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UBTECH ROBOTICS CORP LTD
深圳市優必選科技股份有限公司

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

(Stock Code: 9880)

**(1) PROPOSED ADOPTION OF THE H SHARE INCENTIVE SCHEME;
AND
(2) PROPOSED AUTHORISATION TO THE BOARD AND/OR
THE DELEGATEE(S) TO HANDLE MATTERS PERTAINING TO
THE H SHARE INCENTIVE SCHEME**

THE H SHARE INCENTIVE SCHEME

The Board has resolved at a meeting of the Board held on July 31, 2024 to propose the adoption of the H Share Incentive Scheme. The H Share Incentive Scheme shall become effective upon the consideration and approval of the Shareholders which will be sought at the EGM.

IMPLICATIONS UNDER THE LISTING RULES

As the H Share Incentive Scheme is analogous to a share scheme that is funded by existing Shares, it shall be subject to the applicable disclosure requirements as regulated under Chapter 17 of the Listing Rules. Moreover, according to the articles of association of the Company, the adoption of the H Share Incentive Scheme shall be subject to Shareholders' approval.

EGM

The EGM will be convened to consider and, if thought fit, approve, among other things, (i) the proposed adoption of the H Share Incentive Scheme and (ii) the proposed authorisation to the Board and/or the Delegatee(s) to handle matters pertaining to the H Share Incentive Scheme. A circular of the Company containing, among other things, (i) further details of the H Share Incentive Scheme; (ii) the proposed authorization to the Board and/or the Delegatee(s) to handle matters pertaining to the H Share Incentive Scheme; and (iii) a notice convening the EGM, is expected to be despatched to the Shareholders in due course.

PROPOSED ADOPTION OF THE H SHARE INCENTIVE SCHEME

The Board has resolved at a meeting of the Board held on July 31, 2024 to propose the adoption of the H Share Incentive Scheme. The H Share Incentive Scheme shall become effective upon the consideration and approval of the Shareholders which will be sought at the EGM.

The key terms of the H Share Incentive Scheme are summarised below.

1. Purposes of the H Share Incentive Scheme

The purposes of the H Share Incentive Scheme are: (i) promoting the achievement of long-term sustainable development and performance goals of the Company; (ii) closely aligning the interests of the Grantees with those of the Shareholders, investors and the Company to enhance the cohesion of the Company and to facilitate the maximisation of the value of the Company; and (iii) improving the Company's incentive mechanism to attract, motivate and retain Directors, supervisors, senior management and employees who have made outstanding contributions to the sustainable operation, development and long-term growth of the Company.

2. Duration

Subject to any early termination as may be determined by the Board according to the Scheme Rules, the H Share Incentive Scheme shall be valid and effective for a term of ten years commencing on the Adoption Date (the "**Scheme Period**"), after which no additional Awards shall be granted, provided that the H Share Incentive Scheme will remain in full force in all other respects.

3. Sources of Funds

The sources of funds for funding the H Share Incentive Scheme are (i) internal funds of the Company; and/or (ii) amounts payable by the Grantees to the Company (or such other persons as the Board and/or the Delegatee(s) may instruct) in accordance with the terms of the respective Award Letter and/or the Scheme Rules in order to receive the Awarded Shares (the "**Scheme Funds**").

4. Source of Target Shares

The source of the Target Shares under the H Share Incentive Scheme shall be H Shares to be acquired by the Trustee through on-market and/or off-market transactions at the prevailing market price by utilising the Scheme Funds in accordance with the instructions of the Company and the relevant provisions of the Scheme Rules.

5. **Scheme Limit**

In any event, the maximum number of Awarded Shares which may be granted under the H Share Incentive Scheme shall not exceed 10% of the Company's total Shares in issue as at the Adoption Date (the "**Scheme Limit**"), which is expected to be 41,814,282 H Shares (assuming no new Shares will be issued from the date of this announcement up to the Adoption Date). The Board and/or the Delegatee(s) shall not make any further grant of Awarded Shares which will result in the Scheme Limit being exceeded without Shareholders' approval.

