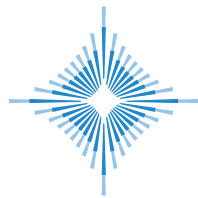

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 stockbroker, bank manager, solicitor, professional accountant or other professional advisor.

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

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Starsportmed

STAR SPORTS MEDICINE CO., LTD.
北京天星醫療股份有限公司

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

(Stock Code: 01609)

**PROPOSED ADOPTION OF THE 2026 SHARE INCENTIVE SCHEME
PROPOSED AUTHORIZATION FOR THE BOARD AND THE
AUTHORIZED PERSON(S) TO HANDLE MATTERS IN RELATION TO
THE 2026 SHARE INCENTIVE SCHEME
AND
NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING**

A notice convening the extraordinary shareholders' meeting (EGM) of Star Sports Medicine Co., Ltd. to be held at 10:00 a.m. on Thursday, October 22, 2026 at Weilaige Conference Room, 2/F, ZKML Building, Courtyard No. 25, Jinghai 2nd Road, Yizhuang Economic and Technological Development Zone, Daxing District, Beijing is set out on pages N-1 to N-2 of this circular. A form of proxy for use at the EGM is also enclosed and is available on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (starsportmed.com).

Whether or not you are able to attend the EGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event no later than 24 hours before the time appointed for holding the EGM (i.e. no later than 10:00 a.m. on Wednesday, October 21, 2026) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish, and in such event, the completed and returned form of proxy will be deemed to be revoked. For avoidance of doubt, holders of Treasury Shares, if any, shall abstain from voting at the EGM.

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

September 30, 2026

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DEFINITIONS

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

“2026 Share Incentive Scheme” or “Scheme”	the Company’s 2026 Share Incentive Scheme to be proposed to the Shareholders for approval at the 2026 second EGM (as amended, supplemented or otherwise modified from time to time)
“Actual Selling Price”	the cash value payable for the distribution to the Grantee in respect of the vested Awarded Shares, following the sale of the relevant Target Shares by the Trustee upon the vesting of the Awarded Shares, in accordance with the instructions
“Adoption Date”	being the date on which the Scheme is approved at the extraordinary shareholders’ meeting
“Articles of Association”	the Articles of Association of Star Sports Medicine Co., Ltd. (as amended, supplemented or otherwise modified from time to time)
“Authorized Person(s)”	the Board committee(s) and/or person(s) authorized by the Board
“Award(s)”	award(s) granted by the Board and its Authorized Person(s) to the Grantee(s) under the Scheme, which shall vest in accordance with the terms of the Scheme in the form of Awarded Shares or payment in cash of the actual selling price of the Awarded Shares
“Awarded Share(s)”	the H Share(s) to be received by the Grantee(s) upon the vesting of the relevant Awards
“Board”	the board of directors of the Company
“Company”	Star Sports Medicine Co., Ltd. (北京天星醫療股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (stock code: 01609)
“Company Law”	the Company Law of the People’s Republic of China
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EGM”	the 2026 second extraordinary shareholders’ meeting of the Company to be held at 10:00 a.m. on Thursday, October 22, 2026 at Weilaige Conference Room, 2/F, ZKML Building, Courtyard No. 25, Jinghai 2nd Road, Yizhuang Economic and Technological Development Zone, Daxing District, Beijing
“Eligible Person(s)”	the eligible participant(s) as determined by the Board or the Authorized Person(s) from time to time, including Employee Participants and Related Entity Participants
“Employee Participant(s)”	any Director, supervisor (if applicable), senior management and employee of the Company and/or any of its subsidiaries, including any person who is granted Awards under the Scheme as an inducement to enter into an employment contract with any of these companies
“Grant Date”	the date on which the Awarded Shares are granted to a Grantee, being the date of issuance of a Grant Letter
“Grant Letter”	the letter issued by the Company to the Grantee(s) which sets out the details of the grant
“Grantee(s)”	any eligible person who is determined and selected by the Board and/or the Authorized Person(s) to participate in the Scheme and to be granted Awarded Shares
“Group”	the Company and its subsidiaries from time to time
“H Share(s)”	the overseas listed shares in the share capital of the Company with a nominal value of RMB1.00 each, which are listed and traded on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	September 24, 2026, being the latest practicable date prior to the issuance of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended, supplemented or otherwise modified from time to time

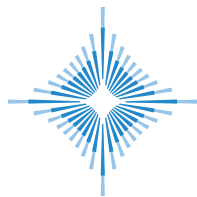
DEFINITIONS

“PRC”	the People’s Republic of China, excluding, for the purposes of this circular and the Scheme only, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Purchase Price”	the purchase price of each Target Share in relation to Awarded Shares as determined by the Board and/or the Authorized Person(s) when granting Awarded Shares
“Related Entity(ies)”	the holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company
“Related Entity Participant(s)”	director(s) and employee(s) of the holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the maximum number of shares which may be issued under the Scheme and other share award and/or option schemes (if any) of the Company, being 10% of the total issued share capital (excluding any Treasury Shares) as at the date of adoption of the Scheme (assuming there is no change in the number of issued Shares (excluding Treasury Shares) during the period between the Latest Practicable Date and the Adoption Date), representing 5,480,264 H Shares
“Share Buy-back Code”	the Codes on Takeovers and Mergers and Share Buybacks issued by the Securities and Futures Commission, as amended, supplemented or otherwise modified from time to time
“Share(s)”	the share(s) in the share capital of the Company with a nominal value of RMB1.00 each, including unlisted Shares and H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange/Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Share(s)”	the H Shares of the Company under the Scheme, which shall rank pari passu in all respects with the other H Shares of the Company in issue

DEFINITIONS

“Treasury Share(s)”	has the meaning ascribed thereto under the Listing Rules. For the purposes of the Scheme, references to the new H Shares include treasury shares listed on the Stock Exchange, and references to the issuance of new H Shares include the transfer of treasury shares listed on the Stock Exchange
“Trust”	the trust constituted under the relevant trust agreement
“Trustee(s)”	one or more trustee(s) appointed by the Company for the purpose of the Trust, which shall be an independent third party. None of the Directors is or will be a trustee of the Scheme, nor does any of them have any direct or indirect interest in the trustee(s) of the Scheme (if any)
“Vesting Date”	the date on which Awarded Shares are vested to the relevant Grantees as determined by the Board and/or the Authorized Person(s) from time to time in accordance with the Scheme and as set out in the relevant Grant Letter

LETTER FROM THE BOARD



Starsportned

STAR SPORTS MEDICINE CO., LTD.
北京天星醫療股份有限公司

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

(Stock Code: 01609)

Executive Directors:

Mr. Dong Wenxing (*Chairman of the Board*)

Mr. He Lu

Non-executive Directors:

Ms. Zhang Di

Mr. Chang Xi

Mr. David Guowei Wang

Ms. Yi Lin

Mr. Zhou Quan

Independent Non-executive Directors:

Mr. Lyu Zhenlin

Mr. Deng Yu

Mr. Liu Baojie

Mr. Wang Chunfei

Head Office, Registered Office and

Principal Place of Business in the PRC:

Building 1, A018, B018

No. 25, Jinghai 2nd Road

Beijing Economic and Technological

Development Zone

Beijing, PRC

Principal Place of Business in Hong Kong:

40/F, Dah Sing Financial Centre

No. 248 Queen's Road East

Wan Chai, Hong Kong

September 30, 2026

To the Shareholders

Dear Sir or Madam,

**PROPOSED ADOPTION OF THE 2026 SHARE INCENTIVE SCHEME
PROPOSED AUTHORIZATION FOR THE BOARD AND THE
AUTHORIZED PERSON(S) TO HANDLE MATTERS IN RELATION TO
THE 2026 SHARE INCENTIVE SCHEME
AND
NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with the notice of the EGM and information on certain resolutions to be proposed at the EGM. At the EGM, the following special resolutions will be proposed for approval: (1) proposed adoption of the 2026 Share Incentive Scheme; (2) proposed adoption of the scheme mandate limit of the 2026 Share Incentive Scheme of the Company (representing 10% of the total number of shares (excluding treasury shares) issued as at the date of approval of this resolution at the EGM); and (3) proposed authorization for the Board and the Authorized Person(s) to handle matters in relation to the 2026 Share Incentive Scheme.

2. PROPOSED ADOPTION OF THE 2026 SHARE INCENTIVE SCHEME

Reference is made to the announcement of the Company dated August 3, 2026 in relation to proposed adoption of the 2026 Share Incentive Scheme and proposed authorization for the Board and the Authorized Person(s) to handle matters in relation to the 2026 Share Incentive Scheme. As at the Latest Practicable Date, the Company does not have any share schemes subject to the provisions of Chapter 17 of the Listing Rules.

Purpose of the Scheme

The purposes of the 2026 Share Incentive Scheme are: (a) to promote the achievement of long-term sustainable development and performance goals of the Company; (b) to attract and retain Eligible Persons who have made significant contributions to the long-term growth and success of the Company, and to recognize and reward Eligible Persons for their past contributions to the Group; (c) to closely align the interests of the Grantees with those of Shareholders, investors and the Company, thereby enhancing the cohesion of the Company and facilitating the maximization of the value of the Company; and (d) to improve the Company's long-term incentive mechanism.

Source of Awarded Shares

The source of Awarded Shares under the 2026 Share Incentive Scheme shall be: (1) the H Shares acquired by the Trustee through on-market and/or off-market transactions in the secondary market at the prevailing market price by utilizing the Scheme Funds in accordance with the relevant trust agreements and in accordance with the instructions of the Company and the relevant requirements under the rules of the Scheme. The Board and/or the Authorized Person(s) may give instructions to the Trustee in relation to the acquisition of H Shares and specify the conditions or terms, including but not limited to the specified price or price range for the acquisition, the maximum amount of funds to be used for the acquisition, the maximum number of H Shares to be acquired and/or the specified date or time frame, provided that such acquisition instructions shall comply with the applicable laws and regulations and the Listing Rules, including but not limited to any restriction on trading in H Shares in the lock-up periods and with inside information, and avoid triggering the relevant provisions of a mandatory tender offer; (2) the new H Shares allotted and issued by the Company (for the avoidance of doubt, including transfer of Treasury Shares), which shall rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Company holds 28,700 Treasury Shares. For the avoidance of doubt, Treasury Shares shall be held in a separate share account of the Company to ensure that they are held as Treasury Shares, or that shares repurchased under the 2026 Share Incentive Scheme can be properly identified and segregated. In respect of existing shares purchased through off-market transactions, the Trustee will not acquire any such shares from any connected persons of the Company or its subsidiaries, and confirms that such purchases shall fully comply with applicable laws and regulations, including but not limited to the Share Buy-back Code and the Listing Rules.

Conditions for Adoption of the Scheme

The Scheme is conditional upon the fulfillment of the following conditions: (a) the Shareholders passing a special resolution at the EGM to approve and adopt the Scheme, and to authorize the Board and its Authorized Person(s) to grant Awarded Shares to selected participants and to deal with matters relating to the Share Incentive Scheme; and (b) the Listing Committee of the Stock Exchange approving the listing of, and permission to deal in, any Shares to be allotted and issued in respect of the Awarded Shares to be granted under the Share Incentive Scheme on the Stock Exchange.

