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If you have sold or transferred all your shares in **Bairong Inc.**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, licensed securities dealer, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Bairong Inc.

百融雲創

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)

(Stock Code: 6608)

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES;**
(2) PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF AUDITOR;
(4) PROPOSED GRANT OF OPTIONS;
(5) PROPOSED ADOPTION OF THE 2024 SHARE SCHEME;
**(6) PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION;**
AND
(7) NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of Bairong Inc. to be held at Room 1819, 18th Floor, China Building, 29 Queen's Road Central, Central, Hong Kong on Friday, June 21, 2024 at 2:00 p.m. is set out on pages 65 to 72 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.brgroup.com). Whether or not you are able to attend the annual general meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting if they so wish.

May 17, 2024

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DEFINITIONS

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

“2019 ESOP”	the share incentive plan approved and adopted in August 2019
“2021 ESOP”	the post-IPO share option scheme conditionally approved and adopted by the Company on March 16, 2021
“2021 Schemes”	collectively, the 2021 ESOP and the 2021 Share Award Scheme
“2021 Share Award Scheme”	the share award scheme of the Company adopted by the Board on May 28, 2021, the details of which are set out in the announcement of the Company dated May 31, 2021
“2024 Share Scheme”	the 2024 share scheme of the Company proposed to be adopted at the AGM, the principal terms of which are summarized in the Appendix IV to this circular
“2024 Share Scheme Rules”	the rules relating to the 2024 Share Scheme as amended from time to time
“Actual Selling Price”	an amount equal to the actual price at which Award Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy, the Accounting and Financial Reporting Council transaction levy and any other applicable costs) in accordance with the 2024 Share Scheme Rules
“Adoption Date”	the date on which the 2024 Share Scheme is approved by the Shareholders
“AGM”	the annual general meeting of the Company to be held at Room 1819, 18th Floor, China Building, 29 Queen’s Road Central, Central, Hong Kong on Friday, June 21, 2024 at 2:00 p.m., or any adjournment thereof and notice of which is set out on pages 65 to 72 of this circular
“associate(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Award(s)”	an award, which may take the form of a Share Option or a Share Award, granted under the 2024 Share Scheme by the Board or the Scheme Administrator to a Grantee in accordance with the 2024 Share Scheme Rules
“Award Cash”	in respect of a Grantee, such amount of cash from the sale of Award Shares awarded to him/her after deduction or withholding of any tax (if applicable), fees, levies, stamp duty and other charges in connection with the sale of Award Shares
“Award Interest(s)”	in respect of an Award taking the form of a Share Award, the Award Shares and/or Award Cash, and the Related Income (if any) under the Award, and in respect of an Award taking the form of a Share Option, the Share Option
“Award Letter”	a letter issued by the Company on the Grant Date in respect of each grant of Awards in such form as the Board or the Scheme Administrator may from time to time determine setting out the terms and conditions of the Award
“Award Share(s)”	new Class B Share(s) underlying an Award
“Beijing Bairong”, “Onshore Holdco” or “variable interest entity”	Bairong Yunchuang Technology Co., Ltd. (百融雲創科技股份有限公司), a company established in China with limited liability on March 19, 2014 and a Consolidated Affiliated Entity of our Company
“Board”	the board of Directors
“Business Day(s)”	any day on which the Stock Exchange is open for the business of dealing in securities
“CCASS”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“chief executive”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Class A Share(s)”	class A ordinary share(s) in the share capital of our Company with a par value of US\$0.00002 each, conferring weighted voting rights in our Company such that a holder of a Class A Share is entitled to ten votes per share on any resolution tabled at the Company’s general meetings, save for resolutions with respect to any Reserved Matters, in which case they shall be entitled to one vote per share
“Class B Share(s)”	class B ordinary share(s) in the share capital of our Company with a par value of US\$0.00002 each, conferring a holder of a Class B Share one vote per share on any resolution tabled at the Company’s general meetings
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company” or “our Company”	Bairong Inc. (百融雲創), an exempted company with limited liability incorporated under the laws of the Cayman Islands on June 21, 2018, and whose Class B Shares are listed on the Stock Exchange
“Conditional Grant”	the grant of 19,202,400 Options to Mr. Zhang on March 26, 2024 that is conditional upon approval by the Shareholders
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consolidated Affiliated Entity(ies)”	Onshore Holdco and its subsidiaries and affiliated entities, the financial accounts of which have been consolidated and accounted for as if they were subsidiaries of the Company by virtue of the Contractual Arrangements
“Contractual Arrangement(s)”	the series of contractual arrangements entered into between, among others, the WFOE, the Onshore Holdco and the then Registered Shareholders
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Corporate Governance Committee”	the corporate governance committee of the Company

DEFINITIONS

“Date of Grant”	March 26, 2024, being the date of the Conditional Grant
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	any individual being an Employee Participant, a Related Entity Participant or a Service Provider Participant at any time during the duration of the 2024 Share Scheme
“Employee Participant(s)”	director(s) and employee(s) (including full-time and part-time employees) of the Group (including persons who are granted Awards as an inducement to enter into employment contracts with these companies)
“Excluded Participant(s)”	any Eligible Participant who is resident in a place where the grant of an Award and/or the vesting and transfer of the Award Interests pursuant to the 2024 Share Scheme Rules is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant
“Exercise Period”	in respect of any Award, the period during which the Grantee may exercise the Award
“Exercise Price”	the price per Class B Share at which a Grantee may subscribe for Class B Shares upon the exercise of a Share Option
“Grant Date”	the date (which shall be a Business Day) on which the grant of an Award is made to a Grantee pursuant to the 2024 Share Scheme Rules
“Grantee”	any Eligible Participant approved for participation in the 2024 Share Scheme and who has been granted any Award pursuant to the 2024 Share Scheme Rules (or his/her legal personal representative or lawful successor as the case may be)

DEFINITIONS

“Group” or “our”	the Company, its subsidiaries and the Consolidated Affiliated Entities (the financial results of which have been consolidated and accounted for as subsidiaries of the Company by virtue of the Contractual Arrangements) from time to time, and where the context requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at the relevant time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“holding company(ies)”	has the meaning ascribed to it under the Listing Rules
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Price”	in respect of Share Award, the price per Class B Share a Grantee is required to pay to subscribe for the Award Shares
“Latest Practicable Date”	May 9, 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	March 31, 2021, being the date on which the Class B Shares were listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“March 2024 Grant”	the grant of a total of 20,582,900 Options to selected grantees on March 26, 2024 pursuant to the 2021 ESOP
“Memorandum and Articles of Association” or “Existing Memorandum and Articles of Association”	the fourth memorandum and articles of association of the Company adopted by special resolution passed on May 16, 2023, as amended from time to time

DEFINITIONS

“Mr. Zhang”	Mr. Zhang Shaofeng, an executive Director, the chairman of the Board, the chief executive officer and a substantial shareholder of the Company
“New Chapter 17”	amended Chapter 17 of the Listing Rules introduced by the Stock Exchange, which came into effect on January 1, 2023
“New Memorandum and Articles of Association”	the fifth amended and restated memorandum and articles of association of the Company proposed to be adopted by the Shareholders at the AGM incorporating and consolidating all the Proposed Amendments
“Nomination Committee”	the nomination committee of the Company
“Options”	option(s) to subscribe for or acquire Class B Shares which is/are granted under the 2021 ESOP
“PRC” or “China”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Amendments”	the proposed amendments to the Existing Memorandum and Articles of Association set out in Appendix III to this circular
“Registered Shareholders”	the registered shareholders of the Onshore Holdco from time to time
“Related Entity(ies)”	a holding company of the Company, subsidiaries of the holding company other than members of the Group and associated companies of the Company
“Related Entity Participant(s)”	directors and employees of the Related Entities
“Related Income”	any cash dividends or other distributions declared and paid in respect of Award Shares
“Remuneration Committee”	the remuneration committee of the Company

DEFINITIONS

“Reserved Matters”	those matters resolutions with respect to which each Share is entitled to one vote at general meetings of the Company pursuant to the Memorandum and Articles of Association, being: (i) any amendment to the Memorandum and Articles of Association, including the variation of the rights attached to any class of shares; (ii) the appointment, election or removal of any independent non-executive Director; (iii) the appointment or removal of the Company’s auditors; and (iv) the voluntary liquidation or winding-up of the Company
“RSU Scheme”	the restricted share unit scheme proposed to be adopted by the Company, the details of which are set out in the announcement of the Company dated April 10, 2024
“Scheme Administrator”	any committee of the Board or other persons to whom the Board has delegated its authority to administer the 2024 Share Scheme in accordance with the 2024 Share Scheme Rules
“Scheme Mandate Limit”	the total number of Class B Shares which may be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) pursuant to all Awards together with the number of Class B Shares which may be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) under any other share schemes of the Company
“Service Provider Participant(s)”	persons (including entities) providing services to the Group on a continuing basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group as determined by the Board or the Scheme Administrator pursuant to criteria set out in the 2024 Share Scheme Rules, as further detailed in the Appendix IV to this circular

DEFINITIONS

“Service Provider Sublimit”	within the Scheme Mandate Limit, the total number of Class B Shares which may be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) pursuant to all Awards together with the number of Class B Shares which may be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) under any other share scheme of the Company, all of which are to be granted to Service Provider Participants
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	the Class A Shares and Class B Shares in the share capital of the Company (save for any treasury Shares, the holders of which shall abstain from voting at the Company’s general meetings for the purpose of the Listing Rules)
“Share Award”	an award which vests in the form of the right to subscribe for and/or be issued such number of Class B Shares (including any transfer of Class B Shares out of treasury that are held as treasury Shares) as the Board or the Scheme Administrator may determine at the Issue Price in accordance with the terms of the 2024 Share Scheme Rules
“Share Issue Mandate”	the general mandate to Directors to exercise the power of the Company to allot, issue and deal with new Class B Shares (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) not exceeding 20% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing the ordinary resolution approving such mandate
“Share Option”	an award which vests in the form of the right to subscribe for such number of Class B Shares as the Board or the Scheme Administrator may determine during the Exercise Period at the Exercise Price in accordance with the terms of the 2024 Share Scheme Rules

DEFINITIONS

“Share Repurchase Mandate”	the general mandate to Directors to exercise the power of the Company to repurchase Class B Shares not exceeding 10% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing the ordinary resolution approving such mandate
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
“treasury Share(s)”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024, which, in the Company’s case, refers to the Class B Shares
“Trust”	any trust or similar arrangement established for the purposes of implementing and administering the 2024 Share Scheme pursuant to the 2024 Share Scheme Rules
“Trust Deed”	the deed constituting and/or governing any Trust or such other governing documents or custodian arrangements entered into between the Company and any Trustee, as the Board or the Scheme Administrator considers appropriate
“Trustee”	the trustee(s), being an independent third party of the Company and its connected person, as appointed under the Trust Deed to act as trustee(s) of the Trust, and any additional or replacement trustees, being the trustee(s) for the time being of the trust(s) declared in the Trust Deed, or such other person(s) who for the time being is duly appointed to be the trustee(s) of the Trust
“US\$”	United States dollars, the lawful currency of the United States of America

DEFINITIONS

“Vesting Date(s)”	in respect of a Grantee, the date or dates on which his/her entitlement to the Award Interest is vested in such Grantee in accordance with the 2024 Share Scheme Rules
“Vesting Period”	the period commencing on the Grant Date and ending on the Vesting Date
“weighted voting right”	has the meaning ascribed to it under the Listing Rules
“WFOE”	Tianjin Bairong Technology Co., Ltd. (天津百融科技有限公司), a company established in China on August 14, 2018 and a wholly owned subsidiary of our Company
“WVR Beneficiary”	has the meaning ascribed to it under the Listing Rules and, unless the context otherwise requires, refers to Mr. Zhang, being the holder of Class A Shares entitling him to weighted voting rights
“%”	per cent.

LETTER FROM THE BOARD



Bairong Inc.

百融雲創

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)

(Stock Code: 6608)

Executive Directors:

Mr. Zhang Shaofeng

(Chairman and Chief Executive Officer)

Mr. Zheng Wei

Non-executive Directors:

Mr. Bai Linsen

Professor Liao Jianwen

Independent non-executive Directors:

Professor Chen Zhiwu

Mr. Zhou Hao

Dr. Li Yao

Registered office:

PO Box 309, Ugland House

Grand Cayman KY1-1104, Cayman Islands

Headquarters:

1-3/F, Tower A, No. 10 Furong Street

Chaoyang District, Beijing, China

Principal place of business in Hong Kong:

31/F, Tower Two, Times Square

1 Matheson Street, Causeway Bay

Hong Kong

May 17, 2024

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES;**
(2) PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF AUDITOR;
(4) PROPOSED GRANT OF OPTIONS;
(5) PROPOSED ADOPTION OF THE 2024 SHARE SCHEME;
**(6) PROPOSED ADOPTION OF THE NEW MEMORANDUM AND
ARTICLES OF ASSOCIATION;**
AND
(7) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide the Shareholders with notice of the AGM and with information in respect of the resolutions to be proposed at the AGM regarding (1) the proposed granting of the Share Repurchase Mandate and the Share Issue Mandate; (2) the proposed re-election of the retiring Directors; (3) the proposed re-appointment of the auditor of the Company; (4) the proposed grant of Options; (5) the proposed adoption of 2024 Share Scheme; and (6) the proposed adoption of the New Memorandum and Articles of Association.

