
CORNERSTONE INVESTORS

THE CORNERSTONE PLACING

We have entered into cornerstone investment agreements (each a “**Cornerstone Investment Agreement**”, and together the “**Cornerstone Investment Agreements**”) with the cornerstone investors set out below (each a “**Cornerstone Investor**”, and together the “**Cornerstone Investors**”), pursuant to which the Cornerstone Investors have agreed to, subject to certain conditions, subscribe at the Offer Price for a certain number of Offer Shares that may be purchased for an aggregate amount of approximately US\$219.8 million (approximately HK\$1,707.1 million) (the “**Cornerstone Placing**”). The calculations in this section, which are based on the exchange rate as disclosed in the section headed “Information about this Prospectus and the Global Offering”, are for illustration purpose.

Assuming an Offer Price of HK\$3.73, being the low-end of the Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 457,660,800 Offer Shares, representing approximately (i) 33.8% of the Class B Ordinary Shares offered pursuant to the Global offering (assuming that the Over-allotment Option is not exercised), (ii) 3.5% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) 3.5% of our total issued share capital immediately upon completion of the Global Offering and the full exercise of the Over-allotment Option.

Assuming an Offer Price of HK\$3.86, being the mid-point of the Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 442,247,400 Offer Shares, representing approximately (i) 32.6% of the Class B Ordinary Shares offered pursuant to the Global offering (assuming that the Over-allotment Option is not exercised), (ii) 3.4% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) 3.3% of our total issued share capital immediately upon completion of the Global Offering and the full exercise of the Over-allotment Option.

Assuming an Offer Price of HK\$3.99, being the high-end of the Offer Price range set out in this Prospectus, the total number of Offer Shares to be subscribed by the Cornerstone Investors would be 427,838,400 Offer Shares, representing approximately (i) 31.6% of the Class B Ordinary Shares offered pursuant to the Global offering (assuming that the Over-allotment Option is not exercised), (ii) 3.3% of our total issued share capital immediately upon completion of the Global Offering (assuming the Over-allotment Option is not exercised); and (iii) 3.2% of our total issued share capital immediately upon completion of the Global Offering and the full exercise of the Over-allotment Option.

Our Company is of the view that the Cornerstone Placing will help to raise the profile of our Company and to signify that such investors have confidence in our business and prospect. Our Company became acquainted with each of the Cornerstone Investors in its ordinary course of business or previous financing.

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To the best knowledge of our Company, each of the Cornerstone Investors (i) is an Independent Third Party; (ii) none of the Cornerstone Investors is accustomed to taking instructions from our Company, the Directors, chief executive, our Controlling Shareholders, substantial shareholders, existing Shareholders (save for Ning Bo Yong Ning Gao Xin SP as defined below) or any of their respective subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares; (iii) none of the subscription of the relevant Offer Shares by any of the Cornerstone Investors is financed by our Company, the Directors, chief executive, our Controlling Shareholders, substantial shareholders, existing Shareholders (save for Ning Bo Yong Ning Gao Xin SP as defined below) or any of their respective subsidiaries or their respective close associates; (iv) each Cornerstone Investor will be utilizing their internal resources as their source of funding for the subscription of the Offer Shares; and (v) no approval from other stock exchange is required for each Cornerstone Investor's investment in our Company as described in this section.

The Cornerstone Placing will form part of the International Offering and the Cornerstone Investors will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreements). The Offer Shares to be subscribed by the Cornerstone Investors will rank *pari passu* in all respect with the fully paid Shares in issue and will be counted towards the public float of our Company under Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, none of the Cornerstone Investors will become a substantial shareholder of the Company, and the Cornerstone Investors will not have any Board representation in our Company. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investors do not have any preferential rights in the Cornerstone Investment Agreements compared with other public Shareholders. There are no side arrangements between our Company and the Cornerstone Investors or any benefit, direct or indirect, conferred on the Cornerstone Investors by virtue of or in relation to the Cornerstone Placing.

The total number of Offer Shares to be subscribed by the Cornerstone Investors may be affected by reallocation of the Offer Shares between the International Offering and the Hong Kong Public Offering in the event of over-subscription under the Hong Kong Public Offering as described in the paragraph headed "Structure of the Global Offering — The Hong Kong Public Offering — Reallocation" in this Prospectus. The number of Offer Shares to be acquired by each Cornerstone Investor may be reduced on a pro rata basis in accordance with the terms of the Cornerstone Investment Agreement to satisfy the short fall, after taking into account the requirements under Appendix F1 to the Listing Rules as well as the discretion of the Joint Global Coordinators and the Overall Coordinators (for themselves and on behalf of the International Underwriters) to exercise the Over-allotment Option.

There will be no delayed delivery or deferred settlement of Offer Shares to be subscribed by the Cornerstone Investors and the consideration will be settled by the Cornerstone Investors before the Listing Date. The Offer Shares to be subscribed by the Cornerstone Investors may be affected by reallocation in the event of over-subscription under the Hong Kong Public Offering, as described in "Structure of the Global Offering — The Hong Kong Public Offering

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— Reallocation”. Details of the actual number of Offer Shares to be allocated to the Cornerstone Investors will be disclosed in the allotment results announcement to be issued by us on or around October 23, 2024.