Principal Terms of the Scheme

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

Eligible Participants

The eligible persons who are entitled to participate in the Scheme include Employee Participants and Related Entity Participants (the “**Eligible Persons**”). The Board and/or the Authorized Person(s) may select any Eligible Persons who meet the criteria as Grantees to participate in the 2026 Share Incentive Scheme.

In assessing the eligibility of Employee Participants, the Board and/or the Authorized Person(s) will consider all relevant factors as applicable, including, among others: (i) their skills, knowledge, experience, professional competence and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or terms of employment, as well as prevailing market practice and industry standards; (iii) their expected contribution to the growth of the Group with reference to their past contributions; and (iv) their educational and professional qualifications and industry knowledge.

Any person shall not be deemed as an Eligible Person if he/she, on the Grant Date:

- (a) has been publicly censured or declared inappropriate by any securities regulatory authority in the past 12 months;

LETTER FROM THE BOARD

- (b) has been imposed an administrative punishment by any securities regulatory authority in the past 12 months due to any serious violation of laws and regulations;
- (c) is prohibited from participating in the Scheme as stipulated by laws and regulations;
- (d) has committed any other act that seriously violates the relevant provisions of the Group or causes significant damage to the interests of the Group as determined by the Board; or
- (e) has any other circumstance as determined by the Board and/or the Authorized Person(s) for safeguarding the interests of the Group and ensuring compliance with the applicable laws and regulations relating to the operation of the Scheme.

With reference to the foregoing scope of Eligible Persons and the corresponding eligibility criteria, the Board (including the independent non-executive Directors) is of the view that, given that the Eligible Persons are parties who maintain close cooperative business relationships with the Group, the grant of Awards to Employee Participants and allowing the Company the flexibility to grant Awards to Related Entity Participants are in the interests of the Group. This is intended to recognize their contributions to the long-term growth and development of the Group and, through the grant of Awards, to incentivize such Eligible Persons to share common goals with the Group in respect of its long-term growth and development. The Board (including the independent non-executive Directors) considers that the above scope of Eligible Persons and the corresponding eligibility criteria are fair and reasonable, can achieve the purposes of the 2026 Share Incentive Scheme and are in the interests of the Company and its Shareholders as a whole.

Related Entity Participants

In assessing the eligibility of Related Entity Participants, the Board and/or the Authorized Person(s) will consider all relevant factors as applicable, including, among others: (i) the positive impact that the Related Entity Participant is expected to bring to the Group's technology research and development, iteration or future commercialization efforts (including support, assistance, guidance, advice, efforts and/or contributions), with reference to the positive impact brought by the Related Entity Participant in the past; (ii) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Related Entity Participant has established with the Group via its role and position held with the Related Entity Participant; (iii) the number, scale and nature of the projects which promote the business, research and development and growth of the Group in which the Related Entity Participant is involved; (iv) whether the Related Entity Participant has referred or introduced opportunities (such as research collaborations, licensing, strategic alliances, new technology platforms or joint R&D ventures) to the Group which have materialized into further collaboration relationships; (v) whether the Related Entity Participant has assisted the Group in entering into new research areas, accessing new scientific or technological platforms, or enhancing the Group's competitive position in its field of endeavor; and (vi) the materiality and nature of the business relation between the Related Entity of which the Related Entity Participant holds office or position on the one hand and the Group on the other hand, and the Related Entity Participant's contribution in such Related Entity which may benefit the core research and development, innovation or future commercialization of the Group through a collaborative relationship.

LETTER FROM THE BOARD

The Board (including the independent non-executive Directors) considers that the inclusion of Related Entity Participants within the scope of Eligible Persons is consistent with the Company's business needs, the nature of the Company's operations and industry practice. Maintaining sustainable and stable relationships with Related Entity Participants is crucial to the Group, and the inclusion of non-Employee Participants in the 2026 Share Incentive Scheme aligns their interests with those of the Group and incentivizes them to provide better services, create more opportunities and/or contribute to the success of the Group in the long term, thereby driving the growth and development of the Group and enhancing its long-term value, so as to achieve the purposes of the 2026 Share Incentive Scheme. Accordingly, the Board (including the independent non-executive Directors) considers that the selection criteria for the inclusion of Related Entity Participants, as well as the terms of grant under the 2026 Share Incentive Scheme, are in line with the purposes of the 2026 Share Incentive Scheme and the long-term interests of the Company and its Shareholders as a whole.

Scheme Mandate Limit and Individual Limit

In any case, the maximum number of shares which may be issued under the Scheme and other share award and/or option schemes (if any) (the “**Scheme Mandate Limit**”) shall be 10% of the total issued share capital (excluding any Treasury Shares) as at the Adoption Date of the Scheme (assuming there is no change in the number of issued Shares (excluding Treasury Shares) during the period between the Latest Practicable Date and the Adoption Date), being a maximum of 5,480,264 H Shares. Awards that have lapsed in accordance with the terms of the 2026 Share Incentive Scheme shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit. For the avoidance of doubt, where the Target Shares of Awards are existing H Shares purchased by the Trustee from the secondary market and/or through off-market transactions, such Awards shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

Except with the approval of the Shareholders as required under the Listing Rules, the maximum number of Shares issued or to be issued in respect of all Awarded Shares or any share awards or options granted to any single Grantee under the Scheme or any other share schemes of the Company within the 12-month period up to and including the date of the grant of such Awarded Shares shall not in aggregate exceed 1% of the total number of Shares in issue of the Company (excluding any Treasury Shares) as at the Grant Date. Without the approval of a resolution by poll at the shareholders' meeting, the Board and/or the Authorized Person(s) shall not grant any further Awarded Shares which would result in excess of the Scheme Mandate Limit.

Any grant of Awards by way of issue of new H Shares to Directors, the chief executive or substantial shareholders or their respective associates under the Scheme shall be subject to the approval of the independent non-executive Directors (excluding any independent non-executive Director who is a grantee of the Award). Where any grant of Awards by way of issue of new H Shares to a Director (other than an independent non-executive Director) or the chief executive of the Company or their respective associates would result in the new Shares issued and to be issued in respect of all Awards granted to such person under the Scheme and other awards granted to such person under other share schemes (excluding any Awards or other awards or options that have

LETTER FROM THE BOARD

lapsed in accordance with the terms of the Scheme or other share schemes) within the 12-month period up to and including the date of such grant exceeding in aggregate 0.1% of the total number of Shares in issue (excluding any Treasury Shares), further grants of Awards shall be subject to the approval of the Shareholders at a shareholders' meeting.

Where any grant of Awards by way of issue of new H Shares to an independent non-executive Director, a substantial Shareholder or their respective associates would result in the new Shares issued and to be issued in respect of all Awards granted to such person under the Scheme and other options and/or awards granted to such person under other share schemes (excluding any Awards, other options and awards that have lapsed in accordance with the terms of the Scheme or other share schemes (as the case may be)) within the 12-month period up to and including the date of such grant exceeding in aggregate 0.1% of the total number of Shares in issue (excluding any Treasury Shares), further grants of Awards shall be subject to the approval of the Shareholders at a shareholders' meeting of the Company. For the purpose of such Shareholder approval, the Company shall issue a circular to the Shareholders. The Grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favor at such shareholders' meeting. The Company shall comply with the applicable requirements of the Listing Rules.

Validity Period

Subject to any early termination as may be determined by the Board, the Scheme shall be valid for a period of ten (10) years commencing from the date on which the Scheme is approved at the shareholders' meeting. If there are any Awarded Shares that are granted but unvested by the end of the Scheme Period, the Scheme will be extended until such Awarded Shares have vested, and the expiry of the Scheme Period shall not affect any subsisting rights already granted to any Grantee thereunder.

Upon termination of the Scheme, no more Awards shall be granted under the Scheme. The Trustee shall, after receiving the notice of the termination of the Scheme, within such reasonable period as the Trustee and the Company may agree, (i) sell the remaining unvested Target Shares under the Trust (or such longer period as may be otherwise determined by the Company in consultation with the Trustee), and remit all cash and the net proceeds from the sale and other funds remaining in the Trust (after making the appropriate deductions for all disposal costs, expenses and other current and future liabilities in accordance with the trust agreement) to the Company. For the avoidance of doubt, the Trustee shall not transfer any H Share to the Company and the Company shall not otherwise hold any H Share (except for the proceeds from the sale of such H Shares pursuant to the relevant provisions of the Scheme regarding the treatment of trust property following termination); and (ii) as instructed by the Grantee, transfer the vested Target Shares of a Grantee to such Grantee or his/her designated entity, or sell the Target Shares that have been vested in the Grantee and remit the net proceeds from the sale (after deducting relevant taxes, if applicable) to the Grantee, if the Grantee fails to give an instruction to the Trustee within the reasonable period, the Trustee shall, as instructed by the Board and/or the Authorized Person(s), sell the relevant Target Shares that have been vested and remit the net proceeds from the sale (after deducting the taxes, if applicable) to the Grantee. For the avoidance of doubt, any acceleration or shortening of the Vesting Period caused by early termination of the Scheme shall only apply to Employee Participants.

LETTER FROM THE BOARD

Vesting Period

Subject to all applicable laws, rules and regulations, the Board and/or the Authorized Person(s) may from time to time determine the criteria, conditions and period for the vesting of Awarded Shares under the Scheme, during the validity term of the Scheme. Save for the circumstances set out below, the Vesting Period in respect of any Awarded Shares shall be no less than twelve (12) months from (and including) the Grant Date.

Awarded Shares granted to Employee Participants may be subject to a shorter vesting period in the following circumstances at the sole discretion of the Remuneration and Appraisal Committee or the Board or the Authorized Person(s):

- (I) grants of “make-whole” Awards to new joiners to replace the share awards forfeited when leaving their previous employers;
- (II) grants that are made in batches during a year for administrative or compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but ended up having to wait for a subsequent batch. In such case, the Vesting Period may be shorter to reflect the time from which the Award would have been granted;
- (III) grants with a mixed or accelerated vesting schedule such as where the share awards may vest evenly over a period of 12 months, or where the share awards may vest by several batches with the first batch vesting within 12 months of the Grant Date and the last batch vesting 12 months after the Grant Date;
- (IV) grants with performance-based vesting conditions provided in the Scheme or as specified in the Grant Letter in lieu of time-based vesting criteria;
- (V) grants to Eligible Persons whose employment is terminated due to death or disability or occurrence of any force majeure event; and
- (VI) circumstances involving a change of control, automatic liquidation, scheme of arrangement or compromise or similar events as provided under the Scheme.

The Board or the Authorized Person(s) (in the case of Awards granted to Directors and/or senior management, the Remuneration and Appraisal Committee) considers that the setting of shorter vesting periods in the circumstances described in (I) to (IV) above is in line with market practice, appropriate and consistent with the purposes of the 2026 Share Incentive Scheme. Taking into account that (a) such discretion enables the Company to retain flexibility in certain circumstances to offer competitive remuneration packages and reward outstanding performers, thereby encouraging and providing incentives to Employee Participants, as well as attracting and retaining the best talents of the Group; and (b) the rigid application of a 12-month Vesting Period would be impracticable or inappropriate or unfair to the Grantees.