LETTER FROM THE BOARD

PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on May 16, 2023, the Directors were given a general unconditional mandate to repurchase Class B Shares on the Stock Exchange. Such mandate, to the extent not utilized by the date of the AGM, will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to repurchase Class B Shares if and when appropriate, an ordinary resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, grant to the Directors the Share Repurchase Mandate, details of which are set out in the proposed ordinary resolution 9 in the notice of the AGM (i.e. a maximum of 49,092,759 Class B Shares to be repurchased by the Company, on the basis that the total issued Shares of 490,927,598 Shares (excluding any treasury Shares) remains unchanged from the Latest Practicable Date to the date of the AGM).

The Share Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association or by any applicable laws to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing the requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Share Repurchase Mandate is set out in Appendix I to this circular.

PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on May 16, 2023, the Directors were given a general mandate to allot, issue and deal with Class B Shares. Such mandate, to the extent not utilized by the date of the AGM, will lapse at the conclusion of the AGM.

In order to give the Company the flexibility to issue Class B Shares (including any sale or transfer of treasury Shares upon the amendments to the Listing Rules relating to treasury Shares coming into effect on June 11, 2024) if and when appropriate, an ordinary resolution will be proposed at the AGM for the Shareholders to consider and, if thought fit, grant to the Directors the Share Issue Mandate, details of which are set out in the proposed ordinary resolution 10 in the notice of the AGM (i.e. a maximum of 98,185,519 Class B Shares to be issued by the Company, on the basis that the total issued Shares of 490,927,598 Shares (excluding any treasury Shares) remains unchanged from the Latest Practicable Date to the date of the AGM).

LETTER FROM THE BOARD

In addition, an ordinary resolution will also be proposed at the AGM for the Shareholders to consider and, if thought fit, approve the extension of the Share Issue Mandate by adding to the total number of Class B Shares which may be allotted or agreed conditionally or unconditionally to be allotted (including any sale or transfer of shares of the Company out of treasury that are held as treasury shares) by the Directors pursuant to the Share Issue Mandate the number of Class B Shares purchased under the Share Repurchase Mandate (referred to section headed “Proposed Granting of General Mandate to Repurchase Shares” above), if granted. Details of the Share Issue Mandate and the extension of the Share Issue Mandate are respectively set out in resolutions 10 and 11 in the notice of the AGM.

The Share Issue Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Memorandum and Articles of Association or by applicable laws to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders.

Subject to the approval of Shareholders, the Company may use the general mandate for the sale or transfer of treasury Shares only after the amendments to the Listing Rules relating to treasury Shares come into effect on June 11, 2024.

PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Article 17.2 of the Memorandum and Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

In accordance with Article 17.19 of the Memorandum and Articles of Association, at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

Accordingly, Mr. Zheng Wei, Professor Liao Jianwen, Professor Chen Zhiwu, Mr. Zhou Hao and Dr. Li Yao shall retire by rotation at the AGM and they being eligible, offer themselves for re-election.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. Details of the retiring Directors are set out in Appendix II to this circular.

LETTER FROM THE BOARD

PROPOSED RE-APPOINTMENT OF AUDITOR

The Board proposes to re-appoint KPMG as the independent auditor of the Company for the year ending December 31, 2024 and to hold office until the conclusion of the next annual general meeting of the Company. A resolution will also be proposed to authorize the Board to fix the auditor's remuneration for the ensuing year. KPMG have indicated their willingness to be re-appointed as the independent auditor of the Company for the said period.

PROPOSED GRANT OF OPTIONS

Reference is made to the announcement of the Company dated March 26, 2024 in relation to the grant of Options. Among the Options granted, 19,202,400 Options (representing approximately 4.64% and 3.91% of the total Class B Shares and the Shares in issue as at the Latest Practicable Date, respectively) were proposed to be granted to Mr. Zhang, an executive Director, the chief executive officer of the Company, the chairman of the Board, the WVR Beneficiary and a substantial shareholder of the Company. The Conditional Grant has been approved by the Directors (including the independent non-executive Directors) and will be subject to the approval by the independent Shareholders at the AGM.

Details of the Conditional Grant are set out below:

Date of Grant:	March 26, 2024
Option conditionally granted:	19,202,400 (each entitling the holder thereof to subscribe for one (1) Share)
Exercise price of the Options conditionally granted:	HK\$13.8 per Class B Share, which represents the highest of: (i) the closing price of HK\$11.84 per Class B Share as stated in the daily quotations sheet of the Stock Exchange on March 26, 2024, being the Date of Grant; (ii) the average closing price of HK\$13.8 per Class B Share as stated in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Share of US\$0.00002.
Closing price of the Shares on the Date of Grant:	HK\$11.84 per Class B Share

LETTER FROM THE BOARD

Vesting and validity period of the Options: The Options are exercisable for a period of ten years after the Date of Grant, subject to the vesting period as follows:

- (i) 50% of the Options will be vested on the March 26, 2025;
- (ii) 25% of the Options will be vested on March 26, 2026;
and
- (iii) 25% of the Options will be vested on March 26, 2027.

Performance target: There is no performance target attached to the Conditional Grant.

The purpose of the 2021 ESOP is to provide grantees with the opportunity to acquire proprietary interests in the Company and to encourage the grantees to work towards enhancing the value of our Company and our Shares for the benefit of our Company and Shareholders as a whole.

The Remuneration Committee is of the view that performance target is not necessary because (i) the Options granted to Mr. Zhang are part of his compensation package under the remuneration policy for the Directors and senior management of the Company; (ii) the value of the Options is subject to the future market price of the Shares, which, in turn, depends on the business performance of the Group, to which Mr. Zhang would directly contribute as the chief executive officer of the Company; and (iii) the Options are subject to the vesting period as stated above, which could allow the Company to retain Mr. Zhang and ensure that Mr. Zhang would be motivated to contribute to the Company's development in the long term.

As such, the Remuneration Committee believes that without additional performance target, the Conditional Grant could align the interest of Mr. Zhang with that of the Company and the Shareholders, provide incentive to Mr. Zhang to provide his opinion and judgment in building the strategy and long-term development of the Company, which is in line with the purpose of the 2021 ESOP.

LETTER FROM THE BOARD

Clawback mechanism: The key clawback terms are generally as follow (unless approved otherwise):

If Mr. Zhang, being an employee whose employment is terminated by the Group or an affiliate by reason of the employer terminating the contract of employment without notice or payment in lieu notice, or Mr. Zhang having been convicted of any criminal offence involving his integrity or honesty, the Option shall immediately lapse.

If Mr. Zhang is declared bankrupt or becomes insolvent or makes any arrangements or composition with his creditors generally, the Options shall immediately lapse.

Upon exercise of the 19,202,400 Options granted to Mr. Zhang under the 2021 ESOP, 19,202,400 new Shares will be issued by the Company, which has an aggregate value, based on the closing price of the Shares at the Date of Grant, of HK\$227,356,416.

The Class B Shares to be allotted upon exercise of the Options shall rank *pari passu* with the Class B Shares then in issue in all respects, including voting rights, entitlement to dividends, transfer and other rights (including those arising on liquidation of the Company) paid or made on or after the relevant exercise date of the Options. The Options themselves, however, do not carry any right to voting, dividend, transfer or other rights (including those arising on the liquidation of the Company) prior to their being exercised and the underlying Class B Shares being issued.

No share option has been granted by the Company to Mr. Zhang within the 12-month period prior to the Date of Grant.

Reasons for the Conditional Grant

The Conditional Grant is to recognize the contributions of Mr. Zhang to the business performance of the Group and as incentives for his continuing commitment and contribution to the Group in the future.

Mr. Zhang's background and contributions to the Group

Mr. Zhang is the chief executive officer of the Company and the founder of the Group since March 2014 and has been appointed as the chairman of the Board and an executive Director since June 2018. Mr. Zhang has over 19 years of experience in operations and management of data analytics businesses and internet technology companies in China. He is responsible for the overall strategic planning and business direction of the Group.

LETTER FROM THE BOARD

The Group is a leading cloud-based AI turnkey service provider that has served over 7,000 renowned banks, insurance companies, wealth management companies, and numerous internet technology companies in China. Under the leadership of Mr. Zhang, the Group is able to expand its product offerings and client base, which in turn significantly improved its synergies and economies of scale among various business lines, resulting in a virtuous cycle of rapid and steady growth in revenue. The total revenue of the Group increased by 31% from RMB2,054.18 million for the year ended December 31, 2022 to RMB2,680.92 million for the year ended December 31, 2023.

The Conditional Grant was determined by the Board and the Remuneration Committee with reference to the roles of Mr. Zhang and his contributions to the Company. Led by our chief executive officer, Mr. Zhang, a tech-savvy Tsinghua University alumni, we view technology as our key competitive advantage and top priority. We have once again achieved an impressive set of annual results, characterized by robust growth and profitability. Throughout the year of 2023, we have made good progress in advancing both the technology capabilities and commercial application and monetization of our Discriminant AI and Generative AI-powered services and solutions. The Directors are of the view that Mr. Zhang is the main contributor for the Company being able to achieve remarkable results under a sluggish global economy, and therefore propose to grant the Options to Mr. Zhang in recognition of his contribution and to encourage Mr. Zhang to continue making contribution to the Company's business and financial performance. The Board considers that given Mr. Zhang's expertise and management skills, his continued contribution to the Group will be of critical importance to the development and growth of the Group, and therefore it is appropriate and reasonable to grant the Options as proposed as a reward in recognition of his significant efforts and contribution to the development of the Company.

Basis of determining the number of Options granted to Mr. Zhang

The following table sets forth the details of outstanding options or award shares granted to Mr. Zhang under the Company's 2021 ESOP and 2021 Share Award Scheme (Mr. Zhang does not have any outstanding options under 2019 ESOP) as at the Latest Practicable Date, excluding the Conditional Grant:

Scheme	Date of grant	Number of outstanding Options/award shares as at the Latest Practicable Date	Vesting period	Exercise price/ Purchase Price	Closing price of the Shares on the date of grant	Fair value as at the date of grant
2021 ESOP	December 29, 2021	1,746,000 options	December 29, 2023 – December 29, 2025	HK\$9.602	HK\$9.70	HK\$3.53
2021 Share Award Scheme	March 26, 2024	3,415,500 award shares (<i>to be satisfied by existing Shares</i>)	March 26, 2025	Nil	HK\$11.84	HK\$11.84

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In determining the number of Options proposed to be granted to Mr. Zhang, the Corporate Governance Committee and the Remuneration Committee have considered factors including but not limited to the time commitment and responsibilities of Mr. Zhang as an executive Director and his contributions to the business development of the Group. Furthermore, the Company's remuneration policies for the executive Directors are that: (i) the amount of remuneration payable to the executive Directors will be determined on a case-by-case basis depending on the experience, responsibility, workload and the time devoted to the Group by the relevant Director; and (ii) the executive Directors may be granted, at the discretion of the Board, Options of the Company, as part of the remuneration package.

The Conditional Grant represents the long-term incentive portion of Mr. Zhang's remuneration package, supplementing his annual cash compensation. Under Mr. Zhang's leadership, the Group has achieved accumulated revenue of nearly RMB10 billion for the past seven years, with CAGR of over 40%. The Board and Mr. Zhang agreed upon the grant of 19,202,400 Options (representing approximately 4.64% of the total Class B Shares in issue as at the Date of Grant) after arm's length negotiations between the parties, having considered Mr. Zhang's significant contributions to the Group as set out above and that the Conditional Grant can incentivize Mr. Zhang without imposing as substantial a financial burden on the Group as cash compensation and would better align Mr. Zhang's incentives with those of the Shareholders. The Board believes that the Conditional Grant is a recognition of Mr. Zhang's past and future contribution to the Group and his continued role in delivering value to the Shareholders.

Furthermore, the Company has assessed its overall salary level and structure benchmark with reference to the Company's major talent competitors including leading PRC internet and technology listed companies in the same industry as the Company in recent years. Given that Mr. Zhang's cash compensation, being annual salaries, allowances and benefits in kinds of RMB1,542,000 for his capacity as the chief executive officer of the Company, is less competitive than the CEOs of the other industry peers, in order to motivate Mr. Zhang for his continuous contributions to the Group, and to further align his personal interests with the interests of the Group and the Shareholders as a whole, and strengthen his authority in shaping the group's future strategic development.