Ning Bo Yong Ning Gao Xin SP, an existing Shareholder of our Company and a close associate of JSC International Investment Fund SPC acting for and on behalf of Shan Xin SP, which is an existing Shareholder of our Company, has been granted a waiver from strict compliance with the requirements under Rules 9.09(b) and 10.04 of, and a consent under paragraph 5(2) of Appendix F1 to, the Listing Rules (as applicable) by the Stock Exchange and Paragraph 12 in Chapter 4.15 of the Guide for New Listing Applicants published by the Stock Exchange. For further details, please see the section headed “Waivers and Exemption”.

OUR CORNERSTONE INVESTORS

Set out below in the aggregate number of Offer Shares, and the corresponding percentages to the Offer Shares and our Company’s total issued share capital under the Cornerstone Placing:

Based on the Offer Price of HK\$3.73 (being the low-end of the Offer Price range)

| Name | Investment Amount | Number of Offer Shares (rounded down to nearest whole board lot of 600 Class B Ordinary Shares) | Approximately % of Total Number of Offer Shares | | Approximately % of Class B Ordinary Shares in issue immediately following the Completion of the Global Offering | | Approximately % of total Shares in issue immediately following the Completion of Global Offering | |
|--|-------------------|---|---|---|---|---|--|---|
| | | | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised |
| <i>USD in millions</i> | | | | | | | | |
| Alisoft China Holding Limited | 50.0 | 104,110,200 | 7.7% | 6.7% | 1.0% | 0.9% | 0.80% | 0.8% |
| Baidu (Hong Kong) Limited | 50.0 | 104,110,200 | 7.7% | 6.7% | 1.0% | 0.9% | 0.8% | 0.8% |
| PARTICIPATIONS 1 | 9.9 | 20,609,400 | 1.5% | 1.3% | 0.2% | 0.2% | 0.2% | 0.2% |
| JSC International Investment Fund SPC (acting for and on behalf of Ning Bo Yong Ning Gao Xin SP) | 109.9 | 228,830,400 | 16.9% | 14.7% | 2.1% | 2.1% | 1.8% | 1.7% |
| Total | 219.8 | 457,660,800 | 33.8% | 29.4% | 4.2% | 4.1% | 3.5% | 3.5% |

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Based on the Offer Price of HK\$3.86 (being the mid-point of the Offer Price range)

| Name | Investment Amount | Number of Offer Shares (rounded down to nearest whole board lot of 600 Class B Ordinary Shares) | Approximately % of Total Number of Offer Shares | | Approximately % of Class B Ordinary Shares in issue immediately following the Completion of the Global Offering | | Approximately % of total Shares in issue immediately following the Completion of Global Offering | |
|--|------------------------|---|---|---|---|---|--|---|
| | | | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised |
| | <i>USD in millions</i> | | | | | | | |
| Alisoft China Holding Limited | 50.0 | 100,603,800 | 7.4% | 6.5% | 0.9% | 0.9% | 0.8% | 0.8% |
| Baidu (Hong Kong) Limited | 50.0 | 100,603,800 | 7.4% | 6.5% | 0.9% | 0.9% | 0.8% | 0.8% |
| PARTICIPATIONS 1 | 9.9 | 19,915,200 | 1.5% | 1.3% | 0.2% | 0.2% | 0.2% | 0.2% |
| JSC International Investment Fund SPC (acting for and on behalf of Ning Bo Yong Ning Gao Xin SP) | 109.9 | 221,123,400 | 16.3% | 14.2% | 2.0% | 2.0% | 1.7% | 1.7% |
| Total | <u>219.8</u> | <u>442,247,400</u> | <u>32.6%</u> | <u>28.4%</u> | <u>4.1%</u> | <u>4.0%</u> | <u>3.4%</u> | <u>3.3%</u> |

Based on the Offer Price of HK\$3.99 (being the high-end of the Offer Price range)

| Name | Investment Amount | Number of Offer Shares (rounded down to nearest whole board lot of 600 Class B Ordinary Shares) | Approximately % of Total Number of Offer Shares | | Approximately % of Class B Ordinary Shares in issue immediately following the Completion of the Global Offering | | Approximately % of total Shares in issue immediately following the Completion of Global Offering | |
|--|------------------------|---|---|---|---|---|--|---|
| | | | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised | Assuming the Over-allotment Option is not Exercised | Assuming the Over-allotment Option is fully Exercised |
| | <i>USD in millions</i> | | | | | | | |
| Alisoft China Holding Limited | 50.0 | 97,326,000 | 7.2% | 6.2% | 0.9% | 0.9% | 0.7% | 0.7% |
| Baidu (Hong Kong) Limited | 50.0 | 97,326,000 | 7.2% | 6.2% | 0.9% | 0.9% | 0.7% | 0.7% |
| PARTICIPATIONS 1 | 9.9 | 19,266,600 | 1.4% | 1.2% | 0.2% | 0.2% | 0.1% | 0.1% |
| JSC International Investment Fund SPC (acting for and on behalf of Ning Bo Yong Ning Gao Xin SP) | 109.9 | 213,919,200 | 15.8% | 13.7% | 2.0% | 1.9% | 1.6% | 1.6% |
| Total | <u>219.8</u> | <u>427,838,400</u> | <u>31.6%</u> | <u>27.5%</u> | <u>3.9%</u> | <u>3.9%</u> | <u>3.3%</u> | <u>3.2%</u> |