LETTER FROM THE BOARD

The Board or the Authorized Person(s) (in the case of Awards granted to Directors and/or senior management, the Remuneration and Appraisal Committee) considers that the setting of shorter vesting periods in the circumstances described in (V) to (VI) above is appropriate and consistent with the purposes of the Scheme, namely to promote the achievement of the Company's long-term sustainable development and performance targets and to align the interests of the Grantees with those of the Company. Taking into account that such circumstances are uncommon and beyond the control of the Grantees (and, in some cases, the Board and the Company), the Grantees should not be adversely affected in such circumstances.

Save as disclosed above, there are no other events that would result in the Vesting Period of unvested Awards being shortened to less than 12 months.

Purchase Price

The Board and/or the Authorized Person(s) may in its/his/her absolute discretion determine whether to require the Grantees to pay any Purchase Price for obtaining the Awards and, if so required, determine the amount of the Purchase Price after taking into account the practices of comparable companies and the effectiveness of the Scheme in attracting talents and motivating the Grantees to contribute to the long-term development of the Group.

The Board is of the view that the basis of determining the Purchase Price aligns with the purposes of the 2026 Share Incentive Scheme to encourage Eligible Persons to contribute to the Company's long-term development and interests, and that the imposition of appropriate criteria for the Purchase Price will strengthen the alignment of the interest of the Grantees and the Group.

Vesting

Vesting of the Awards shall be subject to the performance targets, if any, to be satisfied by the Grantees as determined by the Remuneration and Appraisal Committee or the Board or the Authorized Person(s) from time to time. After the Board or the Authorized Person(s) decides to select an Eligible Person for the grant of Awards under the Scheme, the performance targets and other conditions (if any) shall be set out in the Grant Letter. The indicators of the performance targets include:

- (I) the annual results and performance of the Group or members of the Group;
- (II) the achievement of milestones of important projects of the Group;
- (III) the key performance indicators of the Eligible Person's department and/or business unit; and/or
- (IV) the position held by the Eligible Person and the results of his/her annual appraisal. Such targets may differ for each Grantee.

LETTER FROM THE BOARD

During the Vesting Period, with respect to the performance targets that must be achieved by the Eligible Person prior to the vesting of the relevant Awards, the Board or the Authorized Person(s) will conduct an assessment at the end of the relevant performance period as set, including comparing the performance of the Group and/or the individual performance of the Eligible Person with the pre-agreed targets, to determine whether and to what extent such targets have been achieved.

The Board or the Authorized Person(s) has the flexibility to decide whether performance target conditions need to be set. From the perspective of being more beneficial to the Company's development, it is not consistent with the Company's development to set out a set of general performance targets in the rules of the Scheme, as each Grantee assumes different responsibilities in the Company and contributes to the Company in different ways. In making such decisions, the Board or the Authorized Person(s) should take into account the purposes of the Scheme and ensure that appropriate specific performance targets are set for the particular circumstances of the relevant Grantee.

Clawback Mechanism

If, prior to or on the Vesting Date, circumstances arise that result in the Grantee ceasing to be an Eligible Person, unless specially approved by the Board and/or the Authorized Person(s), the unvested Awarded Shares shall immediately and automatically lapse. For the avoidance of doubt, vested Awarded Shares shall not be affected by the general lapse arrangements under the Scheme relating to the cessation of being an Eligible Person and, subject to the Company Law, the regulatory rules of the place of incorporation and listing of the Company and other relevant laws, regulations, rules and normative documents and the Articles of Association, shall continue to be paid by the Trustee to the Grantee in accordance with the relevant terms in the following circumstances:

- (I) the Grantee ceases employment with the Company and its subsidiaries (including but not limited to voluntary resignation, involuntary termination, dismissal, etc.) or is not in employment for any reason, without prejudice to the fault-based lapse circumstances under the Scheme;
- (II) the Grantee retires, becomes disabled or dies;
- (III) other circumstances determined by the Board in which the person can no longer be a Grantee under the Scheme.

If, prior to or on the Vesting Date, any of the following circumstances arises that results in the Grantee ceasing to be an Eligible Person, unless specially approved by the Board and/or the Authorized Person(s), the unvested Awarded Shares shall immediately and automatically lapse, and any portion of the vested Awarded Shares for which the Trustee has not yet completed payment to the Grantee shall automatically lapse. The identified circumstances are as follows:

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- (I) the Grantee violates the rules and regulations of the Group, the labor contracts/service agreements and relevant documents or systems relating to confidentiality, intellectual property ownership, non-compete and non-solicitation, or violates professional ethics;
- (II) the Grantee commits serious dereliction of duty or malpractice;
- (III) the Grantee discloses or infringes the trade secrets, technical secrets or intellectual property of the Company and its subsidiaries;
- (IV) the Grantee misappropriates funds, abuses power for personal gain, solicits or accepts bribes, defames or otherwise damages the reputation or interests of the Company or its related companies;
- (V) the Grantee violates the Group's internal systems on anti-corruption and anti-commercial bribery, or engages in corruption or commercial bribery activities;
- (VI) the Grantee engages in unfair competition or intentionally denigrates the Group in public or other places, disseminates remarks detrimental to the Company or related companies, or vilifies or defames the Group;
- (VII) the Grantee violates laws and regulations and is subject to penalties by state authorities (including administrative detention) or is held criminally liable in accordance with the law; or
- (VIII) other acts of misconduct or improper conduct that cause loss or adverse effects to the Group or the partnership.

The Board considers that the clawback mechanism of the 2026 Share Incentive Scheme provides the Board with the option to recover Awards granted to Eligible Participants culpable of misconduct and provides the Board with more flexibility in setting the terms and conditions of Awards under specific circumstances of each grant, which would facilitate the objective to offer meaningful incentives to attract and retain quality talent who are valuable to the development of the Group, and is in line with the purposes of the 2026 Share Incentive Scheme and in the interests of the Company and the Shareholders as a whole.

Implications under the Listing Rules

The 2026 Share Incentive Scheme will constitute a share scheme involving issue of new shares by the Company under Chapter 17 of the Listing Rules and therefore the adoption of the 2026 Share Incentive Scheme is subject to the approval of the Shareholders. The provisions of the 2026 Share Incentive Scheme will comply with Chapter 17 of the Listing Rules.

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In accordance with Rule 10.08 of the Listing Rules, the Company has undertaken to the Stock Exchange, among other things, that no further Shares or securities convertible into equity securities of the Company (whether or not of a class already listed) may be issued or form the subject of any agreement to such issue, nor may Treasury Shares (if any) be sold or transferred. This restriction shall remain in effect for a period of six months from the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except in any circumstances as set out in Rule 10.08 of the Listing Rules.

Therefore, upon the approval of the 2026 Share Incentive Scheme at the EGM, the Company has no intention or plan to grant any Awards to any Eligible Participants immediately upon the adoption of the Scheme. Any grant of Awards shall comply with the above provisions and shall not conflict therewith. The Company will not make any grant of Awards before the expiry of prescribed restriction period under Rule 10.08 of the Listing Rules.

If Awarded Shares are granted to Grantees who are connected persons of the Company under the 2026 Share Incentive Scheme and such Shares are to be satisfied by way of existing H Shares, the Company shall comply with the applicable requirements under Chapter 14A of the Listing Rules, including any reporting, announcement and independent Shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

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

A copy of the scheme document of the 2026 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 EGM, and the scheme document of the 2026 Share Incentive Scheme will be made available for inspection at the EGM.

3. PROPOSED AUTHORIZATION FOR THE BOARD AND THE AUTHORIZED PERSON(S) TO HANDLE MATTERS IN RELATION TO THE 2026 SHARE INCENTIVE SCHEME

To facilitate the implementation and advancement of the Share Incentive Scheme, and in accordance with the provisions of the Listing Rules and other relevant applicable laws, regulations, normative documents and the Articles of Association, the Board proposes that, subject to approval by the Shareholders at the shareholders' meeting, the Shareholders also authorize the Board and the Authorized Person(s) to carry out all work and procedures necessary for the implementation of the Share Incentive Scheme, including but not limited to:

- (I) construe the rules of the Scheme and the relevant terms;
- (II) make or modify the arrangements, guidelines, procedures and/or regulations for the management, interpretation, implementation and operation of the Scheme, provided that such arrangements, guidelines, procedures and/or regulations shall not conflict with the rules of the Scheme;

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- (III) grant Awards to the Eligible Persons selected by them from time to time;
- (IV) approve the form and content of the Grant Letter;
- (V) determine, review, approve and adjust the Grant Date, the list of Grantees, the Awarded Shares granted, the Purchase Price and the vesting conditions;
- (VI) establish, evaluate and set the vesting conditions, and review the satisfaction of the vesting conditions and the clawback mechanism;
- (VII) adjust, evaluate and review any change of the vesting conditions, or adjust the Vesting Date of any Awarded Shares in accordance with the terms of the Scheme;
- (VIII) determine, review, approve and adjust the conditions or circumstances for the lapse of the Shares granted, and adjust, evaluate and review the effectiveness of any Shares granted;
- (IX) review and approve the resolution for any special circumstance not specified in the Scheme;
- (X) decide other matters related to the implementation of the Scheme in accordance with the relevant laws and regulations;
- (XI) select and appoint banks, accountants, Trustee(s), lawyers, consultants and other professional institutions (if any) for the purpose of the Scheme;
- (XII) sign, execute, amend and terminate all documents related to the Scheme, conduct all procedures, filings and approvals related to the Scheme, and take other steps or actions to give effect to the terms, intention and implementation of the rules of the Scheme;
- (XIII) determine and approve all matters related to the arrangements of the Trust;
- (XIV) amend the Scheme and other matters as permitted by the provisions of the Listing Rules and other relevant applicable laws, regulations, normative documents and the Articles of Association and within the scope of authorization granted by the shareholders' meeting of the Company; and
- (XV) manage and conduct other matters necessary for the implementation of the Scheme, except those matters which are expressly stipulated by the shareholders' meeting of the Company to be decided by the shareholders' meeting.

The above authorization granted to the Board and the Authorized Person(s) shall remain in effect for the duration of the Share Incentive Scheme.

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4. NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING

The notice of the EGM is set out on pages N-1 to N-2 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at the EGM must be taken by poll, except where the chairman of the EGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, resolutions to be proposed at the EGM will be voted on by poll. The Company will publish an announcement of the poll results after the EGM in the manner prescribed under the Listing Rules.

To the best of the Directors' belief, having made all reasonable enquiries, no Shareholder has a material interest in any of the special resolutions to be proposed at the EGM and is therefore required to abstain from voting on such resolutions.

For the purpose of determining the identity of the holders of the H Shares entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, October 16, 2026 to Thursday, October 22, 2026 (both days inclusive), during which period no transfer of the H Shares will be effected. Shareholders whose names appear on the register of members of the Company on Thursday, October 22, 2026 are entitled to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, holders of unregistered H Shares of the Company must ensure that all transfers, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Thursday, October 15, 2026, being the closing date for registration.

A form of proxy for use at the EGM is enclosed with this circular and is also available on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (starsportmed.com). In order to be valid, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it together with the signed power of attorney or other authority (if any), or a notarized copy thereof, to Computershare Hong Kong Investor Services Limited, the Company's H share registrar, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible but in any event no later than 24 hours before the time appointed for holding the EGM (i.e. no later than 10:00 a.m. on Wednesday, October 21, 2026) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish, and in such event, the completed and returned form of proxy will be deemed to be revoked.

