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

If you have sold or transferred all your shares in UBTECH ROBOTICS CORP LTD, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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) ARRANGEMENT OF BANK CREDIT;
(2) ARRANGEMENT OF GUARANTEES;
(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
(4) PROPOSED ADOPTION OF THE H SHARE INCENTIVE SCHEME;
(5) PROPOSED AUTHORISATION TO THE BOARD AND/OR THE
DELEGATEE TO HANDLE MATTERS PERTAINING TO THE H SHARE
INCENTIVE SCHEME;
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING

Capitalised terms used in this cover page have the same meanings as those defined in the section headed "Definitions" in the circular.

The Company will convene and hold the EGM at 3:00 p.m. on Thursday, September 12, 2024 at JIMU Conference Room, 25/F, Building C1, Nanshan Smart Park, No. 1001 Xueyuan Avenue, Nanshan District, Shenzhen, PRC. A notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use in the EGM 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.ubtrobot.com).

Shareholders who intend to appoint a proxy to attend the EGM are required to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same not later than 24 hours before the time designated for the EGM (i.e. not later than 3:00 p.m. on Wednesday, September 11, 2024) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjourned or postponed meeting(s) if you so wish.

Reference to times and dates in this circular are to Hong Kong local times and dates.

August 28, 2024

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DEFINITIONS

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

“Adoption Date”	the date on which the H Share Incentive Scheme is approved by the Shareholders at the EGM
“Arrangement of Bank Credit”	has the meaning ascribed to it under the section headed “(1) Arrangement of Bank Credit” of this circular
“Arrangement of Guarantees”	has the meaning ascribed to it under the section headed “(2) Arrangement of Guarantees” of this circular
“Articles of Association”	the articles of association of the Company as amended from time to time
“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)
“China” or “PRC”	the People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan

DEFINITIONS

“Delegatee(s)”	the Board committee(s) and/or person(s) delegated by the Board
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of our Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded on any stock exchange
“Domestic Shareholder(s)”	holder(s) of Domestic Share(s)
“EGM”	the 2024 fifth extraordinary general meeting of the Company (or any adjournment thereof) to be convened and held at JIMU Conference Room, 25/F, Building C1, Nanshan Smart Park, No. 1001 Xueyuan Avenue, Nanshan District, Shenzhen, PRC at 3:00 p.m. on Thursday, September 12, 2024 for the purpose of considering and, if thought fit, approving, among other things, the resolutions set out in the Notice of Extraordinary General Meeting on pages EGM-1 to EGM-3 of this circular
“Eligible Participant(s)”	has the meaning ascribed to it under “(1) Proposed Adoption of the H Share Incentive Scheme – 6. Eligible Participants and Grantees” in this circular
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“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 Shareholder(s)”	holder(s) of H Share(s)
“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)
“Placing”	the placing of 1,420,000 new H shares of the Company under general mandate as disclosed in the announcements of the Company dated August 1, 2024 and August 8, 2024
“Proposed Amendments”	has the meaning ascribed to it under “(3) Proposed Amendments to the Articles of Association” in this circular
“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 “(4) Proposed Adoption of the H Share Incentive Scheme – 3. Sources of Funds” in this circular
“Scheme Limit”	has the meaning ascribed to it under “(4) Proposed Adoption of the H Share Incentive Scheme – 5. Scheme Limit” in this circular
“Scheme Period”	has the meaning ascribed to it under “(4) Proposed Adoption of the H Share Incentive Scheme – 2. Duration” in this circular
“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)
“Shares(s)”	Domestic Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“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

* *For identification purposes only*

LETTER FROM THE BOARD



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)

Executive Directors:

Zhou Jian (*Chairman*)

Xiong Youjun

Wang Lin

Liu Ming

Non-executive Directors:

Xia Zuoquan

Zhou Zhifeng

Chen Qiang

Independent Non-executive Directors:

Zhao Jie

Xiong Chuxiong

Poon Fuk Chuen

Leung Wai Man, Roger

Registered office:

Room 2201, Building C1

Nanshan Smart Park

No. 1001 Xueyuan Avenue

Changyuan Community

Taoyuan Street

Nanshan District

Shenzhen, PRC

Principal place of business

in Hong Kong:

5/F, Manulife Place

348 Kwun Tong Road

Kowloon

Hong Kong

August 28, 2024

To the Shareholders

Dear Sir or Madam,

- (1) ARRANGEMENT OF BANK CREDIT;**
(2) ARRANGEMENT OF GUARANTEES;
(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;
(4) PROPOSED ADOPTION OF THE H SHARE INCENTIVE SCHEME;
(5) PROPOSED AUTHORISATION TO THE BOARD AND/OR THE
DELEGATEE TO HANDLE MATTERS PERTAINING TO THE H SHARE
INCENTIVE SCHEME;
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING

LETTER FROM THE BOARD

INTRODUCTION

Reference is made to the announcement of the Company dated July 31, 2024 in relation to (i) the proposed adoption 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. The purpose of this circular is to provide you the notice of EGM and the detailed information in relation to, among other things, the following resolutions to be proposed at the EGM, to enable you to make an informed decision on whether to vote for or against the following resolutions.

(1) ARRANGEMENT OF BANK CREDIT

As the Company expands its business operations, the Company applies for bank credit from time to time. The lender banks may require the approval of the general meeting as a condition for approving the bank credit to the Company.

On August 28, 2024, the Board has resolved that the Company be proposed to apply for bank credit (as detailed in the table below), in order to ensure the continuity of the Company's bank credit and to better support the Company's business expansion. As required by the lender banks, the Company's application for bank credit shall be subject to the approval by the general meeting.

LETTER FROM THE BOARD

Set forth below are details of the proposal in relation to the arrangement of bank credit (the “Arrangement of Bank Credit”):

Borrower	Lender bank	Maximum amount of bank credit limit <i>(RMB million)</i>	Expected validation period and term of the bank credit
The Company	Industrial Bank Co., Ltd., Shenzhen Branch* (興業銀行股份有限公司深圳分行)	Not exceeding 400	The Company’s legal representative or his authorised representative shall be authorised to sign the credit agreements and other relevant documents within 12 months from the date of approval by the general meeting. The bank credit limit shall be available for no more than one year. The specific credit limits, credit types of and guarantee arrangement shall ultimately be subject to the actual results of approval by the banks.
	Bank of China Co., Ltd., Shenzhen Branch* (中國銀行股份有限公司深圳市分行)	Not exceeding 200	
	Agricultural Bank of China Co., Ltd., Qianhai Branch* (中國農業銀行股份有限公司前海分行)	Not exceeding 200	
	China Minsheng Banking Corp., Ltd., Shenzhen Branch* (中國民生銀行股份有限公司深圳分行)	Not exceeding 200	
	Guangdong Nanyue Bank Co., Ltd., Shenzhen Branch* (廣東南粵銀行股份有限公司深圳分行)	Not exceeding 100	
Total:		<u>Not exceeding 1,100</u>	

The Board considers that the Arrangement of Bank Credit is in the interests of the Company and the Shareholders as a whole.

As required by the lender banks, the Arrangement of Bank Credit is subject to the approval by the Shareholders at the EGM. Upon approval by the Shareholders at the EGM, the Company’s legal representative or his authorised representative shall be authorised to sign the relevant legal documents with the banks on behalf of the Company within 12 months from the date of approval by the Shareholders at the EGM. The aforementioned credit terms shall be subject to the actual credit terms approved by the banks.

LETTER FROM THE BOARD

(2) ARRANGEMENT OF GUARANTEES

Pursuant to the Articles of Association, all matters relating to the Company's external guarantees (including the guarantee(s) provided by the Company to its subsidiaries) must be considered and approved by the Board. If the total amount of external guarantees provided by the Company within one year exceeds thirty percent of the latest audited total assets, such external guarantees provided by the Company shall be subject to consideration and approval by the Shareholders by special resolution at the general meeting of the Company.