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The following information about the Cornerstone Investors was provided to our Company by the Cornerstone Investors in relation to the Cornerstone Placing.

Alisoft China

Alisoft China Holding Limited (“**Alisoft China**”) is a limited liability company incorporated in Hong Kong and an indirect wholly-owned subsidiary of Alibaba Group Holding Limited (“**Alibaba Group**”). Alisoft China is the holding company of certain PRC subsidiaries of Alibaba Group primarily involved in the operation of cloud computing business. Alibaba Group is a company incorporated in the Cayman Islands, with its American depositary shares, each representing eight ordinary shares, listed on the New York Stock Exchange (Stock Symbol: BABA), and its ordinary shares listed on the Main Board of the Stock Exchange (Stock Code: 9988). Alibaba Group’s mission is to make it easy to do business anywhere. Alibaba Group aims to build the future infrastructure of commerce and envisions that its customers will meet, work and live at Alibaba, and that it aspires to be a good company that will last for 102 years. Alibaba Group’s core businesses are comprised of e-commerce and cloud computing.

Baidu (Hong Kong) Limited

Baidu (Hong Kong) Limited is a limited liability company incorporated in Hong Kong. Baidu (Hong Kong) Limited is indirectly wholly-owned by Baidu, Inc., a company listed on Nasdaq (symbol: BIDU) and the Stock Exchange (stock code: 09888). Baidu, Inc. is a leading AI company with a strong Internet foundation.

PARTICIPATIONS 1

PARTICIPATIONS 1 is a simplified limited company established in December 2022 in France which is primarily engaged in investment activities. PARTICIPATIONS 1 is ultimately controlled by Merit France SAS, an investment holding company ultimately controlled by a family office from France with various assets in logistics and real estate across Europe and other regions.

Ning Bo Yong Ning Gao Xin SP

JSC International Investment Fund SPC (acting for and on behalf of Ning Bo Yong Ning Gao Xin SP) is indirectly held by JSC Gaoxin (Beijing) International Venture Capital Fund (環泉甬寧高芯(北京)國際股權投資基金合夥企業(有限合夥)), of which (i) Ningbo Yongning Gaoxin Private Equity Investment Partnership (Limited Partnership) (寧波甬寧高芯股權投資合夥企業(有限合夥)) is the limited partner, which is mainly beneficially owned by Ningbo Gaoxin Technology Industry Development District Management Committee (寧波高新技術產業開發區管理委員會) and the State-Owned Assets Supervision & Administration Commission of Ningbo Municipal Government (寧波市人民政府國有資產監督管理委員會), and (ii) Jade Spring Shancheng Management Consulting (Beijing) Co., Ltd. (環泉善誠管理諮詢(北京)有限公司) is the general partner, which is ultimately controlled by Beijing Financial Holdings Group Limited (北京金融控股集團有限公司).

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CLOSING CONDITIONS

The obligation of each Cornerstone Investor to subscribe for the Offer Shares under the respective Cornerstone Investment Agreement is subject to, among other things, the following closing conditions:

- (i) the Underwriting Agreements being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in the Underwriting Agreements, and neither of the Underwriting Agreements having been terminated;
- (ii) the Offer Price having been agreed according to the Underwriting Agreements and price determination agreement to be signed among the parties thereto in connection with the Global Offering;
- (iii) the Listing Committee having granted the listing of, and permission to deal in, the Class B Ordinary Shares (including the investors' Shares as well as other applicable waivers and approvals) and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the Class B Ordinary Shares on the Stock Exchange;
- (iv) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Global Offering or the Cornerstone Investment Agreements and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and
- (v) the respective representations, warranties, undertakings and confirmations of the relevant Cornerstone Investor under the relevant Cornerstone Investment Agreement are and will be accurate and true in all respects and not misleading and that there is no material breach of the Cornerstone Investment Agreement on the part of the relevant Cornerstone Investor.

RESTRICTIONS ON THE CORNERSTONE INVESTORS

Each of the Cornerstone Investors has agreed that it will not, whether directly or indirectly, at any time during the period of six months from and including the Listing Date (the "**Lock-up Period**"), dispose of any of the Offer Shares they have purchased pursuant to the relevant Cornerstone Investment Agreements, save for certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.