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

5. RECOMMENDATION

The Board is of the view that the above resolutions are in the interests of the Company and all of its Shareholders. Accordingly, the Board recommends that the Shareholders vote in favor of the relevant resolutions at the EGM.

Yours faithfully
By order of the Board
Star Sports Medicine Co., Ltd.
Mr. Dong Wenxing
Chairman

The following is a summary of the principal terms of the 2026 Share Incentive Scheme proposed to be adopted at the EGM. It does not form part of, nor is it intended to be part of, the 2026 Share Incentive Scheme and it should not be taken as affecting the interpretation of the 2026 Share Incentive Scheme. The Directors reserve the right at any time prior to the EGM to make amendments to the 2026 Share Incentive Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects of the summary in this Appendix.

CHAPTER 1 PURPOSE, TERM AND BASIC PRINCIPLES OF THE SCHEME

1.1 The Company has formulated the Scheme in accordance with the provisions of the Company Law of the People's Republic of China, the regulatory rules of the places of incorporation and listing of the Company and other relevant laws, regulations, rules and normative documents and the Articles of Association.

1.2 Purpose of the Scheme

- (I) to promote the achievement of long-term sustainable development and performance goals of the Company;
- (II) to attract and retain Eligible Persons who have made significant contributions to the long-term growth and success of the Company, and to recognize and reward Eligible Persons for their past contributions to the Group;
- (III) to closely align the interests of the Grantees with those of Shareholders, investors and the Company, thereby enhancing the cohesion of the Company and facilitating the maximization of the value of the Company; and
- (IV) to improve the Company's long-term incentive mechanism.

1.3 Term of the Scheme

The Scheme will be valid and effective for a period of ten (10) years from the Adoption Date (the "Scheme Period"), and no further additional Awarded Shares shall be granted upon the expiry of the Scheme Period. If there are any Awarded Shares that are granted but unvested by the end of the Scheme Period, the Scheme will be extended until such Awarded Shares have vested, and the expiry of the Scheme Period shall not affect any subsisting rights already granted to any Grantee thereunder.

1.4 Basic Principles of the Scheme

- (I) Compliance principle: The Company shall perform procedures in strict accordance with the provisions of the Company Law of the People's Republic of China, the regulatory rules of the places of incorporation and listing of the Company and other relevant laws, regulations, rules and normative documents, and disclose such information in a truthful, accurate, complete and timely manner. No one shall exploit the Scheme to engage in fraudulent security activities such as insider trading and stock market manipulation.
- (II) Voluntary participation principle: The Company implements the Scheme in accordance with the principles of discretionary decision of the Company and voluntary participation of Eligible Persons. The Company shall not force any Eligible Person to participate in the Scheme by way of apportionment, mandatory distribution, etc.
- (III) Principle of non-committed to return: The Grantees acknowledge and agree that the disposal of the Awarded Shares vested in the Grantees (if applicable) by the Trustee under the Scheme may be affected by the fluctuation of the market share price, and the Company will not make any commitment on the Actual Selling Price and return.

1.5 Conditions Precedent of the Scheme

The implementation of the Scheme is conditional upon the passing of a special resolution at the shareholders' meeting to approve the adoption of the Scheme, to authorize the Board and/or the Authorized Person(s) to grant Awards under the Scheme and to handle matters relating to the Scheme, and the approval of the Stock Exchange for the listing of, and permission to deal in, any Shares which may fall to be issued in respect of all Awards to be granted under the terms and conditions of the Scheme on the Stock Exchange.

CHAPTER 2 ADMINISTRATION OF THE SCHEME

- 2.1 The shareholders' meeting of the Company is the highest authority of the Company and is responsible for considering and approving the adoption of the Scheme, and the Board is the executive management body of the Scheme. The Scheme shall be implemented after it has been considered and approved by the Board and subsequently submitted to and approved by the shareholders' meeting. The Board and/or the Authorized Person(s) may handle and implement all relevant matters of the Scheme within the scope of authorization by the shareholders' meeting.

- 2.2 The independent non-executive Directors shall supervise whether the Scheme is conducive to the sustainable development of the Company, whether the Scheme damages the interests of the Company and the Shareholders as a whole, and whether the implementation of the Scheme complies with the relevant laws, regulations, normative documents and the regulatory rules of the places of incorporation and listing of the Company.
- 2.3 The Trust is established to serve the Scheme, and pursuant to the relevant provisions of the trust agreement and at the instruction of the Company, the Trustee is required to implement the vesting, sale and other matters in respect of the granted Awarded Shares in accordance with the terms of the Scheme and the provisions of the trust agreement and at the instructions given by the Board, the Authorized Person(s) and/or Grantees (if applicable) through the Company. For the avoidance of doubt, the Scheme may be implemented by way of other compliant methods in respect of the grant, vesting and sale of, and other related actions in relation to, the Awarded Shares under the Scheme.
- 2.4 Without prejudice to the general management powers of the Board, the Board may delegate the power to manage the Scheme (including the power to grant Awards under the Scheme) to the Authorized Person(s) designated by it. The term of office, authority and remuneration (if any) of the Authorized Person(s) shall be determined by the Board from time to time at its sole discretion.
- 2.5 Subject to the rules of the Scheme, the Listing Rules, and the applicable laws and regulations, the Board and/or the Authorized Person(s) (to the extent authorized by the Board) shall have the right from time to time to:
- (I) construe the rules of the Scheme and the relevant terms;
 - (II) make or modify the arrangements, guidelines, procedures and/or regulations for the management, interpretation, implementation and operation of the Scheme, provided that such arrangements, guidelines, procedures and/or regulations shall not conflict with the rules of the Scheme;
 - (III) grant Awards to the Eligible Persons selected by them from time to time;
 - (IV) approve the form and content of the Grant Letter;
 - (V) determine, review, approve and adjust the Grant Date, the list of Grantees, the Awarded Shares granted, the Purchase Price and the vesting conditions;
 - (VI) establish, evaluate and set the vesting conditions, and review the satisfaction of the vesting conditions and the clawback mechanism;

- (VII) adjust, evaluate and review any change of the vesting conditions, or adjust the Vesting Date of any Awarded Shares in accordance with the terms of the Scheme;
 - (VIII) determine, review, approve and adjust the conditions or circumstances for the lapse of the Shares granted, and adjust, evaluate and review the effectiveness of any Shares granted;
 - (IX) review and approve the resolution for any special circumstance not specified in the Scheme;
 - (X) decide other matters related to the implementation of the Scheme in accordance with the relevant laws and regulations;
 - (XI) select and appoint banks, accountants, Trustee(s), lawyers, consultants and other professional institutions (if any) for the purpose of the Scheme;
 - (XII) sign, execute, amend and terminate all documents related to the Scheme, conduct all procedures, filings and approvals related to the Scheme, and take other steps or actions to give effect to the terms, intention and implementation of the rules of the Scheme;
 - (XIII) determine and approve all matters related to the arrangements of the Trust;
 - (XIV) amend the Scheme and other matters within the scope of authorization granted by the shareholders' meeting of the Company; and
 - (XV) manage and conduct other matters necessary for the implementation of the Scheme, except those matters which are expressly stipulated by the shareholders' meeting of the Company to be decided by the shareholders' meeting.
- 2.6 For the avoidance of doubt, the decisions of the Board and/or the Authorized Person(s) shall be final and binding on all persons under the Scheme.
- 2.7 Without prejudice to the general management powers of the Board and/or the Authorized Person(s), and to the extent not prohibited by the applicable laws and regulations, the Board and/or the Authorized Person(s) may from time to time appoint one or more Trustees for the grant, management or vesting of any Awarded Shares. For the avoidance of doubt, notwithstanding any provision in the Scheme, the Board (or the Authorized Person(s) designated by the Board) shall be the sole party to give any instruction, order or recommendation (directly or through its designated contact person) to the Trustee.
- 2.8 For the purpose of the administration of the Scheme, the Company shall comply with all disclosure requirements, including those set out in the Listing Rules and all applicable PRC laws, regulations and rules.

CHAPTER 3 INCENTIVE SCOPE**3.1 Eligible Persons**

- (I) The eligible persons who are entitled to participate in the Scheme include Employee Participants and Related Entity Participants (the “Eligible Persons”). The Board and/or the Authorized Person(s) may select any Eligible Persons who meet the criteria as Grantees to participate in the 2026 Share Incentive Scheme.
- (II) In assessing the eligibility of Employee Participants, the Board and/or the Authorized Person(s) will consider all relevant factors as applicable, including, among others: (i) their skills, knowledge, experience, professional competence and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or terms of employment, as well as prevailing market practice and industry standards; (iii) their expected contribution to the growth of the Group with reference to their past contributions; and (iv) their educational and professional qualifications and industry knowledge.
- (III) In assessing the eligibility of Related Entity Participants, the Board and/or the Authorized Person(s) will consider all relevant factors as applicable, including, among others: (i) the positive impact that the Related Entity Participant is expected to bring to the Group’s technology research and development, iteration or future commercialization efforts (including support, assistance, guidance, advice, efforts and/or contributions), with reference to the positive impact brought by the Related Entity Participant in the past; (ii) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Related Entity Participant has established with the Group via its role and position held with the Related Entity Participant; (iii) the number, scale and nature of the projects which promote the business, research and development and growth of the Group in which the Related Entity Participant is involved; (iv) whether the Related Entity Participant has referred or introduced opportunities (such as research collaborations, licensing, strategic alliances, new technology platforms or joint R&D ventures) to the Group which have materialized into further collaboration relationships; (v) whether the Related Entity Participant has assisted the Group in entering into new research areas, accessing new scientific or technological platforms, or enhancing the Group’s competitive position in its field of endeavor; and (vi) the materiality and nature of the business relation between the Related Entity of which the Related Entity Participant holds office or position on the one hand and the Group on the other hand, and the Related Entity Participant’s contribution in such Related Entity which may benefit the core research and development, innovation or future commercialization of the Group through a collaborative relationship.

(IV) Any person shall not be deemed as an Eligible Person if he/she, on the Grant Date:

- (a) has been publicly censured or declared inappropriate by any securities regulatory authority in the past 12 months;
- (b) has been imposed an administrative punishment by any securities regulatory authority in the past 12 months due to any serious violation of laws and regulations;
- (c) is prohibited from participating in the Scheme as stipulated by laws and regulations;
- (d) has committed any other act that seriously violates the relevant provisions of the Group or causes significant damage to the interests of the Group as determined by the Board; or
- (e) has any other circumstance as determined by the Board and/or the Authorized Person(s) for safeguarding the interests of the Group and ensuring compliance with the applicable laws and regulations relating to the operation of the Scheme.