6. **Eligible Participants and Grantees**

Persons who are eligible to participate in the H Share Incentive Scheme include any director (excluding the independent non-executive Directors), supervisor, senior management or employee of the Group (including any person to whom Award Shares are granted under the H Share Incentive Scheme as an inducement to enter into a contract of employment) (the "**Eligible Participants**").

A person shall not be considered as an Eligible Participant if, as at the Grant Date:

- (i) he/she has been publicly censured or declared as an ineligible candidate by securities regulatory institutions in the last 12 months;
- (ii) he/she has been imposed with administrative penalties by securities regulatory institutions in the last 12 months due to material non-compliance of laws or regulations;
- (iii) he/she is prohibited from participating in the H Share Incentive Scheme as required by laws and regulations;
- (iv) he/she has committed other material violation of relevant requirements of the Group or caused material damage to the interest of the Group as determined by the Board; or
- (v) there exists any other circumstances prescribed by the Board for the purpose of safeguarding the Group's interests and ensuring the Group's compliance with applicable laws and regulations relating to the operation of the Scheme.

The Board and/or the Delegatee(s) may select any Eligible Participant to be a Grantee of the H Share Incentive Scheme in accordance with the Scheme Rules.

7. Administration of the H Share Incentive Scheme

The H Share Incentive Scheme shall be subject to the administration of the following administrative bodies:

- (i) the general meeting of the Company is the highest authority of the Company and is responsible for considering and approving the adoption of the H Share Incentive Scheme, and the Board of the Company is the executive management body of the H Share Incentive Scheme. Upon the consideration and approval of the H Share Incentive Scheme by the Board, the H Share Incentive Scheme will be implemented after being approved at the general meeting. The Board and/or the Delegatee(s) may handle and implement all relevant matters of the H Share Incentive Scheme within the authorisation of the general meeting;
- (ii) the independent non-executive Directors are the supervisory body of the H Share Incentive Scheme and are responsible for supervising whether the implementation of the H Share Incentive Scheme is in compliance with the relevant laws, regulations, regulatory documents and the relevant regulatory rules of the places where the Company is established and listed;
- (iii) any grant of Awards to the directors, supervisors or senior management of the Group must first be approved by the Remuneration and Appraisal Committee and any grant of Awards to the Directors, supervisors and any other connected persons of the Company must comply with all applicable laws, rules and regulations, including the Listing Rules and any corresponding codes or securities dealing restrictions adopted by the Company; and
- (iv) without prejudice to the general management power of the Board, the Board may delegate the authority to administer the H Share Incentive Scheme (including the power to grant Awards under the H Share Incentive Scheme) to its designated Delegatee(s). The term of office, terms of reference and remuneration (if any) of the Delegatee(s) shall be determined by the Board from time to time in its absolute discretion.

The Company will appoint the Trustee and establish the Trust to facilitate the administration of the H Share Incentive Scheme.

8. Grant of Awarded Shares

Subject to the terms and conditions of the H Share Incentive Scheme, the Board and/or the Delegatee(s) may at their absolute discretion and on such terms and conditions as the Board and/or the Delegatee(s) thinks fit, grant the Awarded Shares to any Eligible Participant at the Grant Price, which shall be determined by the Board and/or the Delegatee(s). The consideration shall be paid by the relevant Grantee when the Awarded Shares are vested.

After the Board and/or the Delegatee(s) has decided to make a grant of Awarded Shares to any Grantee, the Company shall issue an Award Letter to such Grantee, which shall set out details of the grant, including but not limited to the name of the Grantee, the number of Awarded Shares granted, the vesting criteria and conditions, the vesting date, Grant Price and other terms and conditions to be determined by the Board and/or the Delegatee(s) that are not inconsistent with the H Share Incentive Scheme. The Grantee shall confirm in writing his acceptance of such grant.

None of the Grantees shall be granted with an aggregate of more than 1% of the Company's total Shares in issue as at the Grant Date in any 12-month period up to and including the Grant Date.

