricted Shares to the Incentive Participants within the prescribed period upon approval of the Incentive Scheme at the general meeting of the Company and the fulfilment of grant conditions stipulated under the Incentive Scheme. The board of directors shall be responsible for the implementation of the grant and vesting of the Restricted Shares in accordance with the mandate granted at the general meeting.

II. PROCEDURES FOR GRANTING OF THE RESTRICTED SHARES

(I) Upon consideration and approval of the Incentive Scheme at the general meeting and passing the resolution of interest granted to the Incentive Participants at the board meeting, the Company shall sign an Agreement on Grant of the Restricted Shares with the Incentive Participants in order to define their respective rights and obligations.

(II) The Remuneration and Appraisal Committee shall make recommendations to the board of directors as to whether the conditions for the Incentive Participants to receive the grant have been satisfied, and the board of directors shall consider and announce whether the conditions of a grant to an Incentive Participant as set out in the Incentive Scheme have been satisfied before the Company makes a grant to such Incentive Participant. The Remuneration and Appraisal Committee under the board of directors shall express their views explicitly. The law firm shall issue legal opinions on whether the conditions for the granting of interests to the Incentive Participants are fulfilled or not.

(III) The Remuneration and Appraisal Committee under the board of directors of the Company shall verify and provide opinions on the grant date of restricted shares and the list of Incentive Participants.

(IV) If there is any deviation in the grant of the interest to the Incentive Participants and the administration of the Incentive Scheme, the Remuneration and Appraisal Committee shall make recommendations to the Board, and the Remuneration and Appraisal Committee under the board of directors (in case of change of the Incentive Participants) and law firm shall all both express their views explicitly.

(V) The Company shall grant Incentive Participants with part of the Restricted Shares under the First Grant and complete the announcement within 60 days after the Incentive Scheme is considered and approved at general meeting. In the event the Company fails to complete the procedures within such 60 days, the Incentive Scheme shall be terminated, and the board of directors shall promptly disclose the reason for such failure timely and no Incentive Scheme will be considered in the following three months (the period in which listed companies are not allowed to grant interest in accordance with the Management Measures and relevant laws and regulations is not included in the 60 days).

Incentive Participants eligible for reserved interest shall be confirmed within 12 months after the Incentive Scheme is considered and approved at the general meeting. If Incentive Participants are not confirmed within 12 months, the reserved interest will lapse.

III. PROCEDURES FOR THE VESTING OF THE RESTRICTED SHARES

(I) Before the Vesting of the Restricted Shares, the Remuneration and Appraisal Committee shall make recommendations to the Board as to whether the vesting conditions for the Incentive Participants have been satisfied, and the Board of the Company shall consider whether the Vesting Conditions of the Incentive Participants as set out in the Incentive Scheme have been fulfilled, and the Remuneration and Appraisal Committee under the board of directors shall simultaneously issue clear opinions, and the law firm shall issue legal opinions on whether the Vesting Conditions for the exercise of the Incentive Participants have been fulfilled. For the Incentive Participants who have fulfilled the Vesting Conditions, the Company shall handle the Vesting in a unified manner, and for the Incentive Participants who have not fulfilled the Vesting Conditions, the Restricted Shares in the relevant tranche shall not be vested and shall be cancelled by the Company. The issuer shall disclose the announcement

(II) Before handling the Vesting of the Restricted Shares in a unified manner, the Company shall apply to the stock exchange. After confirmation by the stock exchange, the securities depository and clearing institution shall handle the matters regarding the Vesting of the Restricted Shares.

(III) If the Company/the Company's shares undergo changes due to economic conditions, market conditions or other factors, the Incentive Participants shall have the right to choose not to vest, and the corresponding Restricted Shares in that tranche shall be deemed void and invalid.

IV. PROCEDURES FOR AMENDMENTS TO THE INCENTIVE SCHEME

(I) If the Company intends to amend the Incentive Scheme before it is considered at the general meeting, the Remuneration and Appraisal Committee shall make recommendations to the Board and such amendment shall be considered and approved by the board of directors.