Reference is made to the announcements of the Company dated January 24, 2024, March 11, 2024 and March 27, 2024. The current total amount of guarantees provided by the Company to its subsidiaries amounted to RMB4,550 million, which exceeds thirty percent of the latest audited total assets of the Group (i.e. approximately RMB4,766 million as of December 31, 2023).

On August 28, 2024, the Board has resolved that the Company be proposed to provide further guarantees to certain of its subsidiaries (as detailed in the table below), for the purpose of ensuring normal operations and satisfying the bank financing and other business development needs of the relevant subsidiaries of the Company.

LETTER FROM THE BOARD

Set forth below are details of the proposal in relation to the arrangement of guarantees (the “Arrangement of Guarantees”):

Guarantor	Guarantee Recipients	Relationship with the Company	Amount of guarantee (RMB million)	Expected validation period of the guarantee	Reason for the arrangement
The Company	Ganzhou UBTECH Intelligent Technology Co., Ltd.* (贛州優必選智能科技有限公司)	Direct wholly-owned subsidiary	Not exceeding 270	The Company’s legal representative or his authorised representative shall be authorised to sign the guarantee agreements and other relevant documents within 12 months from the date of approval by the general meeting	New and renewed original guarantees provided to support and satisfy the needs of business development
	UBTECH Software Technology (Shenzhen) Co., Ltd.* (優必選軟件技術(深圳)有限公司)		Not exceeding 80		
	Best Epoch Technology Co., Ltd.* (深圳市優紀元科技有限公司)		Not exceeding 80		
	Shanghai UBJ Education Technology Co., Ltd.* (上海優必傑教育科技有限公司)	Direct non-wholly owned subsidiary	Not exceeding 30		
	Youdi Health Technology (Shenzhen) Co., Ltd.* (優邸健康科技(深圳)有限公司)		Not exceeding 10		
	Chengdu UBTECH Health Technology Co., Ltd.* (成都市優必選健康科技有限公司)	Indirect non-wholly owned subsidiary	Not exceeding 20		
	Total:				

The Board considers that the Arrangement of Guarantees are in the interests of the Company and the Shareholders as a whole.

As the total amount of guarantees currently provided by the Company to its subsidiaries exceeds thirty percent of the latest audited total assets of the Group, the Arrangement of Guarantees are subject to the consideration and approval by the Shareholders at the EGM by special resolution. The Company’s legal representative or his authorised representative shall be authorised to sign the guarantee agreements and other relevant documents within 12 months from the date of approval by the Shareholders at the EGM. The specific guarantee period and form of guarantee shall be subject to the guarantee agreements and relevant documents.

LETTER FROM THE BOARD

(3) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated August 8, 2024 in relation to, among others, the completion of the Placing. Following completion of the Placing, the total number of Shares has increased from 418,142,824 Shares to 419,562,824 Shares and the registered capital of the Company has increased from RMB418,142,824 to RMB419,562,824.

In order to reflect the increase of registered capital of the Company upon completion of the Placing, on August 28, 2024, the Board proposed to amend the relevant articles (the “**Proposed Amendments**”) of the Articles of Association. Details of the Proposed Amendments are as follows:

Existing articles	Amended articles
Article 6 The registered capital of the Company is RMB418,142,824.	Article 6 The registered capital of the Company is RMB 418,142,824 419,562,824 .
Article 21 The Company has a total of 418,142,824 shares, all of which are ordinary shares.	Article 21 The Company has a total of 418,142,824 419,562,824 shares, all of which are ordinary shares.

Save as disclosed above, the contents of the other articles of the Articles of Association remain unchanged. The Articles of Association is prepared in Chinese with no official English version. Any English translation is for reference only. In the event of any inconsistency, the Chinese version shall prevail.

The Board considers that the Proposed Amendments are in the interests of the Company and the Shareholders as a whole.

The Proposed Amendments are subject to consideration and approval by the Shareholders at the EGM.