Given that the Options granted to Mr. Zhang are exercisable in three tranches in the next three years subject to lock-up in the first year, the aggregate value is the annualized value of three years, not the value of a single year.

The Corporate Governance Committee and the Remuneration Committee are of the view that (i) Mr. Zhang has served as the founder, executive Director, chairman of the Board and chief executive officer since the founding of the Company; (ii) he has been integral to the success of the Company and has made significant contributions to the Company in managing the overall operations and improving the performance of the Company; (iii) the Conditional Grant would provide incentive for Mr. Zhang's persistent devotions and leadership in the development of the Group's business by further aligning the interests of the Group with his interests; (iv) his leading role in the Group will be of critical importance to the development

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and long-term growth of the Group; and (v) the Conditional Grant would not result in a significant financial burden on the Group in the form of cash remuneration, but will only incur non-monetary share-based payment expenses. Accordingly, the Corporate Governance Committee has made a recommendation on the Conditional Grant pursuant to the note of Rule 17.04(1) of the Listing Rules and such Conditional Grant has also been approved by the Remuneration Committee.

Having considered all the above factors, including the factors as set out in the sub-section headed “Mr. Zhang’s background and contributions to the Group”, the Directors (including independent non-executive Directors) are of the view that the Conditional Grant is fair and reasonable so far as the independent Shareholders is concerned and is in the interests of the Company and its Shareholders as a whole.

Effects on the Shareholding Structure of the Company

The shareholding structure of the Company (a) as at the Latest Practicable Date (excluding any options or award shares granted pursuant to the 2019 ESOP, 2021 ESOP and 2021 Share Award Scheme); (b) as at the Latest Practicable Date based on the interests of the Directors as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (excluding the Conditional Grant); and (c) immediately upon exercise of the Options granted under the March 2024 Grant (assuming all the Shares granted under March 2024 Grant are fully issued and no other Shares are issued or repurchased) are as follows:

Shareholder	As at the Latest Practicable Date ⁽¹⁾					As at the Latest Practicable Date and excluding the Conditional Grant ⁽²⁾					Immediately upon exercise of the Options granted under the March 2024 Grant (assuming all the Shares granted under March 2024 Grant are fully issued and no other Shares are issued or repurchased)				
	Class A Shares	Class B Shares	Total no. of Shares	Approximate %	Voting rights %	Class A Shares	Class B Shares	Total no. of Shares	Approximate %	Voting rights %	Class A Shares	Class B Shares	Total no. of Shares	Approximate %	Voting rights %
Mr. Zhang and his associates	77,208,112	7,091,503	84,299,615	17.17	65.71	77,208,112	12,253,003	89,461,115	18.11	65.98	77,208,112	31,455,403	108,663,515	21.18	66.52
Mr. Bai Linsen and his associates	0	4,590,745	4,590,745	0.94	0.39	0	4,590,745	4,590,745	0.93	0.39	0	4,590,745	4,590,745	0.89	0.38
Mr. Zheng Wei	0	1,218,205	1,218,205	0.25	0.10	0	2,976,205	2,976,205	0.60	0.25	0	2,976,205	2,976,205	0.58	0.25
Public Shareholders	0	400,819,033	400,819,033	81.65	33.80	0	396,923,533	396,923,533	80.36	33.39	0	396,923,533	396,923,533	77.35	32.86
Total:	77,208,112	413,719,486	490,927,598	100.00	100.00	77,208,112	416,743,486	493,951,598	100.00	100.00	77,208,112	435,945,886	513,153,998	100.00	100.00

Notes:

- Assuming that no Shares are issued pursuant to the March 2024 Grant and excluding any options or award shares granted pursuant to the 2019 ESOP, 2021 ESOP and 2021 Share Award Scheme.
- This represents the interests of the Directors as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, which would include holding in Shares and underlying Shares of (i) any options granted to the Directors pursuant to the 2019 ESOP and 2021 ESOP and (ii) other award shares previously granted to the Directors pursuant to the 2021 Share Award Scheme and assuming full exercise and/or vesting of these grants. This column excludes the underlying Shares of the Conditional Grant.

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Listing Rules Implications

Pursuant to Rule 17.04(1) of the Listing Rules, such Conditional Grant to Mr. Zhang had been approved by the independent non-executive Directors. Mr. Zhang had abstained from voting on the resolutions relating to the grant to himself and had not been counted towards the quorum of the Board meeting in respect of such resolution.

As at the Latest Practicable Date, other than the Options conditionally granted to Mr. Zhang under the Conditional Grant and excluding the underlying Class B Shares of any outstanding options and award shares granted pursuant to the Company's 2019 ESOP, 2021 ESOP and 2021 Share Award Scheme, Mr. Zhang was interested in 77,208,112 Class A Shares through Genisage Tech Inc. (held through Genisage Holdings Limited) and 7,091,503 Class B Shares through Genisage Tech Inc.. The entire interest in Genisage Holdings Limited is held through a trust which was established by Mr. Zhang (as settlor) for the benefit of himself and his family. Genisage Holdings Limited is wholly owned by TMF (Cayman) Ltd., which is the trustee of the trust. Mr. Zhang was interested in approximately 17.17% of the total issued Shares, and entitled to exercise approximately 65.71% of the voting rights of the issued Shares in general meetings (except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote). Accordingly, the Company proposes to seek the approval of the Conditional Grant by independent shareholders at the AGM. As required under the Rule 17.04(4) of the Listing Rules, Mr. Zhang and his associate, being Genisage Tech Inc., and all core connected persons of the Company shall abstain from voting at the AGM for the purpose of approving the Conditional Grant. None of the core connected persons of the Company, other than Mr. Zhang, Mr. Bai Linsen, Mr. Zheng Wei and their respective associates, holds any Shares in the Company. As at the Latest Practicable Date, (i) Mr. Bai Linsen was interested in 4,590,745 Class B Shares, representing approximately 0.94% of the total issued Shares and 0.39% of the voting rights of the total issued Shares in general meetings (except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote); and (ii) Mr. Zheng Wei was interested in 1,218,205 Class B Shares, representing approximately 0.25% of the total issued Shares and 0.10% of the voting rights of the total issued Shares in general meetings (except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote). Mr. Bai Linsen, Mr. Zheng Wei and their respective associates shall abstain from voting at the AGM for the purpose of approving the Conditional Grant.

Since the Conditional Grant would (i) result in the Shares issued and to be issued in respect of all options and awards granted to Mr. Zhang (excluding any options and awards lapsed in accordance with the terms of the applicable scheme) in the 12-month period up to and including the Date of Grant representing in aggregate over 1% of the issued Class B Shares; and (ii) result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the applicable scheme) to Mr. Zhang, being an executive Director and a substantial shareholder of the Company, in the 12-month period up to and including the Date of Grant representing in aggregate over 0.1% of the issued Class B Shares; and (iii) having an aggregate value, based on the closing price of the Shares at the Date of Grant, in excess of HK\$5 million, the

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Conditional Grant is conditional upon approval by the Shareholders (with Mr. Zhang and his associates and all core connected persons of the Company abstaining) at the AGM in accordance with Rules 17.03D(1), 17.04(2), 17.04(3) and 17.04(4) of the Listing Rules (as applicable) and the 2021 ESOP.

As at the Latest Practicable Date, Mr. Zhang, his associates, and all core connected persons of the Company held in aggregate 90,108,565 Shares, representing approximately 18.35% of the total number of Shares in issue and 66.20% of the voting rights of the total issued Shares in general meetings (except for resolutions with respect to the Reserved Matters, in relation to which each Share is entitled to one vote). None of the Shareholders who were required to abstain from voting in favour of the resolution(s) approving the Conditional Grant have given the Company notice of their intention to vote against the resolution(s) at the AGM.

Independent Non-executive Directors' Recommendation

The independent non-executive Directors consider that the terms of the Conditional Grant are fair and reasonable so far as the independent Shareholders are concerned, and in the interests of the Company and the Shareholders as a whole. Accordingly, the independent non-executive Directors recommend the independent Shareholders to vote in favor of the ordinary resolution to be proposed at the AGM to approve the Conditional Grant.

PROPOSED ADOPTION OF THE 2024 SHARE SCHEME

The Board has resolved to propose the adoption of the 2024 Share Scheme to be approved and adopted by the Shareholders at the AGM. The 2024 Share Scheme, together with the RSU Scheme, will replace the 2021 Share Schemes in its entirety immediately upon the 2024 Share Scheme and the RSU Scheme taking effect. The RSU Scheme constitutes a share scheme of a listed issuer that is funded by existing shares of the issuer under Rule 17.01(1)(b) of the Listing Rules and its proposed adoption shall not be subject to the Shareholders' approval under the New Chapter 17. Nevertheless, the Board has resolved that the adoption of the RSU Scheme shall be conditional upon the Shareholders' approval of the 2024 Share Scheme. For details of the RSU Scheme, please refer to the announcement of the Company dated April 10, 2024.

On April 12, 2024, the Stock Exchange published the consultation conclusions on the proposed amendments to the Listing Rules relating to treasury shares. The proposed amendments will take effect on June 11, 2024. Accordingly, the Board has further resolved that the Company may satisfy the Awards granted under the 2024 Share Scheme using Class B treasury Shares at the Board's discretion after the 2024 Share Scheme has been approved by the Shareholders and the proposed amendments has come into effect.

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The purposes of the 2024 Share Scheme are (a) to provide Eligible Participants with the opportunity to acquire proprietary interests in the Company and to encourage the Eligible Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and Shareholders as a whole; (b) to encourage and retain Eligible Participants and attract talents to make contributions to the long-term development goals of the Group; and (c) to provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to Eligible Participants.

As at the Latest Practicable Date, there were 490,927,598 Shares in issue (with no treasury Shares), comprising 77,208,112 Class A Shares and 413,719,486 Class B Shares. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the maximum number of Class B Shares issuable (including any transfer of Class B Shares out of treasury that are held as treasury Shares) pursuant to the 2024 Share Scheme and any other schemes of the Company (if any) in aggregate will be 49,092,759 Shares, being 10% of the total number of Shares in issue (excluding any treasury Shares) on the Adoption Date.

As at the Latest Practicable Date, no trustee has been appointed to administer and implement the 2024 Share Scheme.

Operation of the 2024 Share Scheme is conditional upon:

- (a) the passing of an ordinary resolution at the AGM by the Shareholders to approve the adoption the 2024 Share Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Class B Shares to be allotted and issued pursuant to the 2024 Share Scheme.

The Board has resolved that immediately upon the 2024 Share Scheme and the RSU Scheme taking effect, the 2021 Schemes shall be terminated and the Company shall not grant any further options and awards under the 2021 Schemes thereafter, provided that in accordance with the terms of grant and the relevant scheme rules of the 2021 Schemes:

- (a) options granted during the life of the 2021 ESOP and remain unexercised and unexpired immediately prior to the termination of the operation of the 2021 ESOP shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the 2021 ESOP; and
- (b) any unvested awards granted under 2021 Share Award Scheme immediately before its termination shall remain valid and can be further vested.

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Details of the share options granted under the 2021 ESOP as at the Latest Practicable Date are as follows:

Category	Date of Grant	Total number of Share Options granted	Vesting period	Number of Class B Shares issued pursuant to the Exercised Share Options	Total number of Options lapsed or cancelled	Number of Outstanding Share Options
Directors, chief executive or substantial shareholder						
Mr. Zhang Shaofeng	December 29, 2021	1,746,000	December 29, 2023 – December 29, 2025	–	–	1,746,000
	March 26, 2024	19,202,400	March 26, 2025 – March 26, 2027	–	–	19,202,400
Mr. Zheng Wei	December 29, 2021	678,000	December 29, 2023 – December 29, 2025	–	–	678,000
	March 26, 2024	600,000	March 26, 2025 – March 26, 2027	–	–	600,000
Ms. Cathryn Xie Jianing ⁽¹⁾	March 26, 2024	780,500	March 26, 2025 – March 26, 2027	–	780,500	–
Mr. Zhao Hongqiang ⁽¹⁾	December 29, 2021	2,000,000	December 29, 2023 – December 29, 2025	–	2,000,000	–
Ms. Zhao Jing ⁽¹⁾	December 29, 2021	678,000	December 29, 2023 – December 29, 2025	–	678,000	–
Other grantees in category						
Employee participants	December 29, 2021	8,420,500	December 29, 2023 – December 29, 2025	794,500	917,000	6,709,000
	February 7, 2024	10,588,500	February 7, 2026 – February 7, 2028	–	–	10,588,500
Total	–	44,693,900	–	794,500	4,375,500	39,523,900

Note:

- (1) Mr. Zhao Hongqiang, Ms. Zhao Jing and Ms. Cathryn Xie Jianing have resigned from their respective position as executive Director of the Company with effect from May 25, 2023, November 20, 2023 and April 15, 2024, respectively. Accordingly, all of their outstanding options under the 2021 ESOP have lapsed immediately upon their resignations taking effect.