(II) If the Company intends to amend the Incentive Scheme after it is considered at the general meeting, such amendment shall be considered and approved at the general meeting, and shall not result in the following:

1. accelerating the Vesting;

2. reducing the Grant Price (except for circumstances where the Grant Price is lowered due to capitalisation issue, bonus issue, rights issue and other reasons).

(III) The Remuneration and Appraisal Committee under the board of directors shall express their opinions on whether the amended scheme is beneficial to the sustainable development of the Company, and whether there is any obvious damage to the interests of the Company and the shareholders as a whole. The law firm shall issue professional opinions on whether the amended scheme complies with the provisions of the Management Measures and relevant laws and regulations, and whether there is any obvious damage to the interests of the Company and the shareholders as a whole.

V. PROCEDURES FOR TERMINATION OF THE INCENTIVE SCHEME

(I) If the Company intends to terminate the implementation of the Incentive Scheme before it is considered at the general meeting, such termination shall be considered and approved by the board of directors.

(II) If the Company intends to terminate the implementation of the Incentive Scheme after it is considered and approved at the general meeting, such termination shall be considered and approved at the general meeting.

(III) The law firm shall issue professional opinions on whether the Company's termination of the Incentive Scheme complies with the provisions of the Management Measures and relevant laws and regulations, and whether there is any obvious damage to the interests of the Company and the shareholders as a whole.

CHAPTER XII RIGHTS AND OBLIGATIONS OF THE COMPANY/INCENTIVE PARTICIPANTS

I. RIGHTS AND OBLIGATIONS OF THE COMPANY

(I) The Company has the right to interpret and implement the Incentive Scheme, and to conduct performance appraisal on the Incentive Participants in accordance with the provisions of the Incentive Scheme. If the Incentive Participants fail to meet the Vesting Conditions as determined in the Incentive Scheme, according to the principles stipulated in the Incentive Scheme, the Restricted Shares that have been granted to the Incentive Participants but have not yet been vested shall not be vested and shall be cancelled.

(II) The Company undertakes not to provide loans and any other forms of financial assistance, including providing guarantee for their loans, to the Incentive Participants to obtain relevant Restricted Shares according to the Incentive Scheme.

(III) The Company shall timely report and disclose the documents related to the Restricted Share Incentive Scheme in accordance with relevant regulations. Such Restricted Shares are not entitled to voting power before Vesting, and they are not entitled to participate in the distribution of share bonuses and dividends.

(IV) In accordance with the Incentive Scheme and relevant requirements of the CSRC, the Shanghai Stock Exchange and China Securities Depository and Clearing Co., Ltd., the Company shall proactively procure the Vesting of Restricted Shares for the Incentive Participants that meet the Vesting Conditions. However, the Company shall not be held liable if the Incentive Participants fails to complete the Vesting of Restricted Shares and causes losses to the Incentive Participants due to the reasons on the part of the CSRC, the Shanghai Stock Exchange and the China Securities Depository and Clearing Co., Ltd.

(V) If the Incentive Participants violate the laws and professional ethics, divulge company secrets, and neglect their duty or malfeasance or have other acts that seriously damage the Company's interests or reputation, upon being reviewed by the Remuneration and Appraisal Committee and reported to the Board for approval, the Restricted Shares that have been granted to the Incentive Participants but have not yet been vested, shall not be vested and shall be cancelled. If the circumstances are serious, the Company may also seek compensation for the losses incurred in accordance with the provisions of relevant laws.

II. RIGHTS AND OBLIGATIONS OF THE INCENTIVE PARTICIPANTS

(I) The Incentive Participants shall be diligent and responsible, abide by professional ethics, and make due contributions to the development of the Company in accordance with the requirements of the positions the Company recruits for.

(II) The source of funds for the Incentive Participants is their self-financing.

(III) The Restricted Shares granted to the Incentive Participants shall not be transferred, pledged for guarantees or used for repayment of debt before Vesting.