3.2 The Board (including the independent non-executive Directors) considers that the inclusion of Related Entity Participants within the scope of Eligible Persons is consistent with the Company's business needs, the nature of the Company's operations and industry practice. Maintaining sustainable and stable relationships with Related Entity Participants is crucial to the Group, and the inclusion of non-Employee Participants in the 2026 Share Incentive Scheme aligns their interests with those of the Group and incentivizes them to provide better services, create more opportunities and/or contribute to the success of the Group in the long term, thereby driving the growth and development of the Group and enhancing its long-term value, so as to achieve the purposes of the 2026 Share Incentive Scheme. Accordingly, the Board (including the independent non-executive Directors) considers that the selection criteria for the inclusion of Related Entity Participants, as well as the terms of grant under the 2026 Share Incentive Scheme, are in line with the purposes of the 2026 Share Incentive Scheme and the long-term interests of the Company and its Shareholders as a whole.

3.3 With reference to the foregoing scope of Eligible Persons and the corresponding eligibility criteria, the Board (including the independent non-executive Directors) is of the view that, given that the Eligible Persons are parties who maintain close cooperative business relationships with the Group, the grant of Awards to Employee Participants and allowing the Company the flexibility to grant Awards to Related Entity Participants are in the interests of the Group. This is intended to recognize their contributions to the long-term growth and development of the Group and, through the grant of Awards, to incentivize such Eligible Persons to share common goals with the Group in respect of its long-term growth and development. The Board (including the independent non-executive Directors) considers that the above scope of Eligible Persons and the corresponding eligibility criteria are fair and reasonable, can achieve the purposes of the 2026 Share Incentive Scheme and are in the interests of the Company and its Shareholders as a whole.

3.4 Scope of the Grantees of the Scheme

- (I) The scope of the Grantees of the Scheme includes all Eligible Persons receiving and accepting any grant under the Scheme.
- (II) The Board and/or the Authorized Person(s) may select any Eligible Persons who meet the criteria as Grantees to participate in the Scheme. Unless so selected, no Eligible Person shall be entitled to participate in the Scheme.

3.5 If, prior to or on the Vesting Date, any of the following circumstances arise that result in the Grantee ceasing to be an Eligible Person, unless specially approved by the Board and/or the Authorized Person(s), the unvested Awarded Shares shall immediately and automatically lapse. For the avoidance of doubt, vested Awarded Shares shall not be affected by this Clause 3.5 and, subject to the Company Law of the People's Republic of China, the regulatory rules of the place of incorporation and listing of the Company and other relevant laws, regulations, rules and normative documents and the Articles of Association, shall continue to be paid by the Trustee to the Grantee in accordance with the relevant terms in the following circumstances:

- (I) the Grantee ceases employment with the Company and its subsidiaries (including but not limited to voluntary resignation, involuntary termination, dismissal, etc.) or is not in employment for any reason, without prejudice to the circumstances set out in Clause 3.6;
- (II) the Grantee retires, becomes disabled or dies; or
- (III) other circumstances determined by the Board in which the person can no longer be a Grantee under the Scheme.

3.6 If, prior to or on the Vesting Date, any of the following circumstances arise that result in the Grantee ceasing to be an Eligible Person, unless specially approved by the Board and/or the Authorized Person(s), the unvested Awarded Shares shall immediately and automatically lapse, and any portion of the vested Awarded Shares for which the Trustee has not yet completed payment to the Grantee shall automatically lapse. The identified circumstances are as follows:

- (I) the Grantee violates the rules and regulations of the Group, the labor contracts/service agreements and relevant documents or systems relating to confidentiality, intellectual property ownership, non-compete and non-solicitation, or violates professional ethics;
- (II) the Grantee commits serious dereliction of duty or malpractice;
- (III) the Grantee discloses or infringes the trade secrets, technical secrets or intellectual property of the Company and its subsidiaries;

- (IV) the Grantee misappropriates funds, abuses power for personal gain, solicits or accepts bribes, defames or otherwise damages the reputation or interests of the Company or its related companies;
 - (V) the Grantee violates the Group's internal systems on anti-corruption and anti-commercial bribery, or engages in corruption or commercial bribery activities;
 - (VI) the Grantee engages in unfair competition or intentionally denigrates the Group in public or other places, disseminates remarks detrimental to the Company or related companies, or vilifies or defames the Group;
 - (VII) the Grantee violates laws and regulations and is subject to penalties by state authorities (including administrative detention) or is held criminally liable in accordance with the law; or
 - (VIII) other acts of misconduct or improper conduct that cause loss or adverse effects to the Group or the partnership.
- 3.7 The Grantee agrees, undertakes and warrants that if he/she ceases to be an Eligible Person after the Vesting Date as a result of any of the circumstances set forth in Clause 3.6, and there are any Awarded Shares that have been vested but not yet paid to the Grantee by the Trustee in accordance with Clause 6.8 at that time, the Grantee will voluntarily abandon such Awarded Shares for which payment has not been made. Such Awarded Shares shall be deemed lapsed but remain part of the Trust. Meanwhile, the Grantee agrees, undertakes and warrants that if he/she ceases to be an Eligible Person after the Vesting Date as a result of any of the circumstances set forth in Clause 3.6, and such event has caused a material adverse effect on the interests of the Group, the Board and/or the Authorized Person(s) shall have the right to require the Grantee to return all or part of the amount that has been paid to him/her (as determined by the Board and/or the Authorized Person(s)).
- 3.8 For the purpose of calculating the Scheme Mandate Limit (as defined below), the Awarded Shares that have lapsed in accordance with the terms of the Scheme shall not be regarded as utilized and shall remain available for grant to other Grantees.
- 3.9 The Grantees agree that no claim will be made against the Company, any other member of the Group, the Board, the Authorized Person(s), the Trust or the Trustee in the event of any of the foregoing circumstances arising from Clauses 3.4, 3.5, 3.6 and 3.7.
- 3.10 The Company shall notify the Trustee in writing (including but not limited to emails, text messages, documents, etc.) from time to time of the date and reason for such Grantee ceasing to be an Eligible Person, the lapse of any Awards (whether unvested or vested) and any amendment to the vesting terms and conditions of such Grantee (including the Awarded Shares granted).

- 3.11 If the selected participants are Directors, substantial Shareholders or their respective associates, or are otherwise deemed to be connected persons of the Company (as defined in the Listing Rules), and the Awards are granted by way of existing shares of the Company, such grant of Awards will constitute a connected transaction under Chapter 14A of the Listing Rules, and the Company shall comply with the relevant requirements under the Listing Rules.

CHAPTER 4 SOURCE OF FUNDS AND SOURCE OF TARGET SHARES

4.1 Source of Funds

- (I) The source of funds for the purchase, issue or subscription of the Target Shares under the Scheme shall be: (i) the funds withdrawn by the Company from its own funds (including but not limited to the Company's own funds and/or overseas financing obtained by the Company in compliance with laws and regulations); (ii) cash income of the Trust; and/or (iii) the amounts the Grantees are required to pay to the Company (or such other person as the Board and/or the Authorized Person(s) may designate) for acquiring the Awarded Shares in accordance with the terms of the Grant Letter and/or the Scheme (provided that such contributions are made from their lawful remuneration and/or their lawful own funds). The Board and/or the Authorized Person(s) shall ensure that the Trustee obtains the necessary funds for the establishment of the Trust, the amount of which shall be the sum of the following (the "Scheme Funds"):
- (a) the amount for purchasing or acquiring the Target Shares under the Scheme, or such equivalent amount as the Board and/or the Authorized Person(s) may determine at their sole discretion; and
 - (b) expenses related to the purchase of the Target Shares (including brokerage fees, stamp duty, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee at that time), and other necessary expenses to complete the purchase of the Target Shares under the Scheme.
- (II) Subsequent to the consideration and approval of the Scheme and/or its amendments at the shareholders' meeting, in accordance with the decision of the Board or the Authorized Person(s) and subject to laws and regulations:
- (a) if the Company decides to use existing H Shares as Target Shares for granting, the Company will remit necessary funds to the Trustee or instruct the Trustee to use cash income, and instruct the Trustee to purchase H Shares through on-market or off-market transactions; or

- (b) if the Company decides to issue new H Shares as Target Shares for granting, the Company will issue new H Share(s) to the Trustee and/or Grantees.

- (III) The Board and/or the Authorized Person(s) may adjust the Scheme Funds from time to time as agreed in the trust agreement.

4.2 Source and Maximum Number of the Target Shares

- (I) The source of Target Shares under the Scheme shall be: (1) the H Shares acquired by the Trustee through on-market and/or off-market transactions in the secondary market at the prevailing market price by utilizing the Scheme Funds in accordance with the relevant trust agreements and in accordance with the instructions of the Company and the relevant requirements under the rules of the Scheme. The Board and/or the Authorized Person(s) may give instructions to the Trustee in relation to the acquisition of H Shares and specify the conditions or terms, including but not limited to the specified price or price range for the acquisition, the maximum amount of funds to be used for the acquisition, the maximum number of H Shares to be acquired and/or the specified date or time frame, provided that such acquisition instructions shall comply with the applicable laws and regulations and the Listing Rules, including but not limited to any restriction on trading in H Shares in the lock-up periods and with inside information, and avoid triggering the relevant provisions of a mandatory tender offer; and/or (2) the new H Shares allotted and issued by the Company (for the avoidance of doubt, including transfer of Treasury Shares), which shall rank pari passu in all respects with the fully paid Shares in issue on the date of allotment.
- (II) In any case, the maximum number of shares which may be issued under the Scheme and other share award and/or option schemes (if any) (the “Scheme Mandate Limit”) shall be 10% of the total issued share capital (excluding any Treasury Shares) as at the Adoption Date of the Scheme (assuming there is no change in the number of issued Shares (excluding Treasury Shares) during the period between the Latest Practicable Date and the Adoption Date), being a maximum of 5,480,264 H Shares.

Awards that have lapsed in accordance with the terms of the 2026 Share Incentive Scheme shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit. For the avoidance of doubt, where the Target Shares of Awards are existing H Shares purchased by the Trustee from the secondary market and/or through off-market transactions, such Awards shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

- (III) Except with the approval of the Shareholders as required under the Listing Rules, the maximum number of Shares issued or to be issued in respect of all Awarded Shares or any share awards or options granted to any single Grantee under the Scheme or any other share schemes of the Company within the 12-month period up to and including the date of the grant of such Awarded Shares shall not in aggregate exceed 1% of the total number of Shares in issue of the Company (excluding any Treasury Shares) as at the Grant Date. Without the approval of a resolution by poll at the shareholders' meeting, the Board and/or the Authorized Person(s) shall not grant any further Awarded Shares which would result in excess of the Scheme Mandate Limit.
- (IV) Grant of Awards to connected persons:
- (a) any grant of Awards by way of issue of new H Shares to Directors, the chief executive or substantial Shareholders or their respective associates under the Scheme shall be subject to the approval of the independent non-executive Directors (excluding any independent non-executive Director who is a grantee of the Award);
 - (b) where any grant of Awards by way of issue of new H Shares to a Director (other than an independent non-executive Director) or the chief executive of the Company or their respective associates would result in the new Shares issued and to be issued in respect of all Awards granted to such person under the Scheme and other awards granted to such person under other share schemes (excluding any Awards or other awards or options that have lapsed in accordance with the terms of the Scheme or other share schemes) within the 12-month period up to and including the date of such grant exceeding in aggregate 0.1% of the total number of Shares in issue (excluding any Treasury Shares), further grants of Awards shall be subject to the approval of the Shareholders at a shareholders' meeting;
 - (c) where any grant of Awards by way of issue of new H Shares to an independent non-executive Director, a substantial Shareholder or their respective associates would result in the new Shares issued and to be issued in respect of all Awards granted to such person under the Scheme and other options and/or awards granted to such person under other share schemes (excluding any Awards, other options and awards that have lapsed in accordance with the terms of the Scheme or other share schemes (as the case may be)) within the 12-month period up to and including the date of such grant exceeding in aggregate 0.1% of the total number of Shares in issue (excluding any Treasury Shares), further grants of Awards shall be subject to the approval of the Shareholders at a shareholders' meeting of the Company; and
 - (d) for the purpose of such Shareholder approval, the Company shall issue a circular to the Shareholders. The Grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favor at such shareholders' meeting. The Company shall comply with the applicable requirements of the Listing Rules.