(4) PROPOSED ADOPTION OF THE H SHARE INCENTIVE SCHEME

As disclosed in the announcement of the Company dated July 31, 2024, the Board has proposed to adopt the H Share Incentive Scheme and a special resolution will be proposed at the EGM to consider and approve the proposed adoption of the H Share Incentive Scheme. The H Share Incentive Scheme shall take effect upon the approval by the Shareholders at the EGM.

LETTER FROM THE BOARD

The full text of the Scheme Rules is set out in the Appendix to this circular. Set forth below are the principal terms of the H Share Incentive Scheme:

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 41,956,282 H Shares (assuming no new Shares will be issued from the date of this circular 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.

LETTER FROM THE BOARD

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 Awarded 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;

LETTER FROM THE BOARD

- (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. Unless otherwise determined by the Board and/or the Delegatee(s) at their sole discretion or otherwise provided in the Listing Rules or applicable laws and regulations, the Grantees are required to pay RMB1.00 to the Company as the purchase price for each Awarded Share.

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.

LETTER FROM THE BOARD

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.

LETTER FROM THE BOARD

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)

LETTER FROM THE BOARD

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.

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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 “(4) 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, the adoption of the H Share Incentive Scheme shall be subject to Shareholders’ approval.

(5) 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;

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- (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 Company will convene and hold the EGM at 3:00 p.m. on Thursday, September 12, 2024 at JIMU Conference Room, 25/F, Building C1, Nanshan Smart Park, No. 1001 Xueyuan Avenue, Nanshan District, Shenzhen, PRC to consider and, where appropriate, approve the proposed matters set out in the notice of the EGM. A notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular. The Company will publish an announcement of the poll results in the manner required under Rule 13.39(5) of the Listing Rules after the conclusion of the EGM.

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If you intend to appoint a proxy to attend the EGM, you are required to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the form. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney authorising the execution of the instrument or other authorisation documents shall be notarised and must be served concurrently with the instrument. The form of proxy, together with the copies of the notarised power of attorney or other authorisation documents, shall be deposited at the H share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders), or the registered office of the Company at Room 2201, Building C1, Nanshan Smart Park, No. 1001 Xueyuan Avenue, Changyuan Community, Taoyuan Street, Nanshan District, Shenzhen, PRC (for Domestic Shareholders) not later than 24 hours before the time designated for the EGM (i.e. not later than 3:00 p.m. on Wednesday, September 11, 2024) or any adjournment thereof (as the case may be) before the form becomes effective. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or at any adjourned meeting thereof should you so wish.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be proposed at the EGM will be voted on by poll.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of this circular, no Shareholders were required to abstain from voting on the resolutions to be proposed at the EGM.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Board (including the independent non-executive Directors) considers that the resolutions for each of (i) the Arrangement of Bank Credit; (ii) the Arrangement of Guarantees; (iii) the Proposed Amendments; (iv) the proposed adoption of the H Share Incentive Scheme; and (v) the proposed authorisation to the Board and/or the Delegatee(s) to handle matters pertaining to the H Share Incentive Scheme are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM.

By order of the Board
UBTECH ROBOTICS CORP LTD
Jian ZHOU

Chairman, Executive Director and Chief Executive Officer

The following is the full text of the Scheme Rules for the purpose of incorporation in this circular. In case of any discrepancies between the Chinese and English versions of the Scheme Rules, the Chinese version shall prevail.