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Details of the outstanding share awards under the 2021 Share Award Scheme as at the Latest Practicable Date are as follows:

Category	Date of Grant	Total number of Share Awards granted ⁽¹⁾	Vesting period	Total number of Share Awards Vested	Total number of Share Awards lapsed or cancelled	Number of Outstanding Share Awards
Directors, chief executive or substantial shareholder						
Mr. Zhang Shaofeng	March 26, 2024	3,415,500	March 26, 2025	–	–	3,415,500
Mr. Zheng Wei	December 29, 2021	700,000	July 1, 2023 – June 30, 2026	350,000	–	350,000
	March 26, 2024	130,000	February 7, 2026 – February 7, 2028	–	–	130,000
Mr. Zhao Hongqiang ⁽²⁾	December 29, 2021	1,300,000	July 1, 2023 – June 30, 2026	–	1,300,000	–
Ms. Zhao Jing ⁽²⁾	December 29, 2021	651,000	July 1, 2023 – June 30, 2026	–	651,000	–
Ms. Cathryn Xie Jianing ⁽²⁾	March 26, 2024	728,500	January 1, 2026 – January 1, 2028	–	728,500	–
Other grantees in category						
Employee participants	December 29, 2021 – April 1, 2023	21,474,500	1.5-4 years	5,608,250	2,306,000	13,560,250
Service providers ⁽³⁾	December 29, 2021 – April 1, 2023	336,500	1.5-4 years	189,500	–	147,000
Total	–	28,736,000	–	6,147,750	4,985,500	17,602,750

Notes:

- (1) Since the inception of the 2021 Share Award Scheme, all the share awards have been and will be satisfied by existing shares acquired by trustee(s) of the Company and no new Class B Shares were issued or are to be issued under the 2021 Share Award Scheme accordingly.
- (2) Mr. Zhao Hongqiang, Ms. Zhao Jing and Ms. Cathryn Xie Jianing have resigned from their respective position as executive Director of the Company with effect from May 25, 2023, November 20, 2023 and April 15, 2024, respectively. Accordingly, all his/her outstanding share awards under the 2021 Share Award Scheme have lapsed immediately upon his/her resignation taking effect.
- (3) Including 4 consultants who have provided advisory services to the Group in the areas of AI technology, insurance distribution or management/business consultancy.

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Explanation of the terms of the 2024 Share Scheme

Please refer to Appendix IV to this circular for:

- (a) a summary of the principal terms of the 2024 Share Scheme. This summary serves as an overview of these terms and does not constitute the full reproduction of the terms or a comprehensive list of all the rules under the 2024 Share Scheme; and
- (b) *in italics and as notes to the summary*, the views of the Directors and Remuneration Committee as to the appropriateness and reasonableness of particular terms and how they align with the purposes of the 2024 Share Scheme.

Document on display

A copy of the rules of the 2024 Share Scheme will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the AGM and the rules of the 2024 Share Scheme will be made available for inspection at the AGM.

PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION AND ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

As disclosed in the announcement of the Company dated May 16, 2024, the Board proposed to amend certain provisions of the Existing Memorandum and Articles of Association by way of adoption of the New Memorandum and Articles of Association to (i) update and bring the Existing Memorandum and Articles of Association in line with the relevant amendments made to the Listing Rules in respect of the electronic dissemination of corporate communications by listed issuers (effective from December 31, 2023); and (ii) make other consequential and housekeeping amendments.

The proposed adoption of the New Memorandum and Articles of Association is subject to the approval of the Shareholders by way of a special resolution at the AGM. The full particulars of the proposed amendments to the Existing Memorandum and Articles of Association brought about by the adoption of the New Memorandum and Articles of Association are set out in Appendix III to this circular. The Chinese translation of the New Memorandum and Articles of Association is for reference only. In case of any discrepancy or inconsistency between the English and Chinese versions, the English version shall prevail. Prior to the passing of the special resolution at the AGM, the Existing Memorandum and Articles of Association shall remain valid.

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The Company has been advised by its respective legal advisers that the proposed adoption of the New Memorandum and Articles of Association conform to the requirements of the Listing Rules and are not inconsistent with the applicable laws of the Cayman Islands. The Company also confirms there is nothing unusual about the Proposed Amendments for a company listed on the Stock Exchange.

AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 65 to 72 of this circular. At the AGM, resolutions will be proposed to approve, among others, the granting of the Share Repurchase Mandate and the Share Issue Mandate, the extension of the Share Issue Mandate by the addition thereto of the number of Shares repurchased pursuant to the Share Repurchase Mandate, the re-election of the retiring Directors, the re-appointment of auditor, the proposed Conditional Grant, the proposed adoption of the 2024 Share Scheme and the proposed adoption of the New Memorandum and Articles of Association.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the AGM. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

The Company is controlled through weighted voting rights. Holders of Class B Shares present in person (in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote per Share. Holders of Class A Shares present in person (in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have ten votes per Share (i.e. resolutions 1 to 3, 7 and 9 to 14 in the notice of the AGM), save for resolutions with respect to any Reserved Matters, in which case they shall have one vote per Share (i.e. resolutions 4 to 6, 8 and 15, regarding the proposed re-election of independent non-executive Directors, the re-appointment of auditor and the proposed adoption of the New Memorandum and Articles of Association, in the notice of the AGM). Holders of Class B Shares and Class A Shares shall at all times vote together as one class.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.brgroup.com). Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the AGM if you so wish and in such event, the relevant form of proxy shall be deemed to be revoked.

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RECOMMENDATION

The Directors consider that the granting of the Share Repurchase Mandate, the granting of the Share Issue Mandate and the extension of the Share Issue Mandate, the re-election of the retiring Directors, the re-appointment of auditor, the Conditional Grant, the proposed adoption of 2024 Share Scheme and the proposed adoption of the New Memorandum and Articles of Association are in the interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular: Appendix I – Explanatory Statement on the Share Repurchase Mandate; Appendix II – Details of the Retiring Directors Proposed to be Re-elected at the AGM; Appendix III – Details of the Proposed Amendments to the Existing Memorandum and Articles of Association; and Appendix IV – a summary of the principal terms of the 2024 Share Scheme.

RESPONSIBILITY STATEMENT

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

By order of the Board
Bairong Inc.
Zhang Shaofeng
Chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Share Repurchase Mandate.

REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Share Repurchase Mandate is in the interests of the Company and the Shareholders as a whole.

Repurchases of Class B Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Share Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Class B Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

SHARE CAPITAL

As at the Latest Practicable Date, the issued Shares comprised 490,927,598 Shares, of which 77,208,112 were Class A Shares and 413,719,486 were Class B Shares (with no treasury Shares).

Subject to the passing of the ordinary resolution set out in item 9 of the notice of the AGM in respect of the granting of the Share Repurchase Mandate and on the basis that the issued Shares remains unchanged as at the date of the AGM, i.e. being 490,927,598 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, up to a maximum of 49,092,759 Class B Shares, representing 10% of the total number of issued Shares (excluding any treasury Shares) as at the date of the AGM.

FUNDING OF REPURCHASES

Repurchases of Class B Shares will be funded from the Company's internal resources, which shall be funds legally available for such purpose in accordance with the Memorandum and Articles of Association, the Listing Rules, the applicable laws of the Cayman Islands and/or any other applicable laws, as the case may be.

IMPACT OF REPURCHASES

There will not be a material adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended December 31, 2023) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

TAKEOVERS CODE

If, on the exercise of the power to repurchase Class B Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (as defined under the Takeovers Code) could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the WVR Beneficiary was Mr. Zhang. Other than the Options conditionally granted to Mr. Zhang for the subscription of 19,202,400 Class B Shares (representing approximately 1.62% of the voting rights in the Company), Mr. Zhang is deemed to be interested in 77,208,112 Class A Shares, representing approximately 65.11% of the voting rights in the Company, and be entitled to control 7,091,503 Class B Shares representing approximately 0.60% of the voting rights in the Company. Pursuant to Rule 8A.15 of the Listing Rules, in the event that the Directors exercise the Share Repurchase Mandate, the WVR Beneficiary must reduce his weighted voting rights in the Company proportionately through conversion of a proportion of their shareholding into Class B Shares, if the reduction in the number of Shares in issue would otherwise result in an increase in the proportion of Class A Shares. As such, to the best knowledge and belief of the Directors, the exercise of the Share Repurchase Mandate is not expected to give rise to an obligation of Mr. Zhang to make a mandatory offer under the Takeovers Code. The Directors have no present intention to repurchase Class B Shares to the extent that will trigger the obligations under the Takeovers Code to make a mandatory offer. The Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any purchase by the Company of the Class B Shares.

In addition, the Directors do not propose to repurchase Class B Shares which would result in less than the relevant prescribed minimum percentage of Shares in public hands as required by the Stock Exchange. For illustrative purposes, the Shares held in the public hands (without taking into account of the options and share awards granted that are outstanding) as at the Latest Practicable Date was approximately 81.65% of the total issued Shares, and approximately 79.61% of the total issued Shares if the Share Repurchase Mandate is exercised in full.

GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates have any present intention to sell any Class B Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons of the Company that they have a present intention to sell any Class B Shares to the Company, or that they have undertaken not to sell any Class B Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors would exercise the power of the Company to make repurchases of Class B Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands. Neither this explanatory statement nor the proposed repurchase of Class B Shares has any unusual features.

The Company may cancel such repurchased Class B Shares or hold them as treasury Shares (upon the amendments to the relevant Listing Rules coming into effect on June 11, 2024), subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any treasury Class B Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the treasury Class B Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Class B Shares from CCASS, and either re-register them in its own name as treasury Class B Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Class B Shares.

MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Class B Shares have been traded on the Stock Exchange during the 12 months up to and including the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest HK\$	Lowest HK\$
2023		
May	11.06	9.04
June	10.58	9.12
July	10.26	8.67
August	10.36	8.09
September	10.44	9.32
October	10.62	9.63
November	13.78	9.45
December	14.80	12.32
2024		
January	13.92	11.10
February	13.18	10.64
March	14.58	10.86
April	11.20	9.00
May (up to and including the Latest Practicable Date)	10.92	9.76

REPURCHASES OF SHARES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has repurchased a total of 7,177,000 Class B Shares on the Stock Exchange pursuant to the general mandate to repurchase Class B Shares granted by the Shareholders at the annual general meeting held on May 16, 2023, details of which are as follows:

Date of Repurchase	No. of Class B Shares Repurchased	Highest Price per Class B Share HK\$	Lowest Price per Class B Share HK\$	Aggregate consideration HK\$
November 2, 2023	300,000	9.76	9.71	2,920,775.00
November 10, 2023	300,000	11.48	11.42	3,440,370.00
November 14, 2023	300,000	12.28	12.26	3,682,900.00
November 16, 2023	75,000	12.82	12.76	959,590.00

APPENDIX I**EXPLANATORY STATEMENT ON
THE SHARE REPURCHASE MANDATE**

Date of Repurchase	No. of Class B Shares Repurchased	Highest Price per Class B Share HK\$	Lowest Price per Class B Share HK\$	Aggregate consideration HK\$
November 20, 2023	300,000	12.98	12.94	3,888,250.00
November 27, 2023	230,000	12.94	12.90	2,969,260.00
December 4, 2023	220,000	13.50	13.40	2,959,960.00
December 11, 2023	234,000	12.98	12.90	3,030,090.00
December 18, 2023	530,000	12.74	12.52	6,720,140.00
December 22, 2023	390,000	12.70	12.64	4,938,600.00
December 27, 2023	406,000	13.08	12.90	5,258,030.00
February 19, 2024	39,500	11.58	11.34	450,760.00
February 20, 2024	17,500	11.60	11.30	201,980.00
February 22, 2024	120,000	11.96	11.56	1,417,950.00
March 26, 2024	394,000	13.50	11.38	4,700,700.00
March 27, 2024	250,000	12.14	11.50	2,942,150.00
March 28, 2024	212,500	11.64	10.88	2,373,490.00
April 2, 2024	383,000	11.08	10.70	4,211,280.00
April 3, 2024	329,000	10.92	10.36	3,482,630.00
April 5, 2024	90,000	10.76	10.64	964,100.00
April 8, 2024	90,000	10.74	10.60	963,250.00
April 9, 2024	40,000	10.96	10.90	437,010.00
April 11, 2024	80,000	10.76	10.52	856,540.00
April 12, 2024	84,000	10.32	10.14	857,910.00
April 16, 2024	7,000	9.46	9.46	66,220.00
April 17, 2024	225,000	9.79	9.28	2,126,540.00
April 18, 2024	150,000	9.53	9.31	1,413,565.00
April 19, 2024	185,500	9.40	9.10	1,719,140.00
April 23, 2024	105,000	9.51	9.27	991,470
April 24, 2024	133,500	9.68	9.34	1,265,680
April 25, 2024	98,000	9.67	9.42	941,895
April 26, 2024	297,000	9.66	9.24	2,801,010
April 30, 2024	38,500	9.83	9.74	377,560
May 7, 2024	96,500	10.38	10.22	991,370
May 8, 2024	378,000	10.08	9.88	3,778,895
May 9, 2024	48,500	10.18	9.95	492,165

Save as disclosed above, neither the Company nor any of its subsidiaries and consolidated affiliated entities have repurchased any Class B Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Pursuant to the Listing Rules, the details of the Directors, who will retire and being eligible, offer themselves for re-election at the AGM, are provided below.