9. Vesting of Awarded Shares

Subject to all applicable laws, rules or regulations, the Board and/or the Delegatee(s) may determine the vesting criteria and conditions and the vesting periods for the Awarded Shares to be granted to each Grantee pursuant to the H Share Incentive Scheme. Save for the circumstances described below, the vesting period in respect of any Awarded Shares granted shall be no less than 12 months from (and including) the Grant Date.

Awarded Shares granted may be subject to a shorter vesting period in the following circumstances at the sole discretion of the Remuneration Committee:

- (i) grants of "make-whole" Awards to new joiners to replace the share awards or options forfeited when leaving their previous employers;
- (ii) grants that are made in batches during a year for administrative or compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but ended up having to wait for a subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Award would have been granted;

- (iii) grants with a mixed or accelerated vesting schedule such as where the Awarded Shares may vest evenly over a period of 12 months, or where the Awarded Shares may vest by several batches with the first batch vesting within 12 months of the Grant Date and the last batch vesting 12 months after the Grant Date;
- (iv) grants with performance-based vesting conditions provided in the Scheme or as specified in the Award Letter in lieu of time-based vesting criteria; and
- (v) grants with a total vesting and holding period of more than 12 months.

The Board considers that such discretion gives the Company more flexibility to attract talents or reward Eligible Participants with exceptional performance or contribution to the Group with accelerated vesting. Hence, the Board (and the Remuneration Committee in respect of grants of Share Awards to the Directors and/or senior management) is of the view that the shorter vesting period is in line with market practice, appropriate and consistent with the purpose of the H Share Incentive Scheme.

Vesting of the Awarded Shares are subject to, among other things, the performance targets (if any) and clawback mechanism as described in “10. Performance targets and clawback mechanism” below and any other conditions as may be specified in the Award Letter. If a Grantee fails to meet the vesting conditions applicable to the grant of any Awarded Shares, unless waived by the Board and/or Delegatee(s), all or any of the Awarded Shares which shall otherwise be vested during such vesting period shall not be vested and shall lapse immediately in respect of such Grantee and be returned to the Trustee to satisfy other awards under the H Share Incentive Scheme.

Within a reasonable time after the vesting conditions and schedule have been reached, fulfilled, satisfied or waived and before the date of vesting, the Board or its Delegatee(s) shall send the vesting notice to each of the relevant Grantees. The vesting notice will confirm, among others, the extent to which the vesting conditions and schedule have been reached, fulfilled, satisfied or waived, and the number of Awarded Shares to be vested for that relevant vesting period.

If a Grantee satisfies the vesting conditions applicable to the grant of such Award and accepts the vesting of relevant Awarded Shares, such Grantee shall confirm in writing his acceptance and fully pay the relevant Grant Price in cash to vest the relevant Awarded Shares.

After the relevant Awarded Shares are duly vested in accordance with the aforementioned procedures, subject to compliance with the relevant laws, regulations, rules and regulatory documents of the places where the Company is established and listed, as well as the articles of association of the Company, the Trustee shall transfer and/or dispose the Awarded Shares vested in the Grantees in accordance with the instruction of the Grantees pursuant to the H Share Incentive Scheme.

10. Performance targets and clawback mechanism

Vesting of the Awarded Shares shall be subject to the performance targets, if any, to be satisfied by the Grantees as determined by the Remuneration Committee from time to time. The Remuneration Committee shall have the authority, after the grant of any Award which is performance-linked, to make fair and reasonable adjustments to the prescribed performance targets during the vesting period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the prescribed performance targets and are considered fair and reasonable by the Remuneration Committee. The performance targets may include the attainment of business plan milestones and market capitalisation milestones by the Group, which may vary among the Grantees. The Remuneration Committee will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether such targets and the extents to which have been met. If, after the assessment, the Remuneration Committee determines that any prescribed performance targets have not been met, the unvested Awarded Shares shall lapse automatically.