CHAPTER I DEFINITIONS

1.1. Unless the context otherwise requires, the following terms or abbreviations shall have the following meanings:

Term	Definition
Actual Selling Price	according to the instruction, the cash value to be allocated and payable to the Grantees with respect to the Awarded Shares vested, at which corresponding relevant Target Shares with respect to the Awarded Shares vested are sold by the Trustee pursuant to Clause 7.9 of the Scheme
Adoption Date	being the date on which the Scheme is approved at the general meeting
Articles of Association	articles of association of UBTECH ROBOTICS CORP LTD (深圳市優必選科技股份有限公司) (as amended from time to time)
Award	an award granted by the Board and/or its Delegatee to a Grantee under the Scheme, which may vest in the form of Awarded Shares or the Actual Selling Price of the Awarded Shares in cash in accordance with the terms of the Scheme Rules
Awarded Shares	the H Shares granted to a Grantee in an Award
Award Letter	a letter from the Company to the Grantees involving matters under Clause 6.3
Board	the board of directors of the Company
Business Day	a day on which the Stock Exchange is open for the business of dealing in securities
Company	UBTECH ROBOTICS CORP LTD (深圳市優必選科技股份有限公司), a joint stock company established in the PRC with limited liability, the H Shares of which are listed on the Stock Exchange (Stock Code: 9880)

connected person(s)	has the meaning ascribed to it under the Listing Rules
associate(s)	has the meaning ascribed to it under the Listing Rules
close associate(s)	has the meaning ascribed to it under the Listing Rules
Trust Account	account separately set up by the Trustee for the Company to record corporate basic information and information of corporate interests
Grant Date	the date on which the Awarded Shares are granted to a Grantee, being the date of issuance of an Award Letter
Delegatee(s)	the Board committee(s) and/or person(s) delegated by the Board
Eligible Participant	has the meaning ascribed to it under Clause 4.1
employee(s)	the 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
Grantee(s)	Eligible Participants who are eligible under Chapter IV of the Scheme to participate in the Scheme and have been granted Awarded Shares
Grant Price	the grant price of each Target Share in relation to Awarded Shares to be determined by the Board (or any committee or person duly authorized by the Board) when granting Awarded Shares
Group	the Company and its subsidiaries from time to time, and the expression of “member of the Group” shall be construed accordingly
H Share(s)	overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in HKD
inside information	has the meaning ascribed to it under the SFO
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, for the purpose of the Scheme, excluding Hong Kong, Macau Special Administrative Region and Taiwan

Scheme	the 2024 H Share Incentive Scheme of UBTECH ROBOTICS CORP LTD (深圳市優必選科技股份有限公司)
Scheme Funds	have the meaning ascribed to it under Clause 5.1(1)
Scheme Period	has the meaning ascribed to it under Clause 2.4
Scheme Limit	has the meaning ascribed to it under Clause 5.2(2)
Remuneration Committee	the remuneration and appraisal committee of the Board
SFO	the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong)
Stock Exchange	The Stock Exchange of Hong Kong Limited
subsidiary	has the meaning ascribed to it under the Listing Rules
Target Share(s)	the H Share(s) of the Company involved in the Scheme
Tax	has the meaning ascribed to it under Clause 7.11
Trust	the trust constituted under the Trust Deed
Trustee	the trustee to be appointed by the Company for the purpose of the Trust
Trust Deed	the trust deed to be entered into between the Company and the Trustee pursuant to the Scheme (as may be restated, supplemented and amended from time to time)
Trust Property	the sum of the Scheme Funds and the property gains and losses from the Target Shares invested and the management of the Trust
Vesting Date	the date on which Awarded Shares are vested to the relevant Grantees as determined by the Board and/or the Delegatee from time to time in accordance with Clause 6.5, as set out in the relevant Award Letter
Vesting Notice	has the meaning ascribed to it under Clause 7.6
RMB(0,000)	Renminbi ten thousand yuan

CHAPTER II PURPOSE, TERMS AND BASIC PRINCIPLES OF THE SCHEME

2.1. The Company has formulated the Scheme in accordance with the Company Law of the People's Republic of China, the relevant regulatory rules of the places where the Company is established and listed and other relevant laws, regulations, rules and normative documents, and the Articles of Association.

2.2. Purpose of the Scheme

- (1) promoting the achievement of long-term sustainable development and performance goals of the Company;
- (2) closely align the interests of the employees with those of Shareholders, investors and the Company to enhance the cohesion of the Company and to facilitate the maximization of the value of the Company; and
- (3) improving the Company's incentive mechanism to attract, motivate and retain directors, supervisors, senior officers and employees who have made strong contributions to the sustainable operation, development and long-term growth of the Company.