As at the Latest Practicable Date, none of the following Directors, save as disclosed herein, had any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, none of the following Directors holds any position with the Company or any other member of the Group, or any directorships in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

Save as disclosed herein, the following Directors are not otherwise related to any Directors, senior management, substantial Shareholders or Controlling Shareholders (as defined in the Listing Rules). Save as disclosed herein, there is no other matter in relation to the following Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

EXECUTIVE DIRECTORS

Mr. Zheng Wei (鄭威), aged 51, has been our executive Director since November 2023.

Mr. Zheng joined the Company in April 2016, and currently serves as senior vice president, head of BaaS – Insurance Scenario and acting chief financial officer of the Company. He has over twenty years of experience in the field of finance and investment, and has extensive experience in front, middle and back office management under different forms of ownership. Prior to joining the Company, Mr. Zheng worked as senior finance consultant at Hillhouse from September 2015 to March 2016. He also worked as investment manager at Warburg Pincus from June to August of 2015, as vice president and chief financial officer at Datong Insurance from August 2011 to April 2015, as board secretary at Minsheng Life Insurance from August 2007 to August 2011, and as assistant vice president at Metlife Insurance from December 2004 to August 2007.

Mr. Zheng received his Bachelor of Engineering in Industrial Automation from Zhejiang University in July 1995 and his Master of Business Administration in Finance from McMaster University in July 2001.

Mr. Zheng entered into a service contract with the Company on November 20, 2023 for a term of three years commencing from November 20, 2023 in relation to his appointment as an executive Director, which may be terminated by either party giving not less than three month's written notice. According to the terms of Mr. Zheng's appointment, Mr. Zheng is not entitled to any remuneration in his capacity as an executive Director under his service contract, but is entitled to the reimbursement of all reasonable out-of-pocket expenses incurred in relation to the discharge of his duties in connection with the business of the Company.

As at the Latest Practicable Date, Mr. Zheng has 1,218,205 Class B Shares and 1,028,000 underlying shares including (i) 678,000 options which are the relevant Class B Shares that may be allotted and issued to him upon fully exercise of all the options granted to him under the 2021 ESOP; and (ii) 350,000 award shares which are the relevant Class B Shares that may be transfer to him upon satisfaction of the relevant vesting conditions of the Award Shares granted to him under the Share Award Scheme, which, in aggregate, represent approximately 0.46% of the total issued Shares (on a one share one vote basis), within the meaning of Part XV of the SFO.

NON-EXECUTIVE DIRECTOR

Professor Liao Jianwen (廖建文), aged 57, has been our non-executive Director since November 2023. Professor Liao was appointed as an independent non-executive Director on October 20, 2023 and re-designated to non-executive Director on November 20, 2023.

Professor Liao has extensive research and practical experience in strategic innovation management across both academia and industries. Currently, Professor Liao holds positions of Executive Fellow of Harvard Business School and Senior Advisor to the chairman of JD.com, Inc. (NASDAQ: JD and HKEx: 9618 (HKD counter) and 89618 (RMB counter)). Since 2012, Professor Liao served as the Associate Dean of Cheung Kong Graduate School of Business until March 2017. From April 2017 to July 2021, Professor Liao was the chief strategy officer of Beijing Jingdong Century Trade Co., Ltd..

Professor Liao received his bachelor's degree from Northeastern University of China in 1988 majoring in Industry Engineering, his master's degree in Economics from People's (Renmin) University of China in 1991, and his Doctor of Philosophy from Southern Illinois University in 1996 (with a focus on business policy & strategy).

Professor Liao has been serving as an independent director of Zhewen Interactive Group Co., Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 600986) since November 2020, an independent director of Juewei Food Co., Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 603517) since December 2021, a director of China United Network Communications Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 600050) from February 2018 to December 2021, a director of Yonghui Superstores Co., Ltd. (a company whose shares are listed on the main board of the Shanghai Stock Exchange, stock code: 601933) from April 2018 to December 2021, an independent non-executive director of Fantasia Holdings Group Co., Limited (a company whose shares are listed on the main board of the Stock Exchange, stock code: 1777) from February 2015 to May 2021 and an independent non-executive director of Colour Life Services Group Co., Limited (a company whose shares are listed on the main board of the Stock Exchange, stock code: 1778) from June 2014 to March 2021. Meanwhile, Professor Liao has been an independent director of Origin Asset Management Co., Ltd. since February 2022.

Professor Liao entered into an appointment letter with the Company for a term of three years commencing from November 20, 2023 which may be terminated by either party giving not less than one month's written notice. According to the terms of Professor Liao's letter of appointment, Professor Liao is entitled to receive a director's fee of US\$50,000 per annum.

As at the Latest Practicable Date, Professor Liao was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Professor Chen Zhiwu (陳志武), aged 61, has been our independent non-executive Director since March 2021.

Professor Chen is a director of the Asia Global Institute and Chair Professor of Finance and the Victor and William Fung Professor in Economics at the University of Hong Kong since July 2016. Previously, Professor Chen was a professor of finance at Yale University for 18 years until 2017. He was also a special-term visiting professor at Peking University (School of Economics) and Tsinghua University (School of Social Sciences). Professor Chen was a PACAP Research Fellow at the University of Wisconsin-Madison in the United States from 1994 to 1995. Professor Chen received the Graham and Dodd Award for his research in 2013.

Professor Chen has served as an independent director and chairman of the corporate governance and nominating committee of Noah Holdings (NYSE: NOAH), since December 2013. Previously, Professor Chen was an independent non-executive director of IDG Energy Investment Limited (formerly known as Shun Cheong Holdings Limited) (HKEX: 650) from July 2015 to October 2018, Bank of Communications Co., Ltd. (HKEX: 3328) from August 2010 to August 2018 and PetroChina Company Limited (HKEX: 857) from May 2011 to June 2017.

Professor Chen received his Ph.D. from Yale University in the United States, in December 1990.

Professor Chen entered into a letter of appointment with the Company for a term of three years commencing from March 16, 2024 and he will be subject to retirement by rotation and re-election at least once every three years in accordance with the Memorandum and Articles of Association. Pursuant to the letter of appointment, Professor Chen is entitled to receive a director's fee of US\$50,000 per annum.

As at the Latest Practicable Date, Professor Chen was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Mr. Zhou Hao (周浩), aged 47, has been our independent non-executive Director since March 2021.

From June 2011 to September 2019, Mr. Zhou was the chief financial officer of 58.com Inc. (NYSE: WUBA), a company that operates online marketplace serving local merchants and consumers in the PRC, and was subsequently redesignated as head of international business in September 2019 and its chief strategic officer in April 2020. In November 2020, he was further redesignated as chief strategy officer of Anjuke Group Inc., the housing subsidiary of 58.com Inc., and has served such role until March 2023. In September 2010, Mr. Zhou joined CITIC Pharmaceutical Co Ltd., a pharmaceutical service provider that supplies medicine and related consumables to hospitals as chief financial officer. Mr. Zhou was the vice president of finance and the chief financial officer at Wuxi PharmaTech (Cayman) Inc. (NYSE: WX, delisted) from May 2009 to September 2010. Mr. Zhou joined General Electric (China) Co., Ltd. in January 2007 as a financial manager.

Mr. Zhou has been serving as an independent non-executive director, chairman of the audit committee and member of the nomination committee and the remuneration committee of Angelalign Technology Inc. (HKEX: 6699) since April 2023.

Mr. Zhou has been serving as an independent non-executive director, chairman of the audit committee and member of the nomination committee of Meitu, Inc. (HKEX: 1357) since December 2016.

Mr. Zhou has been serving as an independent non-executive director, chairman of audit committee and member of nomination committee of WuXi XDC Cayman Inc. (HKEX: 2268) since November 2023.

Mr. Zhou received his bachelor's degree from Shanghai International Studies University in China, in July 1998.

Mr. Zhou entered into a letter of appointment with the Company for a term of three years commencing from March 16, 2024 and he will be subject to retirement by rotation and re-election at least once every three years in accordance with the Memorandum and Articles of Association. Pursuant to the letter of appointment, Mr. Zhou is entitled to receive a director's fee of US\$50,000 per annum.

As at the Latest Practicable Date, Mr. Zhou was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

Dr. Li Yao (李耀), aged 55, has been our independent non-executive Director since June 2021.

Dr. Li Yao has roughly 30 years of professional experience in financial market. He built his reputable leadership by holding senior positions with several high-profile financial institutions, including the CEO of a Chinese Government Sponsored Sovereign Fund, and Chairman of the Investment Committee; the Co-CEO of a large Capital Management firm by one of top Chinese Insurance Groups. In his early professional career, Dr. Li participated in building and growing the pioneering investment advisory business and investment banking business for Bank of China. Dr. Li also worked for DRC of China State Council as its Associate Researcher focusing on China's open economic policy making. Dr. Li has been serving as independent non-executive director of Yinsheng Digifavor Company Limited (formerly known as NNK Group Limited) (HKEX: 3773) since June 2023.

Dr. Li holds Ph.D of Economics degree from China Renmin University, and owned his Mater degree and Bachelor degree from Nanjing University and NanKai University. He joined various advanced executive financial programs during his professional career.

Dr. Li entered into a letter of appointment with the Company for an initial term of three years commencing from June 17, 2021 or until the third annual general meeting of the Company since the date of his appointment, whichever is sooner, and he will be subject to retirement by rotation and re-election at least once every three years in accordance with the Memorandum and Articles of Association. Pursuant to the letter of appointment, Dr. Li is entitled to receive a director's fee of US\$50,000 per annum.

As at the Latest Practicable Date, Dr. Li was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

The following are the proposed amendments to the Memorandum and Articles of Association, with the deletions shown in strikethrough and the additions or revisions shown in underline. Unless otherwise specified, clauses and articles referred to herein are clauses and articles of the New Memorandum and Articles of Association.

All capitalised terms in the proposed amendments to the Memorandum and Articles of Association contained in this Appendix are terms defined in the Memorandum and Articles of Association which shall have the corresponding meanings ascribed to them in the Memorandum and Articles of Association.

Article	Provisions in the New Memorandum and Articles of Association	Remarks
2.2	“ Corporate Communication ” shall have the meaning given to it in the <u>Listing Rules</u>	
5.8	The register may, on 10 business days’ notice (or on 6 business days’ notice in the case of a rights issue) being given by advertisement published on the Exchange’s website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be closed at such times and for such periods as the Board may from time to time determine, either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year). The Company shall, on demand, furnish any person seeking to inspect the register or part thereof which is closed by virtue of these Articles with a certificate under the hand of the Secretary stating the period for which, and by whose authority, it is closed. In the event that there is an alteration of book closure dates, the Company shall give at least 5 business days’ notice in accordance with the procedures set out in this Article <u>and the Listing Rules</u> .	

Article	Provisions in the New Memorandum and Articles of Association	Remarks
7.3	A copy of the notice referred to in Article 7.2 shall be sent in the manner in which notices may be sent to members by the Company as herein <u>provided in Article 35.1.</u>	
7.5	In addition to the giving of notice in accordance with Article 7.3, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published on the Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers.	Existing Article 7.5 is being deleted. It follows that existing Articles 7.6 to 7.13 are being renumbered as new Articles 7.5 to 7.12, respectively.
10.1	If a member fails to pay any call or instalment of a call on the day appointed for payment thereof, the Board may, at any time during such time as any part thereof remains unpaid, without prejudice to the provisions of Article 7.10 <u>7.9</u> , serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment.	Revision of the article reference due to the renumbering of articles as set out above.