The Board believes that the above will provide the Remuneration Committee with more flexibility in setting the performance targets under particular circumstances of each grant and facilitate the Board to offer suitable incentives to attract and retain quality personnel that are valuable to the development of the Group. Further, the Board is of the view that the setting of performance targets can provide ample motivations and incentives for the Grantees to improve their performance and contribute to the Group's overall development and business success. Considering the aforesaid, the Board considers that the performance targets are in line with the purpose of the H Share Incentive Scheme and in the interests of the Company and the Shareholders as a whole.

The H Share Incentive Scheme will give the Remuneration Committee discretion (but not obligation) to impose that any Awarded Shares shall be subject to a clawback under certain circumstances. Upon occurrence of such circumstances, the Remuneration Committee may (but is not obliged to) claw back such number of Awarded Shares granted (to the extent not already vested) as the Remuneration Committee may consider appropriate. The Awarded Shares that are clawed back shall be regarded as cancelled and the Share Awards so cancelled shall be regarded as utilised for the purpose of calculating the Scheme Limit.

The Board (and the Remuneration Committee in respect of grants of Awarded Shares to the Directors and/or senior management) is of the view that the clawback mechanism in the H Share Incentive Scheme provides a choice for the Board to claw back the equity incentives granted to Eligible Participants culpable of misconduct and provides the Board with more flexibility in setting the terms and conditions of the Awarded Shares under particular circumstances of each grant, which would facilitate the objective to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group, and is in line with the purpose of the H Share Incentive Scheme and in the interests of the Company and the Shareholders as a whole.

11. Interests in the Awarded Shares

During the Scheme Period, unless and until the Awarded Shares are vested and actually transferred to the Grantees in accordance with the Scheme Rules (if applicable), the Grantees shall not deal with the Awarded Shares granted in any way, including but not limited to the sale, transfer, pledge, mortgage, encumber or to create any benefits for others, or to enter into any agreement to do any of the foregoing.

For the avoidance of doubt, prior to the vesting and transferral of the Awarded Shares (if applicable), all Grantees shall not have any interest or rights (such as voting rights, allotment rights or right issues, etc.) attached to any of the Target Shares except for dividend rights.

The Trustee shall not exercise any voting rights attached to any Target Shares held by the Trustee under the H Share Incentive Scheme.

12. Restrictions on Grant and Disposal

No grant or disposal of the Awarded Shares may be made by the Board and/or the Delegatee(s) during the following periods:

- (i) at any time when inside information of the Company arises and up to the date of the announcement of such inside information;
- (ii) 60 days immediately preceding the publication date of the annual results and ending on the date of publication (both days inclusive);
- (iii) during the period commencing 30 days immediately preceding the publication date of the interim results and quarterly results (if applicable) and ending on the date of publication (both days inclusive); or
- (iv) other restrictions stipulated by the applicable laws and regulations.

13. Alteration or Termination of the H Share Incentive Scheme

Subject to the Scheme Limit, the H Share Incentive Scheme may be altered or supplemented in any respect by resolution of the Board. The Trustee and all Grantees shall be informed in writing of any alteration or supplementation to the H Share Incentive Scheme.

The H Share Incentive Scheme shall terminate on the earlier of: (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by way of Board resolution.

Reasons for and Benefits of the Adoption of the H Share Incentive Scheme

Please refer to “Proposed Adoption of the H Share Incentive Scheme – 1. Purposes of the H Share Incentive Scheme” above. The Directors (including the independent non-executive Directors) are of the view that the adoption of the H Share Incentive Scheme will realise the aforesaid goals, and that the terms and conditions of the H Share Incentive Scheme are on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Implications Under the Listing Rules

As the H Share Incentive Scheme is analogous to a share scheme that is funded by existing Shares, it shall be subject to the applicable disclosure requirements as regulated under Chapter 17 of the Listing Rules. Moreover, according to the articles of association of the Company, the adoption of the H Share Incentive Scheme shall be subject to Shareholders’ approval.