2.3. Trustee of the Scheme

The Board and/or the Delegatee may appoint one or more trustees. The Company will enter into a trust deed with the Trustee. The Trust is established for the purpose of managing the Scheme pursuant to the Trust Deed, and the Trustee shall acquire the relevant H Shares as the Target Shares accordingly in accordance with Clause 5.2(1). Subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee shall perform its rights and obligations in accordance with the Scheme and the Trust Deed.

2.4. Term of the Scheme

Subject to Clauses 2.6 and 10.5, the Scheme shall remain in force and effect for a period of ten (10) years from the Adoption Date (the "**Scheme Period**"), after which no additional Awarded Shares shall be granted, provided that the Scheme will remain in full force in all other respects.

2.5. Basic Principles of the Scheme

(a) *compliance principle*

The Company implements the Scheme in strict compliance with the requirements and procedures of the Company Law of the People's Republic of China, the relevant laws, regulations, rules and regulatory documents of the places where the Company is established and listed, and makes true, accurate, complete and timely information disclosure. No one shall exploit the Scheme to engage in fraudulent security activities such as insider trading and stock market manipulation.

(b) *voluntary participation principle*

The Company implements the Scheme in accordance with the principles of discretionary decision of the Company and voluntary participation of Eligible Participants. The Company shall not force Eligible Participants to participate in the Scheme by way of apportionment, mandatory distribution, etc.

(c) *principle of non-committed to return*

The Grantees acknowledge and agree that the disposal of the Awarded Shares vested to the Grantees (if applicable) by the Trustee under the Scheme may be affected by the fluctuation of the market share price, and the Company will not make any commitment on the Actual Selling Price and return.

2.6. Conditions Precedent of the Scheme

The implementation of the Scheme is conditional upon the passing of a special resolution by the Shareholders at a general meeting of the Company to approve the adoption of the Scheme and to authorize the Board and/or the Delegatee and the Remuneration Committee to implement the Scheme within the scope of authorization, grant Awards in accordance with the Scheme, and procure the transfer of and otherwise deal with the Awarded Shares under the Scheme.

CHAPTER III ADMINISTRATION OF THE SCHEME

- 3.1. The general meeting of the Company is the highest authority of the Company and is responsible for considering and approving the adoption of the Scheme, while the Board of the Company is the executive management body of the Scheme. The Board is responsible for formulating and revising the Scheme. Upon the consideration and approval of the Scheme by the Board, the Scheme will be implemented after being approved at the general meeting. The Board and/or the Delegatee may handle and implement all relevant matters of the Scheme within the authorization of the general meeting.

- 3.2.** The independent non-executive director shall supervise whether the Scheme is conducive to the sustainable development of the Company, whether the Scheme damages the overall interests of the Company and its Shareholders, and whether the implementation of the Scheme complies with the applicable laws, regulations and normative documents and the regulatory rules of the places where the Company is registered and listed.
- 3.3.** Any grant of Awards to the directors, supervisors or senior management of the Group shall obtain the approval of the Remuneration Committee in advance, and any grant of Awards to the directors, supervisors or other connected persons of the Company shall comply with all applicable laws, rules and regulations, including the Listing Rules and the codes or securities trading restrictions adopted by the Company.
- 3.4.** The Trust is established to serve the Scheme, and pursuant to the relevant provisions of the Trust Deed and at the instruction of the Company, the Trustee shall acquire the Target Shares in accordance with Clause 5.2(1) and shall hold any Awarded Shares acquired in accordance with the terms of the Scheme and the provisions of the Trust Deed. For the purposes of the Scheme, the Trustee is required to implement the vesting, sale and other matters in respect of the Awarded Shares in accordance with the terms of the Scheme and the provisions of the Trust Deed and at the instructions given by the Board, the Delegatee and/or Grantees through the Company.
- 3.5.** Without prejudice to the general management powers of the Board, the Board may delegate the power to manage the Scheme (including the power to grant Awards under the Scheme) to the Delegatee designated by it. The term of office, authority and remuneration (if any) of the Delegatee shall be determined by the Board from time to time at their sole discretion.
- 3.6.** Subject to the rules of the Scheme, the Listing Rules and the applicable laws and regulations, the Board and/or the Delegatee (to the extent authorized by the Board) shall have the right from time to time to:
- (1) explain the rules of the Scheme and the relevant provisions;
 - (2) make or modify the arrangements, guidelines, procedures and/or regulations for the management, interpretation, implementation and operation of the Scheme, provided that such arrangements, guidelines, procedures and/or regulations shall not conflict with the rules of the Scheme;
 - (3) grant Awards to the Eligible Participants selected by it from time to time;
 - (4) approve the form and content of the Award Letter;
 - (5) determine, review, approve and adjust the Grant Date, the list of Grantees, Awarded Shares to be granted, the Grant Price and the vesting conditions;