(IV) The income received by the Incentive Participants as a result of the Incentive Scheme shall be subject to individual income tax in accordance with national tax regulations.

(V) The Incentive Participants promise that, if there are false records, misleading statements or major omissions in the Company's information disclosure documents, resulting in noncompliance with the arrangement for granting interest or vesting, the Incentive Participants shall return all the benefits obtained from the Incentive Scheme to the Company after confirming the existence of false records, misleading statements or major omissions in the relevant information disclosure documents.

(VI) Upon consideration and approval of the Incentive Scheme at the general meeting, and passing the resolution of granting interest to the Incentive Participants at the Board meeting, the Company shall sign an "Agreement on Grant of Restricted Shares" with the Incentive Participants in order to set out their respective rights and obligations as well as other matters.

(VII) Other relevant rights and obligations stipulated in laws, regulations and the Incentive Scheme.

CHAPTER XIII HANDLING UNUSUAL CHANGES TO THE COMPANY/THE INCENTIVE PARTICIPANTS

I. HANDLING UNUSUAL CHANGES TO THE COMPANY

(I) In the event that any of the circumstances below occurs in respect of the Company, the Incentive Scheme shall be terminated and the Restricted Shares that have been granted to the Incentive Participants but not yet vested shall not be vested and deemed void and invalid:

1. an audit report on the financial and accounting report for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

2. an audit report on internal control over financial reporting for the most recent financial year in which a certified public accountant issued an adverse opinion or was unable to express an opinion;

3. in the most recent 36 months upon listing, there have been cases of failure to distribute profits according to laws and regulations, the Articles and public undertakings;

4. laws and regulations stipulate that share incentives shall not be implemented;

5. other circumstances where the Incentive Scheme should be terminated as determined by the CSRC.

(II) The Scheme shall remain unchanged if any of the following events occurs to the Company:

1. a change of control of the Company;

2. merger or division of the Company.

(III) Where false statements or misleading statements in or material omissions from the information disclosure documents of the Company result in non-compliance with conditions for the grant or Vesting of Restricted Shares, the Restricted Shares granted to Incentive Participants but not yet vested shall not be vested. In respect of the Restricted Shares already vested, the Incentive Participants concerned shall return to the Company all interests gained. The board of directors of the Company shall recover the income of Incentive Participants in accordance with the provisions of the preceding paragraph. The Incentive Participants who bear no responsibility for the aforesaid matters and who incur losses as a result of the return of interests may seek compensation from the Company or responsible parties.

II. CHANGE IN PERSONAL PARTICULARS OF THE INCENTIVE PARTICIPANTS

(I) If an Incentive Participant has undergone a normal change of position but he/she still works in the Company or controlling subsidiaries of the Company, the Vesting of Restricted Shares granted to him/her shall be carried out in accordance with the procedures stipulated in the Incentive Scheme prior to the change of his/her position(s). However, if the Incentive Participant's position(s) has changed due to his/her incompetence to his/her position, violation of laws, violation of professional ethics, leakage of confidential information of the Company, dereliction of duty or malfeasance, serious violation of the Company's system and other acts that damage the interests or reputation of the Company, or the Company or controlling subsidiaries of the Company terminate the labour or employment relationship with the Incentive Participant due to the above reasons, the Restricted Shares that have been granted to the Incentive Participant but not yet vested shall not be vested and shall be cancelled by the Company.

(II) Before the Vesting Date, if an Incentive Participant resigns, including circumstances of voluntary resignation, resignation due to layoffs of the Company, labour contract/employment agreement expired and no longer renewed, negotiated termination of labour contract/employment agreement, Restricted Shares that have been granted to the Incentive Participant but not yet vested since the date of resignation shall not be vested and shall be cancelled by the Company. The Incentive Participant shall pay the Company the individual income tax involved in the vested Restricted Shares before resignation.