Article	Provisions in the New Memorandum and Articles of Association	Remarks
15.10	<p>The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith (<u>including by electronic means</u>)) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid provided always that the Chairperson of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.</p>	

Article	Provisions in the New Memorandum and Articles of Association	Remarks
35.1	<p>Except as otherwise provided in these Articles, any notice or document, <u>including any Corporate Communication</u>, may be served by the Company and any notices may be served by the Board on any member either personally or by <u>in any of the following manner:</u></p> <p><u>(a) personally by leaving it at the registered address of such member as appearing in the register;</u></p> <p><u>(b) by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register or, to the extent permitted (which shall be sent by airmail where the notice or document is posted from one country to another);</u></p> <p>(c) by the Listing Rules and all applicable laws and regulations, by <u>making it available using electronic means, including by transmitting it to any electronic number or address or website supplied by the member to the Company or by placing it on the Company's Website provided that the Company has obtained either (a) the member's prior express positive confirmation in writing or (b) the member's deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means;</u></p> <p><u>(d) by making it available on the Company's Website and/or the Exchange's website in compliance with the requirements of the Listing Rules, where such notice or document constitutes Corporate Communication; or</u></p> <p><u>(e) (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules.</u></p> <p>In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.</p>	

Article	Provisions in the New Memorandum and Articles of Association	Remarks
35.4	<p>A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong.</p> <p><u>Any notice or document, including any Corporate Communication:</u></p> <p>(a) <u>delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left;</u></p> <p>(b) 35.5 Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof:</p>	Existing Articles 35.4 to 35.8 are being consolidated and amended as the new Article 35.4. As a result of the updates to the articles references herewith, existing Articles 35.9 to 35.12 are being renumbered as new Articles 35.5 to 35.8, respectively.

Article	Provisions in the New Memorandum and Articles of Association	Remarks
	<p>35.6 Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.</p> <p><u>(c) given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations, and it shall not be necessary for the receipt of the electronic transmission to be acknowledged by the recipient;</u></p> <p><u>(d) served by being made available on the Company's Website and/or the Exchange's website shall be deemed to be served on the day the notice first appears on the Company's Website and/or the Exchange's website, or such later time or as may be prescribed by the Listing Rules; and</u></p> <p>(e) 35.7 Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).</p> <p>35.8 Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.</p>	

The following is a summary of the principal terms of the 2024 Share Scheme to be considered and approved by Shareholders at the AGM. It does not form part of, nor is it intended to be part of, the 2024 Share Scheme Rules. The Directors reserve the right at any time prior to the AGM to make amendments to the 2024 Share Scheme as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspect with the summary set out in this Appendix IV.

Purposes

The purposes of the 2024 Share Scheme are:

- (a) to provide Eligible Participants with the opportunity to acquire proprietary interests in the Company and to encourage the Eligible Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole;
- (b) to encourage and retain Eligible Participants and attract talents to make contributions to the long-term development goals of the Group; and
- (c) to provide the Company with a flexible means of retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Eligible Participants.

Award

An award may take the form of a Share Option or a Share Award, which shall be funded by Award Shares.

**Scheme
Administration**

The 2024 Share Scheme shall be administered by the Board or the Scheme Administrator in accordance with the 2024 Share Scheme Rules.

**Appointment of
Trustee**

The Company may establish a Trust and appoint a Trustee to hold Class B Shares and other trust property under the Trust for the purposes of implementing and administering the 2024 Share Scheme. The administration and operation of the Trust shall be governed by the Trust Deed. Unless otherwise agreed between the Company and any Trustee, the Board or the Scheme Administrator shall act on behalf of the Company to give instructions to and direct the Trustee. The Company may issue and allot new Class B Shares, transfer of Class B Shares out of treasury, or a combination of both, to the Trustee, on terms and at issue prices (including at par value) as shall be determined by the Board or the Scheme Administrator, the relevant number of Class B Shares issuable (including any transfer of Class B Shares out of treasury that are held as treasury Shares) in respect of any Awards, to be held by the Trustee on the terms of the Trust Deed and reserved for specified Eligible Participants.

The Board or the Scheme Administrator may at its discretion direct the Trustee, pursuant to the Trust Deed, to:

- (a) transfer the relevant Award Shares to the Grantee; or
- (b) hold the relevant number of Award Shares on trust for the Grantee until such time as the Board or the Scheme Administrator directs the Trustee to:
 - (i) (1) transfer the relevant Award Shares to the Grantee or (2) sell the Award Shares on-market through the facilities of the Stock Exchange at prevailing market prices and remit the Actual Selling Price to the Grantee; and
 - (ii) remit to the Grantee any Related Income which has accrued in respect of the Award Shares from the relevant Vesting Date to the date on which the Board or the Scheme Administrator gives a direction to the Trustee pursuant to the 2024 Share Scheme Rules.

Eligible Participants

The Board or the Scheme Administrator may from time to time, at its sole and absolute discretion, select any Eligible Participant (other than any Excluded Participant) for participation in the 2024 Share Scheme. The Eligible Participants shall fall under one or more of the below categories:

- (a) ***Employee Participants***, being directors and employees (including full-time and part-time employees) of the Group (including persons who are granted Awards as an inducement to enter into employment contracts with these companies).

Note:

Given that the continuous contributions from the independent non-executive Directors (especially those in relation to corporate governance and Board diversity) have formed and will continue to form an integral part of the Company's long-term success, the Board believes the inclusion of independent non-executive Directors as eligible participants under the 2024 Share Scheme will be an important means of ensuring alignment between the interests of the Shareholders and all members of the Board, including the independent non-executive Directors. The Board is mindful of the Recommended Best Practice E.1.9 of the Corporate Governance Code which recommends that issuers should generally not grant equity-based remuneration with performance-related elements to independent non-executive directors.

The Board believes that any potential grant of Awards under the 2024 Share Scheme to the independent non-executive Directors will not lead to bias in their decision-making or impair their independence and objectivity due to the following preventive measures:

- (a) no performance-related elements will be attached to any potential grant of Awards to independent non-executive Directors in accordance with the 2024 Share Scheme Rules;
- (b) the independent non-executive Directors will, and should, continue to comply with the independence requirement under Rule 3.13 of the Listing Rules, which shall be assessed by the Board at least annually; and
- (c) any Awards to be granted under the 2024 Share Scheme to an independent non-executive Director or any of their respective associates shall not result in the Class B Shares issued and to be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant scheme(s)) to such person in the 12-month period up to and including the date of the grant representing in aggregate over 0.1% of the total number of issued Shares (excluding any treasury Shares) as at the date of grant without approval from Shareholders.

As at the Latest Practicable Date, the Board has no existing plan to grant any options or awards to any one of the independent non-executive Directors under the 2024 Share Scheme.

- (b) **Related Entity Participants**, being directors and employees of the Related Entities.
- (c) **Service Provider Participants**, being persons (natural persons or corporate entities) who provide service to the Group in relation to the Group's model as a service (MaaS) and business as a service (BaaS) business operations on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long-term growth of the Group, including:
 - (i) suppliers who supply the Group with technical or technology services, with which the Group would consider important to maintain a close business relationship on an ongoing basis for the operations and growth of the Group;
 - (ii) consultants or advisors, who provide consultancy or advisory services to the Group in relation to research and development, industry research, corporate governance and business administration, strategic planning and business expansion, government relations, etc., where the continuity and frequency of their services are akin to those of employees; or

(iii) business partners or joint venture business partners who are, or are anticipated to be, significant to the Group's technical and technological development in relation to artificial intelligence (AI), software as a service (SaaS), and other areas important to the business and operations of the Group,

excluding (1) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (2) professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity.

Note:

The Directors (including the independent non-executive Directors) consider that (i) the role of external service providers is important to the success of the Group as they have historically provided valuable support to the Group, particularly in the areas of research and development and business development, and will continue to do so given the hiring practice and organizational structures of the Group; (ii) the grant to external service providers can preserve cash resources of the Group and induce the external service providers to develop a more sustainable and stable relationship with the Group as they will be able to enjoy the upside of the Group's equity value. Therefore, the inclusion of Service Provider Participants as Eligible Participants fits the purposes of the 2024 Share Scheme and is in the interests of the Company and its Shareholders as it would enable the Company to use non-cash incentives to attract both current and future Service Provider Participants to work towards enhancing the value and attaining the long-term objectives of the Group, whilst also aligning their interests with that of the Group and Shareholders through them owning a proprietary interest in the Company and becoming future Shareholders.

Eligibility Criteria

The Board or the Scheme Administrator will, on a case-by-case basis, consider all relevant factors as appropriate when assessing the eligibility of the following Eligible Participants, including, among others:

Category	Basis of determining eligibility under the 2024 Share Scheme
(a) Employee Participant	<p>(i) time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard; and</p> <p>(ii) the length of engagement with the Group.</p>

- | | |
|---|--|
| (b) Related Entity Participant | <ul style="list-style-type: none">(i) the contributions to the returns and benefits of the Group’s investment and/or interest in the Related Entity;(ii) the business synergy and opportunities brought by them to the Group and/or the Related Entity; and(iii) whether they should be rewarded to further motivate their performances for the benefit of the Group and/or the Related Entity. |
| (c) Service Provider Participant | <ul style="list-style-type: none">(i) the length of business relationship with the Group;(ii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily substituted by third parties);(iii) the track record in the quality of services provided to and/or cooperation with the Group; and(iv) the scale of business dealing with the Group with regards to factors such as the actual or expected change in the Group’s business or financial performance which is or may be attributable to them. |

Note:

The Directors (including the independent non-executive Directors) consider the proposed categories of Related Entity Participant and Service Provider Participant to be in line with industry norms and that the proposed scope for “Eligible Participants” (including the selection of Eligible Participants) to be appropriate and aligns with the purposes of the 2024 Share Scheme. In particular:

- (a) Related Entity Participants will have a sufficiently close relationship with the Group and would likely be in a position to influence the Group’s business, reputation, operations and performance;

- (b) Service Provider Participants are those service provider sub-categories that the Company considers to be particularly important to the success of the Group's business and future development by contributing to the Group's operations and business structure/model (e.g., through the expertise and contribution of consultants and advisors, and the growth brought about through business partners and distributors);
- (c) the relevant scope is consistent with scope of grantees approved by the Company under the 2021 Schemes, as well as, to the best knowledge of the Directors, the practices of peer companies that operate in similar or comparable industries to that of the Group (for example, technology or internet industries) or other companies listed in Hong Kong and their remuneration or compensation packages,

and accordingly, the Directors (including the independent non-executive Directors) consider it appropriate to enhance the long-term relationship with these Eligible Participants by aligning their interests with that of the Company and Shareholders. Based on the above, the Directors (including the independent non-executive Directors) believe that the proposed scope for "Eligible Participants" is in line with the purposes of the 2024 Share Scheme.

**Scheme Mandate
Limit and Service
Provider Sublimit**

Scheme Mandate Limit

The Scheme Mandate Limit is:

- (a) initially set at 10% of the Shares in issue (excluding any treasury Shares) as at the Adoption Date, being 49,092,759 Class B Shares (assuming that there are no changes to the Company's issued share capital between the Latest Practicable Date and the date of the AGM); and
- (b) may be subsequently refreshed in accordance with the 2024 Share Scheme Rules and the Listing Rules, as further approved by Shareholders at general meeting.

Service Provider Sublimit

The Service Provider Sublimit is:

- (a) within the Scheme Mandate Limit, initially set at 1% of the Shares in issue (excluding any treasury Shares) as at the Adoption Date, being 4,909,275 Class B Shares (assuming that there are no changes to the Company's issued share capital between the Latest Practicable Date and the date of the AGM); and
- (b) may be subsequently refreshed in accordance with the 2024 Share Scheme Rules and the Listing Rules, as further approved by Shareholders at general meeting.

Note:

The Service Provider Sublimit is determined based on (i) the number of options and/or awards granted to service providers under the past share schemes of the Company, and (ii) the service provider sublimit proposed or adopted by other companies listed on the Stock Exchange in similar industry with the Company. The Service Provider Sublimit is also determined on the fact that the Company expects that Awards will be mostly granted to Employee Participants but the Company would like to retain the flexibility to grant Awards to Service Provider Participants for the reasons mentioned above, and hence limit such grants to a relatively small portion of the Scheme Mandate Limit. The Directors (including the independent non-executive Directors) consider the Service Provider Sublimit to be appropriate and reasonable given the nature of the industries in which the Group operates and the Group's current and future business needs, and take into account:

- (a) the rationale behind the scope and eligibility criteria of Service Provider Participants, as detailed above;
- (b) that this sublimit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary payment) to reward and collaborate with persons who are not employees or directors of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purposes of the 2024 Share Scheme; and
- (c) the fact that this sublimit represents a maximum limit and that the Company retains the flexibility to allocate Award Shares from this sublimit to satisfy Awards to other Eligible Participants depending on business growth and needs in the future as and when appropriate. For example, where the Company considers that the business needs of the Group at a future point in time suggest that the full Service Provider Sublimit is no longer needed for Service Provider Participants and that it would be more appropriate and beneficial to serve the purposes of the 2024 Share Scheme to allocate a portion of the Award Shares under this sublimit to the Employee Participants or the Related Entity Participants.