(V) Refreshing the Scheme Mandate Limit

The Company may refresh the Scheme Mandate Limit as follows:

- (a) the Company may refresh the Scheme Mandate Limit with the approval of the Shareholders in shareholders' meeting after three (3) years from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) in accordance with the applicable Listing Rules; and
- (b) any refreshment of the Scheme Mandate Limit within the three-year period from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) must be approved by the Shareholders in shareholders' meeting and must be subject to the following provisions:
 - 1) any controlling Shareholders (as defined in the Listing Rules) of the Company and their associates (or if there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) must abstain from voting in favor of the relevant resolution at the shareholders' meeting; and
 - 2) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the date of Shareholders' approval of the refreshment of the Scheme Mandate Limit. A circular in respect of the proposed refreshment of the Scheme Mandate Limit shall be dispatched to the Shareholders containing the number of Awards granted under the existing Scheme Mandate Limit and any other options and share awards.

4.3 Restrictions on the Purchase of the Target Shares

Under any of the following circumstances, the Company shall not instruct the Trustee to purchase the Target Shares and shall immediately notify the Trustee to cease the purchase of the Target Shares:

- (I) from the appearance of any inside information until the publication date of such inside information;
- (II) from the 30th day immediately prior to the publication of the annual results, interim results and quarterly results (if applicable) until the publication date of such annual results, interim results and quarterly results (both dates inclusive); or

(III) other restrictive circumstances as stipulated by the relevant laws and regulations of the places of incorporation and listing of the Company, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the stock exchange where the Company's securities are listed.

- 4.4 The Board and/or the Authorized Person(s) may, at any time after instructing the Trustee to purchase or acquire any Target Share, instruct the Trustee in writing to cease or suspend the purchase of the Target Shares until further notice (without giving any reason).

CHAPTER 5 GRANT OF AWARDED SHARES

- 5.1 Subject to the terms and conditions of the Scheme, the Board and/or the Authorized Person(s) may, at its/his/her sole discretion and on such terms and conditions as it/he/she may think fit, grant Awarded Shares to any Eligible Person at the Purchase Price, which shall be paid by the Grantee in accordance with Clause 6.8 upon vesting of such Awarded Shares.

- 5.2 The Awarded Shares that lapse under the provisions of Chapter 3 or Clause 6.5 or for any other reason may be re-granted by the Board and/or the Authorized Person(s) at their sole discretion.

- 5.3 The Company shall, after granting Awarded Shares, issue a Grant Letter to the Grantee, which shall specify (or contain):

(I) the name of the Grantee;

(II) the number of Awarded Shares to be granted;

(III) the vesting criteria and conditions;

(IV) the Vesting Date;

(V) the Purchase Price; and

(VI) such other terms and conditions as the Board and/or the Authorized Person(s) shall determine.

- 5.4 The Board and/or the Authorized Person(s) are entitled to impose any conditions (including a period of continued service within the Group after the Grant Date, the performance appraisal and other performance evaluation) as they deem appropriate in their absolute discretion with respect to the vesting of the Awarded Shares to the Grantees from time to time, and shall notify the Trustee and such Grantee of the relevant vesting conditions of the Awarded Shares. Notwithstanding any other provisions of the Scheme, the Board and/or the Authorized Person(s) shall be at liberty to waive any vesting conditions set out in the Grant Letter and/or this Clause 5.4 in accordance with applicable laws and regulations and the Listing Rules (including Rule 17.03(18) of the Listing Rules).
- 5.5 The Grantee may accept the offer to grant Awarded Shares in the manner set forth in the Grant Letter and shall sign the Grant Letter online through the digital management system within five (5) business days from the issuance date of the Grant Letter. Once the Grant Letter is signed, the Awarded Shares shall be deemed to have been granted with effect from the date of the Grant Letter. Upon signing, the Grantee will become a participant of the Scheme. The Board and/or the Authorized Person(s) may collect, use, process and transmit the personal information of the Grantee (including but not limited to the Grantee's name, contact address, telephone number, date of birth, identity card number, salary, nationality, job rank, number of the Awarded Shares granted, etc.) for the purpose and use of administering and implementing the Scheme.
- 5.6 If the Grantee fails to sign before the expiry of the signing period set out in Clause 5.5 above, the Awarded Shares granted to such Grantee shall lapse immediately. In such case, the Board and/or the Authorized Person(s) shall, as soon as practicable after the expiry of the acceptance period set out in Clause 5.5 above, notify the Trustee of the lapse of such grant of Awarded Shares.
- 5.7 The Board and/or the Authorized Person(s) shall inform the Trustee of the matters set forth in Clause 5.3 following the appointment of the Trustee and upon any Awarded Shares being granted to and formally accepted by the Grantee.
- 5.8 Restrictions on the Grant Date:

The Board and/or the Authorized Person(s) shall not grant any Awarded Shares during the following periods:

- (I) from the appearance of any inside information until the trading day following the publication date of such inside information;
- (II) from the 30th day immediately prior to the publication of the annual results, interim results and quarterly results (if applicable) until the publication date of such annual results, interim results and quarterly results (both dates inclusive); or

- (III) other restrictive circumstances as stipulated by the relevant laws and regulations of the places of incorporation and listing of the Company, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the stock exchange where the Company's securities are listed.

5.9 No Awards shall be granted to any Eligible Person under any of the following circumstances:

- (I) the necessary approvals from any applicable regulatory authority (including but not limited to the Stock Exchange) have not been obtained;
- (II) where a prospectus or other offering document is required to be published in respect of the grant of the Awarded Shares or the Scheme under applicable securities laws or regulations, unless otherwise determined by the Board and/or the Authorized Person(s);
- (III) the grant of the Awarded Shares would cause any member of the Group or its Directors to violate any applicable laws, regulations, rules and normative documents in any jurisdiction and the relevant regulatory rules of the places of incorporation and listing of the Company;
- (IV) the Board and/or the Authorized Person(s) are aware of any undisclosed inside information about the Group (as defined in the Securities and Futures Ordinance), or any Director reasonably believes that there is any inside information required to be disclosed in accordance with the Listing Rules and the Inside Information Provisions of Part XIVA of the Securities and Futures Ordinance (as defined in the Listing Rules), or the Directors are prohibited from trading the securities of the Company under any code or requirement of the Listing Rules and all applicable laws, rules or regulations from time to time; or
- (V) after the expiration of the Scheme Period or the early termination of the Scheme pursuant to Clause 9.4.

5.10 Purchase Price

The Board and/or the Authorized Person(s) may in its/his/her absolute discretion determine whether to require the Grantees to pay any Purchase Price for obtaining the Awards and, if so required, determine the amount of the Purchase Price after taking into account the practices of comparable companies and the effectiveness of the Scheme in attracting talents and motivating the Grantees to contribute to the long-term development of the Group.

The Board is of the view that the basis of determining the Purchase Price aligns with the purposes of the 2026 Share Incentive Scheme to encourage Eligible Persons to contribute to the Company's long-term development and interests, and that the imposition of appropriate criteria for the Purchase Price will strengthen the alignment of the interest of the Grantees and the Group.

CHAPTER 6 VESTING OF AWARDED SHARES

- 6.1 Subject to all applicable laws, rules and regulations, the Board and/or the Authorized Person(s) may from time to time determine the criteria, conditions and period for the vesting of Awarded Shares under the Scheme, during the validity term of the Scheme. Save for the circumstances set out in Clause 6.2, the Vesting Period in respect of any Awarded Shares shall be no less than twelve (12) months from (and including) the Grant Date.
- 6.2 Awarded Shares granted to Employee Participants may be subject to a shorter vesting period in the following circumstances at the sole discretion of the Remuneration and Appraisal Committee or the Board or the Authorized Person(s):
- (I) grants of “make-whole” Awards to new joiners to replace the share awards forfeited when leaving their previous employers;
 - (II) grants that are made in batches during a year for administrative or compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but ended up having to wait for a subsequent batch. In such case, the Vesting Period may be shorter to reflect the time from which the Award would have been granted;
 - (III) grants with a mixed or accelerated vesting schedule such as where the share awards may vest evenly over a period of 12 months, or where the share awards may vest by several batches with the first batch vesting within 12 months of the Grant Date and the last batch vesting 12 months after the Grant Date;
 - (IV) grants with performance-based vesting conditions provided in the Scheme or as specified in the Grant Letter in lieu of time-based vesting criteria;
 - (V) grants to Eligible Persons whose employment is terminated due to death or disability or occurrence of any force majeure event; and
 - (VI) circumstances set out in Clauses 8.2, 8.4 and 8.5.

The Board or the Authorized Person(s) (in the case of Awards granted to Directors and/or senior management, the Remuneration and Appraisal Committee) considers that the setting of shorter vesting periods in the circumstances described in (I) to (IV) above is in line with market practice, appropriate and consistent with the purposes of the 2026 Share Incentive Scheme. Taking into account that (a) such discretion enables the Company to retain flexibility in certain circumstances to offer competitive remuneration packages and reward outstanding performers, thereby encouraging and providing incentives to Employee Participants, as well as attracting and retaining the best talents of the Group; and (b) the rigid application of a 12-month Vesting Period would be impracticable or inappropriate or unfair to the Grantees.

The Board or the Authorized Person(s) (in the case of Awards granted to Directors and/or senior management, the Remuneration and Appraisal Committee) considers that the setting of shorter vesting periods in the circumstances described in (V) to (VI) above is appropriate and consistent with the purposes of the Scheme, namely to promote the achievement of the Company's long-term sustainable development and performance targets and to align the interests of the Grantees with those of the Company. Taking into account that such circumstances are uncommon and beyond the control of the Grantees (and, in some cases, the Board and the Company), the Grantees should not be adversely affected in such circumstances.

- 6.3 Unless otherwise notified in writing by the Board and/or the Authorized Person(s), the vesting of each Grantee shall be conducted in accordance with the specific vesting conditions set forth in the Grant Letter and the provisions of the Scheme.
- 6.4 Vesting of the Awards shall be subject to the performance targets, if any, to be satisfied by the Grantees as determined by the Remuneration and Appraisal Committee or the Board or the Authorized Person(s) from time to time. After the Board or the Authorized Person(s) decides to select an Eligible Person for the grant of Awards under the Scheme, the performance targets and other conditions (if any) shall be set out in the Grant Letter. The indicators of the performance targets include:
- (I) the annual results and performance of the Group or members of the Group;
 - (II) the achievement of milestones of important projects of the Group;
 - (III) the key performance indicators of the Eligible Person's department and/or business unit; and/or
 - (IV) the position held by the Eligible Person and the results of his/her annual appraisal. Such targets may differ for each Grantee.