- (6) establish, evaluate and set the vesting conditions, and review the satisfaction of the vesting conditions;
 - (7) adjust, evaluate and review any change of the vesting conditions, or adjust the Vesting Date of any Awarded Shares in accordance with the terms of the Scheme;
 - (8) review and approve the resolution for any special circumstance not specified in the Scheme;
 - (9) decide other matters related to the implementation of the Scheme in accordance with the applicable laws and regulations;
 - (10) select and appoint banks, accountants, trustees, lawyers, consultants and other professionals (if any) for the purpose of the Scheme;
 - (11) sign, execute, amend and terminate all documents related to the Scheme, conduct all procedures, filings and approvals related to the Scheme, and take other steps or actions to give effect to the provisions, intention and implementation of the rules of the Scheme;
 - (12) review and approval all matters related to the trust arrangement; and
 - (13) manage and conduct other matters necessary for the implementation of the Scheme, except those matters which are expressly stipulated by the general meeting of the Company to be decided by the general meeting.
- 3.7.** For the avoidance of doubt, the decisions of the Board and/or the Delegatee shall be final and binding on all persons under the Scheme.
- 3.8.** Without prejudice to the general management powers of the Board and/or the Delegatee, and to the extent not prohibited by the applicable laws and regulations, the Board and/or the Delegatee may from time to time appoint one or more trustees for the grant, management or vesting of any Awarded Shares. For the avoidance of doubt, notwithstanding anything in the Scheme, the Board (or the Delegatee designated by it) shall be the sole person authorized to give any instruction, order or recommendation (directly or through its designated contact person) to the Trustee.
- 3.9.** For the purpose of the management of the Scheme, the Company shall comply with all disclosure related requirements, including the Listing Rules and all applicable PRC laws, regulations and rules.

CHAPTER IV GRANTEES

4.1. Eligible Participants

- (1) The eligible participants who are entitled to participate in the Scheme include current directors (excluding independent non-executive directors), supervisors, senior officers and employees of the Company or any of its subsidiaries (including persons who are granted Awarded Shares under the Scheme as an inducement to enter into employment contracts) (the “**Eligible Participant**”).
- (2) Any person shall not be deemed as an Eligible Participant if he/she, on the Grant Date:
 - (a) has been publicly censured or declared inappropriate by any securities regulatory authority in the past 12 months;
 - (b) has been imposed an administrative punishment by any securities regulatory authority in the past 12 months due to any serious violation of laws and regulations;
 - (c) is prohibited from participating in the Scheme as stipulated by laws and regulations;
 - (d) has committed any other act that seriously violates the relevant provisions of the Group or causes significant damage to the interests of the Group as determined by the Board; or
 - (e) has any other circumstance as determined by the Board for safeguarding the interests of the Group and ensuring compliance with the applicable laws and regulations relating to the operation of the Scheme.