Awards that have lapsed in accordance with the 2024 Share Scheme Rules will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

Awards that have been cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

Refreshing the Scheme Mandate Limit and the Service Provider Sublimit	The Company may refresh the Scheme Mandate Limit and/or the Service Provider Sublimit with the approval of Shareholders at general meeting and in accordance with the New Chapter 17.
Maximum Entitlement of Each Eligible Participant	Grants to individuals that exceed the thresholds set out in the New Chapter 17 will be subject to additional approval requirements as required under the New Chapter 17, more particularly set out in the section headed “Further Approval Requirements” in this Appendix.
Further Approval Requirements	<p>Any Award granted to a Director or chief executive of the Company requires prior approval from the Remuneration Committee (excluding any member who is the proposed grantee).</p> <p>Any Award granted to a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates requires prior approval from the independent non-executive Directors (other than the independent non-executive Director who is the proposed grantee).</p> <p>Any grants of Awards to a Director who is a WVR Beneficiary, namely, Mr. Zhang Shaofeng, shall be subject to the recommendation of the Corporate Governance Committee, who shall review and monitor the management of conflicts of interests and make a recommendation to the Board on any matter where there is a potential conflict of interest between the Company, a subsidiary of the Company and/or the Shareholders on one hand and the WVR Beneficiary on the other.</p>

Additionally, Awards granted to any individual Eligible Participant may be subject to further approval requirements (namely, further approval by Shareholders and/or approval by independent non-executive Directors), as required and in accordance with New Chapter 17, and namely, Listing Rules 17.03D and 17.04, and includes:

Grantee	Threshold triggering additional approval	Additional approval
(a) Independent non-executive Director, substantial Shareholder of the Company, or their respective associates	Where any grant of Awards to an independent non-executive Director or substantial Shareholder of the Company, or any of their respective associates, would result in the number of Class B Shares issued and to be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the 2024 Share Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of Shares in issue (excluding any treasury Shares).	Requires approval from Shareholders at general meeting (with the grantee, their associates, and all core connected persons of the Company abstaining from the vote, and Listing Rules 13.40 to 13.42 must be complied with).

Grantee	Threshold triggering additional approval	Additional approval
(b) Other Directors, chief executive of the Company, or their respective associates	Where any grant of Share Awards (but not Share Options) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Class B Shares issued and to be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) in respect of all share awards granted (excluding any share awards lapsed in accordance with the terms of the 2024 Share Scheme) to such person in the 12-month period (up to and including the date of such grant) represent in aggregate over 0.1% of the Shares in issue (excluding any treasury Shares).	Requires approval from Shareholders at general meeting (with the grantee, their associates, and all core connected persons of the Company abstaining from the vote, and Listing Rules 13.40 to 13.42 must be complied with).

Grantee	Threshold triggering additional approval	Additional approval
(c) Other Eligible Participants	Where the Class B Shares issued and to be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) under all Awards granted to an individual grantee (excluding Awards lapsed under the 2024 Share Scheme) within any 12-month period (including the date of the latest grant) represent in aggregate over 1% of the Shares in issue (excluding any treasury Shares).	Requires approval from Shareholders at general meeting (with the grantee, and their close associates, or where the grantee is a connected person, their associates abstaining from the vote).

Acceptance

The Board or the Scheme Administrator may determine in its absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the Award Letter. Unless otherwise specified in the Award Letter, the Grantee shall have 20 Business Days from the Grant Date to accept the Award, following which, the portion not accepted by the Grantee shall automatically lapse.

Issue Price and Exercise Price

The Board or the Scheme Administrator may determine in its absolute discretion the Issue Price of Share Awards and the Exercise Price for Share Options and such prices shall be set out in the Award Letter.

The Exercise Price shall be no less than the higher of: (i) the closing price of the Class B Shares on the Grant Date; (ii) the average closing price of the Class B Shares for the 5 Business Days immediately preceding the Grant Date; and (iii) the nominal value of the Class B Shares.

The Issue Price shall be determined on an individual basis for each Grantee by the Board or the Scheme Administrator. For the avoidance of doubt, the Board or the Scheme Administrator may determine the Issue Price to be nil.

Note:

The above flexibility allows the Company to control the costs incurred by the Company from the grant of Awards by correlating the Exercise Price for Share Options with prevailing market prices at the time of grant (particularly considering that timing of when the Share Options will be exercised are within the discretion of the Grantee and is typically made with reference to the difference between Exercise Price and prevailing market prices at the time of exercise) and the Company reserving the discretion to determine the Issue Price, if any, on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such grantee, which is aligned with the purposes of the 2024 Share Scheme (particularly considering that Share Awards do not involve the same degree of exercise procedure and discretion on the part of the Grantee as with Share Options).

Exercise Period

The Board or the Scheme Administrator may determine in its absolute discretion the Exercise Period for any award of Share Options and such period shall be set out in the Award Letter. In any event, the Exercise Period for any Share Options shall not be longer than 10 years from the Grant Date.

Vesting Period

The Board or the Scheme Administrator may determine the Vesting Period and specify such period in the Award Letter. Save as otherwise provided in the limited circumstances set out in the 2024 Share Scheme Rules, the vesting period shall be in the range of 12 months to 48 months and may not be a period less than 12 months from the Grant Date.

The limited circumstances set out in the 2024 Share Scheme Rules only apply to Employee Participants and are consistent with the scenarios contemplated in FAQ 092-2022 issued by the Stock Exchange, including where:

- (a) grants of “make-whole” share awards to an Employee Participant who is a new joiner to replace the share awards he/she has forfeited when leaving the previous employer;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event, in which circumstances the vesting of shares awards may accelerate;
- (c) grant of awards that are subject to performance-based vesting conditions, in lieu of time-based vesting criteria;

- (d) awards are granted in batches during a year for administrative and compliance reasons, in which case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;
- (e) awards are granted with a mixed or accelerated vesting schedule (such as where the Awards may vest evenly over a period of 12 months); and/or
- (f) awards with a total vesting and holding period of more than 12 months.

Note:

The Directors and the Remuneration Committee are of the view that the Vesting Period (including the circumstances in which a shorter Vesting Period may apply), as detailed above, enables the Company to offer competitive remuneration and reward packages to Employee Participants, on an ad hoc basis, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules and the former practice of the Company and peer companies in the Group's industry. Accordingly, the Vesting Period is considered appropriate and in alignment with the purposes of the 2024 Share Scheme.

Performance Targets

The Board or the Scheme Administrator may, in its absolute discretion, set performance criteria/targets in the Award Letter in respect of Awards granted on a case-by-case basis. The Board or the Scheme Administrator shall not set any performance criteria/targets in the Award Letter in respect of Awards granted to any independent non-executive Director. The performance targets refer to any performance measures, or derivations of such performance measures that may be related to the individual Grantee or the Group as a whole, or to a subsidiary, division, department, region, function or business unit of the Company or the relevant Related Entity Participant or the relevant Service Provider Participant. The following general factors will be taken into account when deciding the performance targets to be attached to an Award, including but not limited to:

- (a) the contribution of the Eligible Participants to the Group's financial or business performance;
- (b) the individual performance appraisal of the Eligible Participants;

- (c) the key operational/financial metrics of the Group or any line of business, such as retention rate of key clients, client satisfaction, revenues, earnings, cash flows or non-IFRS EBITDA;
- (d) the business goals and future development milestones of the Group or any line of business; and
- (e) any other matters deemed relevant by the Board or the Scheme Administrator.

The Board or the Scheme Administrator shall also establish robust mechanisms to ensure impartial evaluation of such indicators. For the avoidance of doubt, an Award shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Award Letter.

Note:

The Directors consider that it is not practicable to expressly set out a generic set of performance targets in the 2024 Share Scheme, since each Grantee has a different position/role with respect to the Group and will contribute differently to the Group in terms of nature, duration and significance. The Board or the Scheme Administrator will have regard to the purposes of the 2024 Share Scheme in making such determinations, with performance targets generally being in line with common key performance indicators in the industry of the Group, such as quantitative performance targets to be achieved, the Grantee's background/experience, qualitative contributions made or potentially to be made to the Group, and broader audit result trends, subject to amendments or adjustments as the Board or the Scheme Administrator deem appropriate.

The Company will establish an appraisal mechanism to assess the fulfilment of performance targets applicable to each grant of Awards on a case-by-case basis. The appraisal will be based on the individual's overall performance, performance of the team or department that the Grantee belongs to and the performance of the Group as a whole during the appraisal period. A matrix of qualitative and quantitative indicators that vary according to the roles and responsibilities of the relevant Grantees will be taken into account in order to provide a fair and objective appraisal. These indicators include, but are not limited to, measures of work quality, efficiency, collaboration, and task completion rate.

The Board or the Remuneration Committee (if authorized by the Board) shall have the sole discretion in determining whether the relevant performance targets for the Grantee, if any, have been met. Any Directors have a material interest in the Awards shall abstain from voting on the Board or the Remuneration Committee resolution.

**Voting and Dividend
Rights**

Awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights. Neither the Grantee nor the Trustee may exercise any of the voting rights in respect of any Awards that have not yet vested or has vested but not yet been exercised and/or satisfied.

No Grantee shall enjoy any of the rights of a Shareholder by virtue of an Award unless and until the Award Shares are issued or transferred to the Grantee pursuant to the vesting and/or exercise of such Awards. The Trustee holding the unvested Class B Shares of the Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

Clawback Mechanism

When certain events specified in the 2024 Share Scheme Rules arise, the Board or the Scheme Administrator may determine that, with respect to a Grantee, Awards granted but not yet vested or exercised shall immediately lapse, and with respect to any Award Shares issued or transferred to the Grantee, the Grantee shall be required to return, at the Board's sole and absolute discretion, either (i) the exact number of the relevant Award Shares, or (ii) the monetary amount equivalent to the value of the Award Shares on any one of the following dates determined by the Board or the Scheme Administrator: (a) the Grant Date, (b) the date of exercise or the Vesting Date of the relevant Awards, or (c) the date of such clawback to the Company (or its nominee). These circumstances are:

- (a) the Grantee ceases to be an Eligible Participant by reason of the termination of his/her employment with the Group or a Related Entity or contractual engagement with the Group as a result of being charged/penalised/convicted of an offence involving the Grantee's integrity or honesty;
- (b) the Grantee engages in serious misconduct or breaches the terms, including with respect to a policy or code of or other agreement with the Group or a Related Entity, which is considered to be material;
- (c) the Grantee has engaged in any act or omission to perform his duties that has had or will have a material adverse effect on the reputation or interests of the Group; or
- (d) the Award to the Grantee will no longer be appropriate and aligned with the purposes of the 2024 Share Scheme.

Note:

The Directors are of the view that the above clawback mechanism enables the Company to clawback Awards (or the Award Shares) received by those Grantees that have, for example, seriously violated the policies of the Group, put the Group into disrepute, adversely harmed the Group, or otherwise exposed the Group to significant risk. In these circumstances, the Company would not consider it in the Company or the Shareholders' best interests to incentivise them with proprietary interests of the Company under the 2024 Share Scheme, nor would the Company consider such Grantees benefiting under the 2024 Share Scheme to be in alignment with the purposes of the 2024 Share Scheme. As such, the Company considers this mechanism appropriate and reasonable.

Lapse of Awards

An Award shall lapse automatically on the earliest of the following events:

- (a) the expiry of any applicable Exercise Period;
- (b) the Grantee no longer qualifies as an Eligible Participant;
- (c) the Grantee has entered into any arrangement or settlement with his/her/its creditors, or has been convicted of any criminal offense involving fraud or dishonesty;
- (d) the Grantee waives his/her/its rights and qualifications to the Awards;
- (e) voluntary liquidation of the Company;
- (f) the clawback mechanism being triggered;
- (g) the expiry of any of the periods for accepting or exercising an Award; and
- (h) the Grantee breaching the rule against the restriction on transfer (more particularly summarized in the section headed "Restrictions on Transfer" in this Appendix) in relation to an Award.

Cancellation of Awards

The Board or the Scheme Administrator may (1) in its sole and absolute discretion cancel any Award that has not been vested or forfeited provided that the cancellation shall not affect the subsisting rights of the Grantee; and (2) cancel any Share Option granted but not exercised at any time with the prior consent of the Grantee.

Where the Company cancels an Award granted to an Eligible Participant and makes a new grant to the same Eligible Participant, such new grant may only be made under the 2024 Share Scheme with available Scheme Mandate Limit.

Term of the 2024 Share Scheme

10 years commencing on the Adoption Date (unless terminated earlier).

Amendment

The Board or the Scheme Administrator may amend the 2024 Share Scheme or the terms of an Award, provided that:

- (a) the amendment must comply with the New Chapter 17; and
- (b) Shareholders' approval at general meeting is required for the following:
 - (i) any amendment or alteration to the terms and conditions of the 2024 Share Scheme that is of a material nature or any amendment or alteration to those provisions that relate to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Eligible Participants;
 - (ii) any change to the authority of the Board or the Scheme Administrator to alter the terms of the 2024 Share Scheme; and
- (c) any amendment or alteration to the terms of an Award the grant of which was subject to the approval of a particular body shall be subject to approval by the same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under the terms of the 2024 Share Scheme.

Termination

The 2024 Share Scheme shall terminate on the earlier of:

- (a) the 10th anniversary of the Adoption Date; and
- (b) such date of early termination as determined by either (i) an ordinary resolution in general meeting passed by the Shareholders or (ii) the Board.