Personal fault includes but is not limited to the following conduct, and the Company shall have the right, depending on the seriousness of the circumstances, to recover the losses suffered by the Company from the Incentive Participant in accordance with the provisions of relevant laws:

Violation of the employment contract, confidentiality agreement, non-competition agreement or any other similar agreement entered into with the Company or its affiliated companies; violation of the laws of the country of residence, resulting in criminal offences or other serious circumstances that affect the performance of duties.

(III) If an Incentive Participant retires normally in accordance with national laws and regulations and the Company's regulations (including returning to work for the Company after retirement or continuing to provide services to the Company in other forms), and complies with confidentiality obligations and does not engage in any conduct that harms the Company's interests, the Restricted Shares granted to such Incentive Participant shall continue to be valid and shall still be vested in accordance with the procedures set out in this Incentive Scheme. In the event of the circumstances described in this paragraph, if the Incentive Participant is not subject to individual performance appraisal, the individual performance appraisal conditions shall no longer be included in the vesting conditions; if the Incentive Participant is subject to individual performance appraisal, the individual performance appraisal shall remain one of the conditions for vesting of the Restricted Shares.

(IV) The resignation of an Incentive Participant due to his/her incapacity shall be dealt with in the following two circumstances:

1. When an Incentive Participant resigns due to incapacity in performing his/her duties, the Vesting of Restricted Shares granted to him/her shall be carried out in accordance with the procedures stipulated in the Incentive Scheme prior to the incapacity. The board of directors of the Company may determine that his/her personal performance assessment conditions shall not be included in the Vesting Conditions, while other Vesting Conditions remains effective. The Incentive Participants shall pay to the Company the individual income tax in relation to the Restricted Shares that have been vested before they leave the Company, and shall, prior to each subsequent vesting, pay the individual income tax in respect of the Restricted Shares to be vested in that tranche.

2. When an Incentive Participant leaves the Company due to incapacity not resulting from performance of duties, the Restricted Shares that have been granted to the Incentive Participant but not yet vested shall not be vested. Prior to the resignation of the Incentive Participants, the Incentive Participants shall pay to the Company the individual income tax involved in the Restricted Shares that have been vested.

(V) The death of an Incentive Participant shall be dealt with in the following two circumstances:

1. If an Incentive Participant dies in the course of performing his/her duties, the Restricted Shares granted to him/her shall be inherited by his/her designated successor or legal successor and shall be vested in accordance with the procedures stipulated in the Scheme prior to the death of the Incentive Participant. The board of directors of the Company may determine that his/her personal performance assessment conditions shall no longer be included in the Vesting Conditions. The successor shall pay to the Company the individual income tax in respect of the Restricted Shares vested before the inheritance.

2. If an Incentive Participant dies other than due to his/her duty, the Restricted Shares that have been granted to the Incentive Participant but have not yet been vested shall not be vested on the date of occurrence of such event. The Company is entitled to request the successors to pay the individual income tax in respect of the Restricted Shares that have been vested using the inheritance of the Incentive Participant.

(VI) Other unspecified circumstances not stipulated in this Incentive Scheme shall be determined by the board of directors of the Company and its treatment method shall be determined.

III. SETTLEMENT MECHANISM FOR RELEVANT DISPUTES BETWEEN THE COMPANY AND INCENTIVE PARTICIPANTS

Any dispute arising between the Company and the Participants shall be resolved in accordance with provisions of the Scheme and the Agreement on Grant of Restricted Shares. Disputes not explicitly covered by the provisions shall be resolved by negotiation in accordance with the national laws on fair and reasonable principles. Where no resolution can be reached through negotiation, the dispute shall be submitted to a People's Court having jurisdiction in the location where the Company is domiciled for litigation.

CHAPTER XIV SUPPLEMENTARY PROVISIONS

1. The Incentive Scheme shall become effective upon consideration and approval at the general meeting of the Company.

2. The Incentive Scheme shall be interpreted by the Board of Directors of the Company.

3. If the provisions of the Incentive Scheme conflict with relevant national laws, regulations, administrative rules and regulatory documents, it shall be implemented or adjusted in accordance with the relevant national laws, regulations, administrative rules and regulatory documents. If there is no provision stipulated in the Incentive Scheme, it shall be implemented or adjusted in accordance with the relevant national laws, regulations, administrative rules and regulatory documents.