PROPOSED AUTHORISATION TO THE BOARD AND/OR THE DELEGATEE(S) TO HANDLE MATTERS PERTAINING TO THE H SHARE INCENTIVE SCHEME

In order to ensure the successful implementation of the H Share Incentive Scheme, the Board proposed that subject to the approval of the H Share Incentive Scheme by the Shareholders at the EGM, the Shareholders also grant an authorisation to the Board and/or the Delegatee(s) to deal with matters in relation to the H Share Incentive Scheme with full authority, including but not limited to:

- (i) to authorise the Board and/or the Delegatee(s) to enter into the Trust Agreement on behalf of the Company with the Trustee and to affix the Company seal onto such Trust Agreement, pursuant to which the Trustee will provide trust services for the H Share Incentive Scheme;

- (ii) to authorise the Board and/or the Delegatee(s) to handle all the matters pertaining to the H Share Incentive Scheme, including but not limited to:
 - (a) to interpret the terms and conditions of the H Share Incentive Scheme;
 - (b) to amend or make changes to such arrangements, guidelines, procedures and/or regulations for the management, interpretation, implementation and operation of the H Share Incentive Scheme, provided that such arrangements, guidelines, procedures and/or regulations shall not contravene the rules of the H Share Incentive Scheme;
 - (c) to grant Awards to Eligible Participants;
 - (d) to approve the form and content of Award Letters;
 - (e) to decide, approve and adjust the Grant Date, the list of Grantees, number of Awarded Shares, the Grant Price and vesting criteria;
 - (f) to determine and adjust the criteria and conditions of the vesting of the Awarded Shares and the vesting period, and adjust, evaluate and manage the performance indicators and to determine the fulfilment of vesting conditions;
 - (g) to determine and approve any proposal and action for special circumstances that are not expressly stated in the H Share Incentive Scheme;
 - (h) to determine any other matters for implementation of the H Share Incentive Scheme in accordance with applicable laws and regulations;
 - (i) to decide on the engagement of bank(s), accountant(s), trustee(s), lawyer(s), consultant(s) and other professional parties for the purpose of the H Share Incentive Scheme;
 - (j) on behalf of the Company, execute all documents in relation to the operations of and other matters of the H Share Incentive Scheme, and obtain and complete all procedures, filings and approvals necessary for implementation of the H Share Incentive Scheme, and to take any other action to implement the H Share Incentive Scheme;
 - (k) to determine all matters in relation to the trust arrangement; and

- (l) to administer and execute other matters necessary for the implementation of the H Share Incentive Scheme, unless otherwise specified in writing that such matters shall be dealt with by way of resolutions at the Shareholders' meeting.

The aforementioned authorisation to the Board and/or the Delegatee(s) shall be valid for the Scheme Period.

EGM

The EGM will be convened to consider and, if thought fit, approve, among other things, (i) the proposed adoption of the H Share Incentive Scheme and (ii) the proposed authorisation to the Board and/or the Delegatee(s) to handle matters pertaining to the H Share Incentive Scheme.

A circular of the Company containing, among other things, (i) further details of the H Share Incentive Scheme; (ii) the proposed authorisation to the Board and/or the Delegatee(s) to handle matters pertaining to the H Share Incentive Scheme; and (iii) a notice convening the EGM, is expected to be despatched to the Shareholders in due course.

DEFINITIONS

In this announcement, the following expressions shall have the meaning set out below unless the context requires otherwise:

“Adoption Date”	the date on which the H Share Incentive Scheme is approved by the Shareholders at the EGM
“Award(s)”	award(s) of Awarded Shares by the Board and/or the Delegatee(s) to the Grantees in accordance pursuant to the H Share Incentive Scheme
“Award Letter”	a letter issued by the Company to each Grantee in such form as the Board and/or the Delegatee(s) may from time to time determine, specifying the name of the Grantee, the number of Awarded Shares granted, the vesting criteria and conditions, the vesting date, the grant price and such other terms and conditions to be determined by the Board and/or the Delegatee(s) that are not inconsistent with the H Share Incentive Scheme
“Awarded Shares”	any award of H Shares granted pursuant to the H Share Incentive Scheme