Notwithstanding such termination, the 2024 Share Scheme and the 2024 Share Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting and/or exercise of any Awards granted prior to the termination of the 2024 Share Scheme and such termination shall not affect any subsisting rights already granted to any Grantee thereunder.

**Restrictions on
Transfer**

An Award must be personal to the Grantee, and shall not be transferrable or assignable unless a waiver is granted by the Stock Exchange. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Award, unless a waiver is granted by the Stock Exchange for such transfer. Where the Grantee is a company, any change of its controlling shareholder or any substantial change in its management (which is to be determined by the Board or the Scheme Administrator in its sole and absolute discretion) will be deemed to be a sale or transfer of interest aforesaid.

The Company may apply (but is not bound to make any application) to the Stock Exchange for the aforesaid waiver to allow a transfer of the Award to a vehicle (such as a trust or a private company) for the benefit of the Grantee and any family members of such Grantee (e.g. for estate planning or tax planning purposes) that would continue to meet the purposes of the 2024 Share Scheme and comply with other requirements of the New Chapter 17. In the event that the Stock Exchange so requires, the Company must disclose the beneficiaries of the trust or the ultimate beneficial owners of the vehicle.

Any breach of these provisions against transfer of Awards shall render the applicable Awards to be deemed lapsed.

**Restrictions on
Granting of Awards**

No Award shall be granted to any Eligible Participant:

- (a) in circumstances prohibited by the Listing Rules or at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the Listing Rules (including the Model Code for Securities Transactions by Directors of Listed Issuers, set out in Appendix C3 to the Listing Rules) or by any applicable rules, regulations or law;
- (b) where the Company is in possession of any unpublished inside information in relation to the Company, until (and including) the trading day after such inside information has been announced;
- (c) during the periods commencing 30 days immediately before the earlier of the date of the board meeting for approving the Company's results for any year, half-year, quarterly or any other interim period and the deadline for the Company to announce such results, and ending on (and including) the date of publication of the results announcement, provided that such period will also cover any period of delay in the publication of any results announcement;
- (d) if any member of the Group is required under applicable laws, rules or regulations to issue a prospectus or other offer documents in respect of such grant or the 2024 Share Scheme;
- (e) where such grant or dealing in the Shares in respect of such grant would result in a breach by any member of the Group or any of its directors of any applicable laws, rules, regulations or codes in any jurisdiction from time to time;
- (f) in circumstances where the requisite approval from any applicable governmental or regulatory authority has not been obtained, provided that to the extent permissible in accordance with applicable laws, rules and regulations an Award may be made conditional upon such approval being obtained;

- (g) in circumstances which would result in a breach of the Scheme Mandate Limit or the Service Provider Sublimit (as the case may be), provided that to the extent permissible in accordance with applicable laws, rules and regulations an Award may be made conditional upon the Scheme Mandate Limit or the Service Provider Sublimit (as the case may be) being refreshed or approval of the Shareholders being otherwise obtained; or
- (h) where such Award is to a connected person and under the Listing Rules requires the specific approval of Shareholders, until such approval of Shareholders is obtained, provided that to the extent permissible in accordance with applicable laws, rules and regulations an Award may be made conditional upon such specific Shareholders' approval being obtained,

and any such grant so made (or made without being subject to the necessary conditions contemplated above) shall be null and void to the extent (and only to the extent) that it falls within the circumstances described above.

**Alternations in Share
Capital or
Corporate
Transactions**

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

- (a) the number of Class B Shares comprising the Scheme Mandate Limit and the Service Provider Sublimit, provided that in the event of any Share sub-division or consolidation the Scheme Mandate Limit and Service Provider Sublimit as a percentage of the total issued Shares at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision;
- (b) the number of Class B Shares comprised in each Award to the extent any Award has not been vested or exercised; and
- (c) the Exercise Price of any Share Option or the Issue Price of any Share Award,

or any combination thereof, as the auditors or a financial adviser engaged by the Company for such purpose have certified to the Directors in writing that the adjustments satisfy the relevant requirements of the Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular Grantee, provided always that: (i) such adjustment should give each Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Grantee was previously entitled prior to such adjustments; and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The capacity of the auditors or financial adviser (as the case may be) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees.

If there is an event of change in control of the Company as a result of a merger, scheme of arrangement or general offer, the Board or the Scheme Administrator shall at its sole discretion determine whether the Vesting Dates of any Awards will be accelerated and/or the vesting conditions or criteria of any Awards will be amended or waived, and notify the Grantees accordingly.

NOTICE OF ANNUAL GENERAL MEETING



Bairong Inc.

百融雲創

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)

(Stock Code: 6608)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Bairong Inc. (the “**Company**”) will be held at Room 1819, 18th Floor, China Building, 29 Queen’s Road Central, Central, Hong Kong on Friday, June 21, 2024 at 2:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and independent auditor of the Company (the “**Auditor**”) for the year ended December 31, 2023.
2. To re-elect Mr. Zheng Wei as an executive Director.
3. To re-elect Professor Liao Jianwen as a non-executive Director.
4. To re-elect Professor Chen Zhiwu as an independent non-executive Director.
5. To re-elect Mr. Zhou Hao as an independent non-executive Director.
6. To re-elect Dr. Li Yao as an independent non-executive Director.
7. To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors.
8. To re-appoint KPMG as Auditor and authorise the Board to fix their remuneration for the year ending December 31, 2024.

NOTICE OF ANNUAL GENERAL MEETING

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase class B ordinary shares in the share capital of the Company (“**Class B Shares**”) on The Stock Exchange of Hong Kong Limited or on another stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of Class B Shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company (excluding any Class B Shares that are held as treasury shares) as at the date of passing this resolution (subject to adjustment in the case of any consolidation or subdivision of the shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws of the Cayman Islands or the memorandum and articles of association of the Company; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in a general meeting revoking or varying the authority.”

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued Class B Shares or securities convertible into Class B Shares, or options, warrants or similar rights to subscribe for Class B Shares or such convertible securities of the Company (other than issuance of options, warrants or similar rights to subscribe for additional Class B Shares or securities convertible into Class B Shares for cash consideration) (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) (which shall have the meaning ascribed to it

NOTICE OF ANNUAL GENERAL MEETING

under the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited coming into effect on June 11, 2024) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Class B Shares allotted or agreed conditionally or unconditionally to be allotted by the Directors (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of any subscription rights attaching to any warrants which may be allotted and issued by the Company from time to time;
 - (iii) the exercise of any options that have been granted under the 2021 ESOP (as defined below); and
 - (iv) any adjustment of rights to subscribe for Class B Shares under options, warrants or a special authority granted by other Shareholders,

shall not exceed 20% of the total number of issued shares of the Company (excluding any Class B Shares that are held as treasury Shares) as at the date of passing this resolution (subject to adjustment in the case of any consolidation or subdivision of the shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly;

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws of the Cayman Islands or the memorandum and articles of association of the Company; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in a general meeting revoking or varying the authority.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means the allotment or issue of shares or other securities in the Company which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders (excluding for such purpose any shareholder who is resident in a place where such offer would or might be unlawful or impracticable to offer shares in such places without registration of the offering documents or compliance with any legal or regulatory requirements or special formalities in such place under the laws of that place) and, where appropriate, to the holders of other equity securities of the Company entitled to such offer by reference to a fixed record date and pro rata to their then holdings of shares or such other equity securities of the Company (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient (but in compliance with the relevant provisions of the Listing Rules) in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company); and

“2021 ESOP” means the post-IPO share option scheme conditionally approved and adopted by the Company on March 16, 2021.”

11. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 9 and 10 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 10 of the Notice be and is hereby extended by the addition to the total number of Class B Shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued (including any sale or transfer of Class B Shares out of treasury that are held as treasury Shares) by the Directors pursuant to such general mandate of an amount representing the total number of Class B Shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 9 of the Notice, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company (excluding any Class B Shares that are held as treasury Shares) as at the date of passing this resolution (subject to adjustment in the case of any consolidation or subdivision of the shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly.”

12. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** the grant of 19,202,400 share options (the “**Options**”) to Mr. Zhang Shaofeng, an executive Director, the chairman of the Board, and the chief executive officer and a substantial shareholder of the Company, at an exercise price of HK\$13.8 per Class B Share under the 2021 ESOP be and is hereby approved, and

NOTICE OF ANNUAL GENERAL MEETING

any one of the Directors be and is hereby authorised to do all such further acts or things, to sign and execute all such documents and to take all such steps which in his/her opinion may be necessary, appropriate, desirable or expedient for the purposes of, or in connection with, implementing and/or giving full effect to such grant and the issuance of the shares upon exercise of the Options.”

13. To consider and, if thought fit, pass the following resolution as ordinary resolution:

“THAT

- (i) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (**“Stock Exchange”**) granting the approval for the listing of, and permission to deal in, the Class B Shares which may fall to be issued and allotted (including any transfer of Class B Shares out of treasury that are held as treasury Shares) pursuant to the vesting and/or exercise of any share option(s) and/or share award(s) (the **“Award(s)”**) that may be granted under the 2024 share scheme of the Company (the **“2024 Share Scheme”**, a copy of which has been produced to the meeting marked “A” and initialed by the chairman of the meeting for the purpose of identification), the 2024 Share Scheme be and is hereby approved and adopted and that the Board or its delegate(s) be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2024 Share Scheme including without limitation:
- (a) to administer the 2024 Share Scheme under which Awards will be granted to eligible participants (the **“Eligible Participants”**) of the 2024 Share Scheme in accordance with the provisions of the 2024 Share Scheme;
- (b) to modify and/or amend the 2024 Share Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2024 Share Scheme relating to modification and/or amendment and subject to Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**);
- (c) to issue and allot from time to time such number of Class B Shares (including any transfer of Class B Shares out of treasury that are held as treasury Shares) as may be required to be issued or transferred pursuant to the vesting and/or exercise of Awards and subject to the Listing Rules;
- (d) to make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any new Class B Shares or any part thereof that may thereafter from time to time be issued and allotted pursuant to the vesting and/or exercise of the Awards; and

NOTICE OF ANNUAL GENERAL MEETING

- (e) to consent, if they deem fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2024 Share Scheme.
 - (ii) the Scheme Mandate Limit as defined in the 2024 Share Scheme being 10% of the total number of shares (the “**Shares**”) of the Company (including class A ordinary shares of the Company (the “**Class A Shares**”) and Class B Shares but excluding any treasury Shares) in issue as at the date of passing this resolution) be and is hereby approved and adopted and that the Board be and is hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the Board may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit.”
14. To consider and, if thought fit, pass the following resolution as ordinary resolution:

“**THAT** conditional upon the passing of ordinary resolution numbered 13 above, the Service Provider Sublimit (as defined in the 2024 Share Scheme) on the total number of Class B Shares that may be issued (including any transfer of Class B Shares out of treasury that are held as treasury Shares) in respect of all Awards to be granted to Service Provider Participants (as defined in the 2024 Share Scheme) under the 2024 Share Scheme or all other share schemes of the Company (i.e. 1% of the total number of Shares in issue (excluding any treasury Shares) as at the date of passing this resolution) be and is hereby approved and adopted and the Board be and is hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the Board may consider necessary, desirable or expedient to effect and implement the Service Provider Sublimit.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

15. To consider and, if thought fit, the following resolution as a special resolution:

“**THAT** the fifth amended and restated memorandum and articles of association of the Company (the “**New Memorandum and Articles of Association**”) (a copy of which has been produced to this meeting and marked “B” and initialed by the chairman of the meeting for the purpose of identification) be and is hereby approved and adopted as the new memorandum and articles of association of the Company in substitution for and to the exclusion of the existing fourth amended and restated memorandum and articles of association of the Company with immediate effect after the closing of the meeting, and that any one of the Directors be and is hereby authorised to do all things necessary or expedient to implement the adoption of the New Memorandum and Articles of Association.”

By order of the Board
Bairong Inc.
Zhang Shaofeng
Chairman

Hong Kong, May 17, 2024

Registered office:
PO Box 309, Ugland House
Grand Cayman KY1-1104, Cayman Islands

Headquarters:
1-3/F, Tower A, No. 10 Furong Street
Chaoyang District, Beijing, China

Principal place of business in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Any member of the Company entitled to attend and vote at this meeting is entitled to appoint another person as proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint any number of proxies to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (ii) In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority, must be deposited at the Hong Kong share registrar of the Company (i.e. Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) as soon as possible but in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
- (iii) To ascertain shareholders' eligibility to attend and vote at this meeting, the register of members of the Company will be closed from Tuesday, June 18, 2024 to Friday, June 21, 2024 (both days inclusive) during which period no share transfer will be effected. In order to qualify for attending and voting at the annual general meeting, unregistered holders of shares of the Company should ensure that all completed transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company (i.e. 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. on Monday, June 17, 2024.