The Board of Directors of
Fortior Technology (Shenzhen) Co., Ltd.
21 August 2026

THE MANAGEMENT MEASURES FOR ASSESSMENT FOR THE IMPLEMENTATION OF THE 2026 RESTRICTED SHARE INCENTIVE SCHEME

To ensure the smooth implementation of the 2026 Restricted Share Incentive Scheme (hereinafter referred to as the "**Incentive Scheme**") of Fortior Technology (Shenzhen) Co., Ltd. (hereinafter referred to as the "**Company**"), further improve the corporate governance structure of the Company, form a sound and balanced value distribution system, fully mobilize the enthusiasm of the Company's employees, enable them to work more honestly and diligently, ensure the steady improvement of the Company's performance, and ensure the realization of the development strategy and business objectives of the Company, in accordance with the provisions of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, Rules Governing the Listing of Stocks on the STAR Market of the Shanghai Stock Exchange, the Administrative Measures for Equity Incentives of Listed Companies, the Guidelines No. 4 for Self-Regulation of Companies on the STAR Market − Information Disclosure relating to Equity Incentives and other relevant laws, regulations and normative documents, as well as the provisions of the Articles of Association of Fortior Technology (Shenzhen) Co., Ltd. and the 2026 Restricted Share Incentive Scheme (Draft) of Fortior Technology (Shenzhen) Co., Ltd., and in combination with the actual situation of the Company, the Management Measures for Assessment for the Implementation of the 2026 Restricted Share Incentive Scheme of Fortior Technology (Shenzhen) Co., Ltd. (hereinafter referred to as the "**Measures**") are hereby formulated.

I. PURPOSE OF THE ASSESSMENT

The purpose is to further improve the corporate governance structure of the Company, establish and improve the incentive and restraint mechanisms of the Company, ensure the smooth implementation of the share incentive scheme, and maximize the role of share incentives, thereby ensuring the realization of development strategy and business objectives of the Company.

II. ASSESSMENT PRINCIPLES

Performance assessment shall adhere to the principles of fairness, impartiality and transparency, and strictly evaluate the performance of appraisees in accordance with these Measures to closely link the 2026 Restricted Share Incentive Scheme with the work performance and contributions of the Participants, thereby improving management performance and maximizing the interests of the Company and all Shareholders.

III. SCOPE OF ASSESSMENT

These Measures apply to all Participants participating in the Restricted Share Incentive Scheme of the Company, which refers to all Participants identified by the Remuneration and Appraisal Committee and approved by the Board, including directors, senior management, core technical personnel and key technical (business) personnel.

IV. ASSESSMENT BODY

(1) The Remuneration and Appraisal Committee of the Board is responsible for leading and organizing the assessment of the Participants;

(2) The human resources and administration center of the Company is responsible for the specific implementation of assessment work. The human resources and administration center is responsible to the Remuneration and Appraisal Committee of the Board and reporting to it;

(3) The human resources and administration center, finance management center and other relevant departments of the Company are responsible for the collection and provision of relevant assessment data, as well as the authenticity and reliability of the data;

(4) The board of directors of the Company is responsible for reviewing the assessment results.

V. PERFORMANCE APPRAISAL INDICATORS AND STANDARDS

(1) Requirements on length of employment of the Participants for attribution of Interests

Before each tranche of Restricted Shares granted to the Participants is attributed, the length of employment of the Participant must be more than 12 months.