“Board”	the board of Directors
“Company”	UBTECH ROBOTICS CORP LTD (深圳市優必選科技股份有限公司) (formerly known as Shenzhen UBTECH Technology Co., Ltd.* (深圳市優必選科技有限公司)), a limited liability company established under the laws of the PRC on March 31, 2012 and converted into a joint stock company with limited liability on March 29, 2019, the H Shares of which are listed on the Stock Exchange (stock code: 9880)
“Delegatee(s)”	the Board committee(s) and/or person(s) delegated by the Board
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, approve, among other things, (i) the proposed adoption of the H Share Incentive Scheme and (ii) the proposed authorisation to the Board and/or the Delegatee(s) to handle matters pertaining to the H Share Incentive Scheme, which will be further notified by the Company in due course
“Eligible Participant(s)”	has the meaning ascribed to it under “Proposed Adoption of the H Share Incentive Scheme – 6. Eligible Participants and Grantees” in this announcement
“employee(s)”	employee(s) who have entered into formal employment contracts with the relevant members of the Group and whose employer-employee relationship with the Group continues to exist
“Grant Date”	the date on which the Awarded Shares are granted to a Grantee, being the date of issuance of the Award Letter
“Grant Price”	the grant price of each Awarded Share to be determined by the Board and/or the Delegatee(s)
“Grantee(s)”	Eligible Participant(s) who are eligible under the Scheme Rules to participate in the H Share Incentive Scheme and have been granted and accepted the Awarded Shares

“Group”	the Company and its subsidiaries from time to time, and the expression “member(s) of the Group” shall be construed accordingly
“H Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the Main Board of the Stock Exchange and subscribed for and traded in Hong Kong dollars
“H Share Incentive Scheme”	the 2024 H Share Incentive Scheme proposed to be adopted by the Company at the EGM
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“PRC”	the People’s Republic of China, excluding, for the purpose of this announcement only, Hong Kong, Macau Special Administrative Region and Taiwan
“Remuneration Committee”	the remuneration and appraisal committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Funds”	has the meaning ascribed to it under “Proposed Adoption of the H Share Incentive Scheme – 3. Sources of Funds” in this announcement
“Scheme Limit”	has the meaning ascribed to it under “Proposed Adoption of the H Share Incentive Scheme – 5. Scheme Limit” in this announcement
“Scheme Period”	has the meaning ascribed to it under “Proposed Adoption of the H Share Incentive Scheme – 2. Duration” in this announcement
“Scheme Rules”	the rules governing the operation of the H Share Incentive Scheme as well as the implementation procedure (as amended from time to time)

“Share(s)”	ordinary share(s) in the issued capital of the Company with a nominal value of RMB1.00 each, comprising unlisted ordinary share(s) of the Company and H Share(s)
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Shares”	the H Share(s) of the Company involved in the H Share Incentive Scheme
“Trust”	the trust constituted under the Trust Agreement
“Trust Agreement”	the trust management agreement to be entered into between the Company and the Trustee pursuant to the H Share Incentive Scheme
“Trustee”	the trustee to be appointed by the Company for the purpose of the Trust
“%”	per cent

By order of the Board
UBTECH ROBOTICS CORP LTD
Jian ZHOU

Chairman, Executive Director and Chief Executive Officer

Shenzhen, July 31, 2024

As at the date of this announcement, the Board comprises (i) Mr. Zhou Jian, Mr. Xiong Youjun, Ms. Wang Lin and Mr. Liu Ming as executive directors; (ii) Mr. Xia Zuoquan, Mr. Zhou Zhifeng and Mr. Chen Qiang as non-executive directors; and (iii) Mr. Zhao Jie, Mr. Xiong Chuxiong, Mr. Poon Fuk Chuen and Mr. Leung Wai Man, Roger as independent non-executive directors.

* *For identification purposes only*