During the Vesting Period, with respect to the performance targets that must be achieved by the Eligible Person prior to the vesting of the relevant Awards, the Board or the Authorized Person(s) will conduct an assessment at the end of the relevant performance period as set, including comparing the performance of the Group and/or the individual performance of the Eligible Person with the pre-agreed targets, to determine whether and to what extent such targets have been achieved.

The Board or the Authorized Person(s) has the flexibility to decide whether performance target conditions need to be set. From the perspective of being more beneficial to the Company's development, it is not consistent with the Company's development to set out a set of general performance targets in the rules of the Scheme, as each Grantee assumes different responsibilities in the Company and contributes to the Company in different ways. In making such decisions, the Board or the Authorized Person(s) should take into account the purposes of the Scheme and ensure that appropriate specific performance targets are set for the particular circumstances of the relevant Grantee.

- 6.5 If a selected Grantee fails to meet the vesting conditions applicable to the grant of such tranche of the Awarded Shares, unless waived by the Board and/or the Authorized Person(s), the relevant tranche of Awarded Shares that would otherwise vest during such Vesting Period shall not vest, and shall become incapable of vesting in respect of such Grantee, and the relevant Awarded Shares shall be returned to and held by the Trustee for the purpose of satisfying other Awards under this Scheme. In such case, the Board and/or the Authorized Person(s) shall have the right to issue a sale notice to the Trustee in respect of such unvested Awarded Shares and instruct the Trustee to sell such Shares on the open market at the market price within a reasonable period upon receipt of such notice.
- 6.6 The Board and/or the Authorized Person(s), will, except in any unforeseen circumstances, direct and procure the Trustee to give a vesting notice (the "Vesting Notice") to the relevant Grantee within such reasonable period as the Trustee and the Board and/or the Authorized Person(s) may agree from time to time before any Vesting Date, and the Vesting Notice shall contain a confirmation of the satisfaction of the vesting conditions by the Grantee and the Vesting Date, a confirmation of the payment method of the Purchase Price and a confirmation of the details of the Grantee's bank account to pay the cash corresponding to the Actual Selling Price set forth in Clause 6.8 (after deducting the Purchase Price and the taxes borne by the Grantee, if applicable) to the Grantee.
- 6.7 The Grantee (or its legal representative) shall promptly reply in writing or by email to the Authorized Person(s) after receiving the Vesting Notice. If the Authorized Person(s) do not receive a reply from the Grantee within fifteen (15) business days, the Awarded Shares that would otherwise be vested in the Grantee shall lapse and be returned to the Trust account (in the case where the source of incentive is Shares repurchased by the Trust from the secondary market), unless otherwise agreed in writing by the Authorized Person(s). The Grantee shall pay the corresponding Purchase Price in cash to the Company's designated account within the vesting window period, or instruct the Trustee (if any) to sell part of his/her Awarded Shares to offset the amount required for the vesting. Upon receipt of the Company's confirmation that all vesting criteria and conditions set out in the Grant Letter have been satisfied and/or having assisted the Grantee in selling part of the Awarded Shares (if any), the Trustee shall vest in the Grantee the Awarded Shares that have been vested or the remaining Awarded Shares after such sale.

- 6.8 In respect of the Awarded Shares vested in the Grantee pursuant to Clause 6.7, the Trustee shall, in accordance with the written instructions of the Grantee from time to time, and subject to the Company Law of the People's Republic of China, the regulatory rules of the places of incorporation and listing of the Company and other relevant laws, regulations, rules and normative documents and the Articles of Association, at the request of the Grantee and on the date designated by the Grantee, transfer all or part of the vested Awarded Shares to the Grantee or an entity designated by the Grantee, and/or sell all or part of the vested Awarded Shares on behalf of the Grantee through on-market transactions at the prevailing market price and pay to the Grantee the cash corresponding to the Actual Selling Price (after deducting the relevant taxes borne by the Grantee, if applicable).
- 6.9 Any expense incurred for the management of the Trust shall be borne by the trust property.
- 6.10 The financial, accounting and tax issues in connection with the implementation of the Scheme by the Company shall be subject to relevant laws and regulations and the Company's internal management rules. Each Grantee shall be liable for all other taxes (including individual income tax, salary tax or other levies (the "Tax" or "Taxes")) in relation to his/her participation in the Scheme or in relation to the Target Shares or the equivalent cash of the Target Shares. Neither the Company nor the Trustee is liable for any Tax. The Grantee will indemnify the Trustee and all members of the Group for any Tax and hold them harmless from any liability that they may have to pay such Tax, including any withholding liability related to any Tax. To give effect to this, notwithstanding any other provision of the rules of the Scheme (subject to the applicable laws), the Group may:
- (I) instruct the Trustee to deduct or withhold the corresponding amount of the Tax involved by the Grantee from the cash corresponding to the Actual Selling Price, after the sale of the Target Shares corresponding to Awarded Shares of the Grantee, and transfer the amount to the Company to pay the Tax; or
 - (II) if the amount deducted or withheld is insufficient to cover the amount of the Tax, the Grantee shall transfer the shortfall to the Company, and then the Company shall pay the Tax on behalf of the Grantee.
- 6.11 If the Actual Selling Price (after deducting the Taxes borne by the Grantee, if applicable) is not paid to the Grantee in time due to any error in the details of the bank card provided by the Grantee or any abnormality of the bank account such as account freezing, without any subjective operation error of the Company or the Trustee, the losses arising therefrom shall be borne by the Grantee.
- 6.12 The Trustee shall not be obliged to make any payment to the Grantee under Clause 6.8, unless the Grantee convinces the Company that he/she has fulfilled his/her obligations under the Scheme, and the Trustee receives the confirmation set forth in Clause 6.7 and the payment of the Purchase Price.

6.13 Restrictions on the Sale of the Target Shares

Under any of the following circumstances, the Company and the Grantee restricted by laws and regulations shall not instruct the Trustee to sell the Target Shares:

- (I) from the appearance of any inside information until the publication date of such inside information;
- (II) from the 60th day immediately prior to the publication of the annual results until the publication date of such annual results (both dates inclusive);
- (III) from the 30th day immediately prior to the publication of the interim results and quarterly results (if applicable) until the publication date of such interim results and quarterly results (both dates inclusive); or
- (IV) other restrictive circumstances as stipulated by the relevant laws and regulations of the places of incorporation and listing of the Company, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the stock exchange where the Company's securities are listed.

CHAPTER 7 TRANSFER OF AWARDED SHARES AND OTHER RIGHTS

- 7.1 The Awards shall be personal to the Grantee and shall not be assigned or transferred. During the Scheme Period, unless and until the Awarded Shares have vested in accordance with the terms of the Scheme and been actually transferred to the Grantee (where applicable), the Grantee shall not dispose of the Awarded Shares granted in any manner, including but not limited to sale, transfer, pledge, mortgage, charge or creation of any benefit for others, or execution of any agreement to do so.
- 7.2 During the Scheme Period, the Trustee shall not exercise voting rights in respect of any of the Target Shares held by it under the Scheme.
- 7.3 In the event of any actual or intentional breach of the provisions of Clause 7.1, the Board and/or the Authorized Person(s) shall have the right to cancel or treat as lapsed all or any of the Awarded Shares granted to the Grantee but not yet vested, without any compensation being payable.
- 7.4 During the Scheme Period, each Grantee under the Trust shall be entitled to the dividends (if any) of the Target Shares based on his/her Awarded Shares, provided that such dividends shall only be paid to the Grantee upon vesting.

7.5 For the avoidance of doubt,

- (I) the Grantee shall have no rights in respect of the Target Shares (such as voting rights, rights to subscribe for shares under a placing and rights to subscribe for shares under a rights issue) except the rights to dividends until the Awarded Shares are vested and transferred to the Grantee (where applicable);
- (II) the Grantee does not have any right to Awarded Shares under the Trust account or the accounts of other Grantees;
- (III) the Grantee shall not give any instruction to the Trustee except the instruction set forth in Clause 6.8 hereof; and
- (IV) the provisions of the Scheme shall apply if the vesting conditions specified in the Grant Letter are not met in full before or on the Vesting Date or the Grantee ceases to be an Eligible Participant before the relevant Vesting Date, unless otherwise waived by the Board and/or the Authorized Person(s).

7.6 The Grantee agrees, undertakes and warrants that he/she will not make any claim against the Company, any other member of the Group, the Board, the Authorized Person(s), the Trust or the Trustee under any circumstances.

CHAPTER 8 REORGANIZATION OF CAPITAL STRUCTURE, CHANGE IN CONTROL AND VOLUNTARY LIQUIDATION, ETC.

8.1 Reorganization of Capital Structure

If the Company's capital structure is altered through a capitalization issue, rights issue, share subdivision or consolidation or reduction of share capital of the Company pursuant to the laws and regulations of the PRC or Hong Kong or the requirements of the Stock Exchange (excluding any changes to the Company's share capital structure arising from the issue of Shares as consideration for a transaction entered into by the Company), corresponding adjustments (if any) shall be made to the number or nominal value of Shares in respect of the unvested share awards, and such adjustments shall be made in accordance with the provisions of Rule 17.03(13) of the Listing Rules and the relevant guidelines and interpretations of the Listing Rules as issued by the Stock Exchange from time to time.

- (I) Unless otherwise determined by the Board, the adjustment method for the number of the Awarded Shares involved shall be as follows:

Capitalization issue or bonus issue with price-dilutive elements

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

Where: “ Q_0 ” represents the number of Awards before the adjustment; “ n ” represents the ratio per Share resulting from the capitalization issue or bonus issue; and “ Q ” represents the number of Awards after the adjustment.

Rights issue or open offer with price-dilutive elements

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

Where: “ Q_0 ” represents the number of Awards before the adjustment; “ P_1 ” represents the closing price of the Shares as at the record date; “ P_2 ” represents the subscription price of the rights issue or open offer; “ n ” represents the ratio of the rights issue or open offer; and “ Q ” represents the number of Awards after the adjustment.

Share consolidation, share subdivision or reduction of share capital

$$Q = Q_0 \times n$$

Where: “ Q_0 ” represents the number of Awards before the adjustment; “ n ” represents the ratio of share consolidation, share subdivision or reduction of share capital; and “ Q ” represents the number of Awards after the adjustment.

- (II) Unless otherwise determined by the Board, the adjustment method for the Purchase Price of the Awarded Shares shall be as follows:

Capitalization issue or bonus issue with price-dilutive elements

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

Where: “ P_0 ” represents the Purchase Price of the Awarded Shares before the adjustment; “ n ” represents the ratio per Share resulting from the capitalization issue or bonus issue; and “ P ” represents the Purchase Price of the Awarded Shares after the adjustment.

Rights issue or open offer with price-dilutive elements

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

Where: “ P_0 ” represents the Purchase Price of the Awarded Shares before the adjustment; “ P_1 ” represents the closing price of the Shares as at the record date; “ P_2 ” represents the subscription price of the rights issue or open offer; “ n ” represents the ratio of the rights issue or open offer; and “ P ” represents the Purchase Price of the Awarded Shares after the adjustment.