(2) Performance assessment at the Company level

The first grant assessment period for this Incentive Scheme shall be the three financial years from 2026 to 2028. Performance indicators will be evaluated on an annual basis and the achievement of performance assessment target will be one of the attribution conditions for the Participants. The performance assessment objectives under the Incentive Scheme are set out below:

Vesting Period	Assessment year	Performance assessment indicator categories	Performance assessment Target
First Vesting Period	2026	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2026 shall be no less than 40%; (2) new products sales revenue in 2026 shall be no less than RMB60.00 million

Vesting Period	Assessment year	Performance assessment indicator categories	Performance assessment Target
Second Vesting Period	2027	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2027 shall be no less than 90%; (2) new products sales revenue in 2027 shall be no less than RMB70.00 million
Third Vesting Period	2028	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2028 shall be no less than 150%; (2) new products sales revenue in 2028 shall be no less than RMB80.00 million

Notes: 1. The "operating revenue" referred to above is calculated based on the figures set forth in the consolidated financial statements audited by the accounting firm engaged by the Company (the same applies hereinafter);

2. the "new products sales revenue" referred to above means the sales revenue generated during the assessment year from chip products for which the Company released the Datasheet (i.e., the product data sheet approved and archived through the parent company's system) for the first time within the 36 months preceding the assessment period (the same applies hereinafter).

3. The performance targets associated with the vesting conditions for the aforementioned Restricted Share do not constitute performance forecasts or substantive commitments by the Company to investors.

If the reserved portion of Restricted Shares of the Incentive Scheme is granted before the 2026 Q3 report is disclosed, the performance assessment objective for the reserved portion will be the same as that for the first grant.

If the reserved portion of Restricted Shares of the Incentive Scheme is granted after the 2026 Q3 report is disclosed, the performance assessment objective in each attribution period for the reserved grant portion of Restricted Shares are as follows:

Vesting Period	Assessment year	Performance assessment indicator categories	Performance assessment Target
First Vesting Period	2027	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2027 shall be no less than 90%; (2) new products sales revenue in 2027 shall be no less than RMB70.00 million
Second Vesting Period	2028	Revenue growth rate and new products sales revenue	(1) Based on the 2025 operating revenue, the growth rate of operating revenue for 2028 shall be no less than 150%; (2) new products sales revenue in 2028 shall be no less than RMB80.00 million

If the Company fails to meet the above performance assessment requirements, all Restricted Shares that are scheduled to vest in the assessment year for all Participants shall be cancelled and become invalid.

(3) Performance assessment requirements at the Participants' individual level

The individual performance assessment of the Participants are organized and implemented in accordance with the current relevant regulations of the Company, and the results of which are divided into two levels. The vesting coefficients corresponding to each level are as follows:

Assessment standards	Pass	Fail
Vesting coefficient at individual level	100%	0%

If the Company reaches performance target, the Incentive Participants' number of the Restricted Shares to be actually vested for the year = individual's number of the Restricted Shares intended to be vested for the year x vesting coefficient at individual level.

If the Restricted Shares that the Incentive Participants belong to in the current plan cannot be vested due to assessment reasons, the Restricted Shares shall become invalid and shall not be deferred to next year.

VI. ASSESSMENT PERIOD AND FREQUENCY

The first grant assessment period for this Incentive Scheme shall be the three financial years from 2026 to 2028. If the reserved portion is granted before the 2026 Q3 report of the Company is disclosed, the assessment year for the reserved portion will be the same as that for the first grant. If the reserved portion is granted after the 2026 Q3 report of the Company is disclosed, the assessment year for the reserved portion will be the two financial years of 2027 to 2028.

Both company-level performance assessments and individual-level performance evaluations shall be conducted annually.

VII. ASSESSMENT PROCEDURE

The Company's Human Resources and Administration Center, under the guidance of the Board's Remuneration and Appraisal Committee, is responsible for conducting specific assessment work, retaining assessment results, and compiling performance assessment reports based on these findings for submission to the Board's Remuneration and Appraisal Committee.

VIII. FEEDBACK AND APPEAL OF ASSESSMENT RESULTS

1. The appraisee has the right to be informed of their appraisal outcome. The employee's direct supervisor and relevant departments shall notify the appraisee of the appraisal results within seven working days of the appraisal process being concluded.

2. Should an appraisee have objections to their appraisal outcome, they may seek resolution through discussion with the relevant departments. Where such discussions prove inconclusive, the appraisee may lodge an appeal with the Remuneration and Appraisal Committee. The Committee shall conduct a review within ten working days and determine the final appraisal outcome or grade.