Share consolidation, share subdivision or reduction of share capital

$$P = P_0 \div n$$

Where: “P₀” represents the Purchase Price of the Awarded Shares before the adjustment; “n” represents the ratio of share consolidation, share subdivision or reduction of share capital; and “P” represents the Purchase Price of the Awarded Shares after the adjustment.

8.2 Change in Control

Subject to the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, and notwithstanding any other provision of the Scheme, if there is a change in the control of the Company, whether by offer, merger, arrangement or otherwise, and the Company ceases to exist after the merger with another company or the Company splits, the Board and/or the Authorized Person(s) may decide:

- (I) whether the Scheme shall be terminated within five (5) business days after the change in the control of the Company, and the unvested Awarded Shares shall be cancelled and the corresponding Target Shares will be treated in accordance with paragraph 2(c) of Clause 9.4; or
- (II) if the Grantee is an employee of the Company, all the unvested Awarded Shares shall be vested immediately on the date on which such change in control becomes or is declared unconditional, and such date shall be deemed as the Vesting Date. Subject to the Company Law, the regulatory rules of the places of incorporation and listing of the Company and other relevant laws, regulations, rules and normative documents and the Articles of Association, the Trustee shall sell the relevant Target Shares in accordance with Clause 6.8; or
- (III) such other options as the Board and/or the Authorized Person(s) may think fit.

For the purposes of this Clause 8.2, “control” shall have the meaning ascribed to it under the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs from time to time.

8.3 Bonus Warrant

Where the Company issues bonus warrant in respect of any H Share held by the Trustee, unless otherwise instructed by the Company, the Trustee shall not exercise any share subscription rights attached to the bonus warrants to subscribe for any new H Share and shall dispose of the bonus warrant so acquired, and the net proceeds of disposal of such bonus warrants shall be distributed as dividends in accordance with the Scheme.

8.4 Voluntary Liquidation

If the Company passes an effective resolution on voluntary liquidation (other than reorganization, merger or scheme arrangement) during the Scheme Period, the Board and/or the Authorized Person(s) shall, at their sole discretion, decide:

- (I) subject to the Company Law of the People's Republic of China, the regulatory rules of the places of incorporation and listing of the Company and other relevant laws, regulations, rules and normative documents and the Articles of Association, to adjust the Vesting Date of any Awarded Shares and whether the Grantee is entitled to obtain the amount corresponding to the Actual Selling Price of the Target Shares (after deducting the Taxes borne by the Grantee, if applicable) corresponding to Awarded Shares that have been vested in him/her from the assets available in liquidation, on the basis of equality with the Shareholders; or
- (II) to terminate the Scheme, and the unvested Awarded Shares shall be cancelled, and the corresponding Target Shares will be treated in accordance with paragraph 2(c) of Clause 9.4; or
- (III) to adopt such other options as the Board and/or the Authorized Person(s) may think fit.

8.5 Compromise or Arrangement

If a compromise or arrangement between the Company and its Shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its merger with any other companies and a notice is given by the Company to its Shareholders to convene a shareholders' meeting for the purposes of considering and if thought fit, approving such compromise or arrangement and obtaining the approval of such Shareholders, the Board and/or the Authorized Person(s) shall, at their absolute discretion, decide:

- (I) to adjust the Vesting Date of any Awarded Shares; or
- (II) to terminate the Scheme and the unvested Awarded Shares shall be cancelled and such corresponding Target Shares will be treated in accordance with paragraph 2(c) of Clause 9.4; or
- (III) to adopt such other options as the Board and/or the Authorized Person(s) may think fit.

Any acceleration or shortening of the Vesting Period under Clause 8 shall only apply to Employee Participants.

**CHAPTER 9 ALTERATION, DISPUTE, TERMINATION OF THE SCHEME AND
CANCELLATION OF THE AWARDED SHARES****9.1 Validity Period of the Scheme and Duration of the Trust Scheme**

Subject to any early termination as may be determined by the Board, the Scheme shall be valid for a period of ten (10) years commencing from the date on which the Scheme is approved at the shareholders' meeting.

9.2 Amendment of the Scheme

- (I) Any alterations to the terms of the Scheme which are of a material nature or any amendment to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules (which is in favor of participants) shall be approved by the Shareholders of the Company at the shareholders' meeting. Any change to the authority of the Board and/or the Authorized Person(s) to alter the terms of the Scheme shall be approved by the Shareholders of the Company at the shareholders' meeting.
- (II) Subject to the Scheme Mandate Limit and the above provisions, the Scheme may be altered or supplemented in any respect by resolution of the Board. During the Validity Period of the Scheme, if there are any changes to the terms of the Scheme, the Company must provide to all Grantees all details relating to such changes immediately upon such changes taking effect. Any change to the terms of an Award granted to an Eligible Person shall be subject to the approval of the Board, the Remuneration and Appraisal Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), provided that the initial grant of such Award has been approved by the Board, the Remuneration and Appraisal Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement shall not apply if such change takes effect automatically under the existing terms of this Scheme.
- (III) The terms of the amended Scheme must still comply with the relevant requirements under Chapter 17 of the Listing Rules.
- (IV) When the Board alters the Scheme, the independent non-executive Directors shall supervise whether such alteration is conducive to the sustainable development of the Company, and whether such alteration damages the interests of the Company and the Shareholders as a whole.

9.3 Cancellation of Awards

The Board and/or the Authorized Person(s) may at their discretion cancel any unvested Awards or lapsed Awards. Such cancellation shall be notified to the Trustee and the relevant Grantees.

If the Company cancels any Award granted to a Grantee and makes a new grant to the same Grantee (whether under the Scheme or any other share schemes), such new grant may only be made within the available Scheme Mandate Limit approved by the Shareholders. For the purpose of calculating the Scheme Mandate Limit, the cancelled Awards shall be treated as utilized.

9.4 Termination and Subsequent Arrangements of the Scheme

(I) The Scheme shall be terminated on the following dates, whichever is earlier:

- (a) the tenth (10th) anniversary date from the Adoption Date of the Scheme; and
- (b) the early termination date of the Scheme as determined by a resolution of the Board.

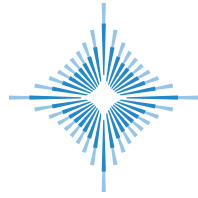
(II) Upon termination of the Scheme:

- (a) no more Awards shall be granted under the Scheme;
- (b) the Board and/or the Authorized Person(s) may cancel any unvested Awarded Shares in accordance with the relevant terms and conditions; and
- (c) the Trustee shall, after receiving the notice of the termination of the Scheme, within such reasonable period as the Trustee and the Company may agree, (i) sell the remaining unvested Target Shares under the Trust (or such longer period as may be otherwise determined by the Company in consultation with the Trustee), and remit all cash and the net proceeds from the sale and other funds remaining in the Trust (after making the appropriate deductions for all disposal costs, expenses and other current and future liabilities in accordance with the trust agreement) to the Company. For the avoidance of doubt, the Trustee shall not transfer any H Shares to the Company and the Company shall not otherwise hold any H Shares (other than the proceeds from the sale of such H Shares pursuant to this Clause 9.4); and (ii) as instructed by the Grantee, transfer the vested Target Shares of such Grantee to the Grantee or an entity designated by the Grantee, or sell the vested Target Shares of such Grantee and remit the net proceeds from such sale (after deducting the relevant Taxes, if applicable) to the Grantee, if the Grantee fails to give an instruction to the Trustee within the reasonable period, the Trustee shall, as instructed by the Board and/or the Authorized Person(s), sell the vested Target Shares and remit the net proceeds from the sale (after deducting the relevant Taxes, if applicable) to the Grantee.

9.5 For the avoidance of doubt, a decision of the Board and/or the Authorized Person(s) to suspend the grant of the Awards shall not be construed as terminating the operation of the Scheme.

Any acceleration or shortening of the Vesting Period under Clause 9 shall only apply to Employee Participants.

NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING



Starsportned

STAR SPORTS MEDICINE CO., LTD.

北京天星醫療股份有限公司

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

(Stock Code: 01609)

NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING

NOTICE IS HEREBY GIVEN that the 2026 second extraordinary shareholders' meeting (the "EGM") of Star Sports Medicine Co., Ltd. (the "**Company**") will be held at 10:00 a.m. on Thursday, October 22, 2026 at Weilaige Conference Room, 2/F, ZKML Building, Courtyard No. 25, Jinghai 2nd Road, Yizhuang Economic and Technological Development Zone, Daxing District, Beijing for considering and, if thought fit, passing the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on the proposed adoption of the 2026 Share Incentive Scheme
2. To consider and approve the resolution on the proposed adoption of the scheme mandate limit of the 2026 Share Incentive Scheme of the Company (representing 10% of the total number of shares (excluding treasury shares) issued as at the date of approval of this resolution at the EGM), subject to the passing of resolution No. 1 above (details of which are set out in the circular)
3. To consider and approve the resolution on the proposed authorization for the board of directors and the authorized person(s) to handle matters in relation to the 2026 Share Incentive Scheme

By order of the Board

Star Sports Medicine Co., Ltd.

Mr. Dong Wenxing

Chairman of the Board and Executive Director

Hong Kong, September 30, 2026

As at the date of this notice, the Board comprises Mr. Dong Wenxing and Mr. He Lu as executive Directors; Ms. Zhang Di, Mr. Chang Xi, Mr. David Guowei Wang, Ms. Yi Lin and Mr. Zhou Quan as non-executive Directors; and Mr. Lyu Zhenlin, Mr. Deng Yu, Mr. Liu Baojie and Mr. Wang Chunfei as independent non-executive Directors.

NOTICE OF EXTRAORDINARY SHAREHOLDERS' MEETING

Notes:

1. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), all resolutions at meetings will be voted on by poll (except where the Chairperson of the meetings decides to allow a resolution on a procedural or administrative matter to be voted on by a show of hands). Poll results will be published on the websites of the Hong Kong Stock Exchange and the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at meetings shall be entitled to appoint more than one proxy to attend and vote on his/her behalf. A proxy need not be a member of the Company. If more than one proxy is appointed, the number of shares to which each proxy relates shall be stated in the relevant form of proxy. Every member present in person or by proxy shall have one vote for every share held by him/her.
3. In order to be valid, the form of proxy, together with the signed power of attorney or other authority (if any), or a notarized copy thereof, must be deposited at the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, no later than 24 hours before the time appointed for holding the EGM (i.e. no later than 10:00 a.m. on Wednesday, October 21, 2026) or any adjournment thereof. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the meeting, and in such event, the instrument appointing a proxy will be deemed to be revoked.
4. For the purpose of determining the identity of the holders of the H Shares entitled to attend and vote at the EGM, the register of members of the Company will be closed from Friday, October 16, 2026 to Thursday, October 22, 2026 (both days inclusive), during which period no transfer of the H Shares will be registered. Shareholders whose names are listed on the register of members of the Company on Thursday, October 22, 2026 are entitled to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, holders of unregistered H Shares of the Company must ensure that all transfers, accompanied by the relevant share certificates, are lodged with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Thursday, October 15, 2026, being the closing date for registration.
5. References to time and dates in this notice are to Hong Kong time and dates.