3. The assessment results shall serve as the basis for the vesting of restricted shares.

IX. ASSESSMENT RESULTS FILED

1. Following the completion of the appraisal process, the Human Resources and Administration Center shall retain all appraisal records.

2. To ensure the validity of performance incentives, alterations are not permitted. Should any revisions or re-recording be necessary, the performance recorder must sign the record.

3. Performance appraisal results shall be filed and retained as confidential information and destroyed by the Human Resources and Administration Center in a uniform manner three years upon the scheme ends.

X. SUPPLEMENTARY PROVISIONS

These Measures shall be formulated, interpreted and amended by the Board of Directors. In the event of any conflict between these Measures and any laws, administrative regulations and departmental rules to be promulgated and implemented in the future, the provisions of the laws, administrative regulations and departmental rules to be promulgated and implemented in the future shall prevail. These Measures shall come into effect on the approval by the shareholders' meeting and upon the commencement of 2026 Restricted Shares Incentive Scheme.

The Board of Fortior Technology (Shenzhen) Co., Ltd.
21 August 2026

Fortior Technology (Shenzhen) Co., Ltd.
峰岹科技(深圳)股份有限公司

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

(Stock code: 1304)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**2026 Second EGM**") of Fortior Technology (Shenzhen) Co., Ltd. (the "**Company**") will be convened and held at 801, Building 11, Software Park (Phase II), 1 Keji Central Road II, Gaoxin Central Zone, Nanshan District, Shenzhen, Guangdong, the PRC on 14 September 2026 at 11:00 a.m. for the purpose of considering and, if thought fit, passing, with or without amendments, the following resolutions of the Company.

SPECIAL RESOLUTIONS

1. To approve the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme and the proposed issue of Restricted Shares under the 2026 A Share Restricted Share Incentive Scheme;

2. to approve the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme Implementation and Assessment Management Measures; and

3. to approve the proposed authorization to the Board to deal with matters relating to the 2026 A Share Restricted Share Incentive Scheme.

In the event that any of the special resolutions numbered #1, #2 or #3 is not passed, the proposed adoption of the 2026 A Share Restricted Share Incentive Scheme will not become effective in its entirety.

By order of the Board
Fortior Technology (Shenzhen) Co., Ltd.
Bi Lei
Chairman of the Board

Hong Kong, 28 August 2026

Notes:

1. Any shareholder of the Company ("**Shareholder**") entitled to attend and vote at the 2026 Second EGM mentioned above is entitled to appoint one or more proxies to attend and vote at the 2026 Second EGM on his/her/its behalf in accordance with the articles of association of the Company. A proxy need not be a Shareholder.

2. In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (in the case of proxy form of H Shareholders of the Company) not less than 24 hours before the time for holding the 2026 Second EGM or 24 hours before the time appointed for taking the poll.

3. Shareholders or their proxies shall produce their identity documents when attending the 2026 Second EGM.

4. The record date for determining the identity of the Shareholders who are entitled to attend and vote at the 2026 Second EGM will be 7 September 2026.

5. Shareholders whose names appear on the register of members of the Company on Monday, 7 September 2026 are entitled to attend and vote at the 2026 Second EGM.

6. In order to attend and vote at the 2026 Second EGM, H Shareholders of the Company whose transfers have not been registered shall deposit the transfer forms together with the relevant share certificates, at the Company's H Share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, 7 September 2026.

7. The 2026 Second EGM is not expected to take more than half a day. Shareholders or their proxies attending the 2026 Second EGM shall be responsible for their own travel and accommodation expenses.

8. Unless the context otherwise requires, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 28 August 2026.

As of the date of this notice, the Directors are: (i) Mr. Bi Lei and Dr. Bi Chao as executive Directors, and (ii) Dr. Lin Mingyao, Dr. Niu Shuangxia and Mr. Chen Jingyang as independent non-executive Directors.