4.2. Scope of the Grantees of the Scheme

- (1) The scope of the Grantees of the Scheme includes all Eligible Participants receiving and accepting any grant under the Scheme.
- (2) The Board and/or the Delegatee may select any Eligible Participant as an Grantee to participate in the Scheme. Unless so selected, no Eligible Participant shall be entitled to participate in the Scheme.

4.3. If, before or on the Vesting Date, any of the following circumstances occurs and causes the Grantee to cease to be an Eligible Participant, Awarded Shares that have not yet vested will immediately and automatically lapse unless specifically approved by the Board and/or the Delegatee, and such lapsed Awarded Shares will be returned to the Trust Account but remain part of the Trust. For the avoidance of doubt, Awarded Shares that have been vested are not affected by this Clause 4.3, subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee will continue to complete the payment to the Grantee in accordance with Clause 7.9:

- (1) subject to the circumstances listed in Clause 4.4, the Grantee chooses to terminate the employment contract for personal reasons, including:
 - (a) the Grantee chooses not to renew upon expiration of the employment contract; or
 - (b) the Grantee resigns within the term of the employment contract;
- (2) other circumstances identified by the Board under which the Grantee is not eligible for incentive under the Scheme.

4.4. If, before or on the Vesting Date, any of the following circumstances occurs and causes the termination of the employment contract of the Grantee, Awarded Shares that have not yet vested will immediately and automatically lapse, and Awarded Shares that have been vested but not yet paid to the Grantee by the Trustee in accordance with Clause 7.9 will automatically lapse but remain part of the Trust, including but not limited to:

- (1) the Grantee seriously violates any agreement signed by and between the Group and he/she (including but not limited to any applicable intellectual property ownership agreement, employment contract, non-competition agreement, confidentiality agreement and other similar agreement);
- (2) the Grantee divulges the business secrets of the Group, or takes advantage of his/her position to seek improper benefits for himself/herself or others;
- (3) the Grantee commits any act that has or is likely to have a significant adverse effect on the name, reputation or interests of the Group;
- (4) the Grantee is punished (including administrative detention) or prosecuted for criminal liability by any government authority due to any violation laws and regulations; or
- (5) other circumstances identified by the Company that may cause the termination of the employment contract due to any violation of the relevant provisions of the Company by the Grantee.

- 4.5. The Grantee agrees, undertakes and warrants that if the he/she ceases to be an Eligible Participant after the Vesting Date as a result of any of the circumstances set forth in Clause 4.4, and there are any Awarded Shares that have been vested but not yet paid to the Grantee by the Trustee in accordance with Clause 7.9 at that time, the Grantee will voluntarily abandon such Awarded Shares, which will be deemed as lapsed but remain part of the Trust. In addition, the Grantee agrees, undertakes and warrants that if the he/she ceases to be an Eligible Participant after the Vesting Date as a result of any of the circumstances set forth in Clause 4.4, and such circumstance has a significant adverse effect on the interests of the Group, the Board and/or the Delegatee shall have the right to require the Grantee to return all or part of the amount that has been paid to him/her (as determined by the Board and/or the Delegatee).
- 4.6. The Grantee agrees that no claim will be made against the Company, any other member company of the Group, the Board, the Delegatee, the Trust or the Trustee when any of the circumstances set forth in Clauses 4.3, 4.4 and 4.5 occurs.
- 4.7. The Company shall from time to time notify the Trustee in writing of the date and reason of the cease of the Grantee to be an Eligible Participant, the lapse of any Awarded Shares that have not been vested or have been vested, and any amendment to the vesting terms and conditions of the Grantee (including Awarded Shares granted).

CHAPTER V SOURCE OF FUNDS AND SOURCE OF TARGET SHARES

5.1. Source of Funds

- (1) The source of funds for the purchase or acquisition of the Target Shares under the Scheme shall be (i) the funds withdrawn by the Company from its own funds; and/or (ii) the amounts the Grantees are required to pay to the Company (or such other person as the Board and/or the Delegatee may designate) for acquiring the Awarded Shares in accordance with the terms of the Award Letter and/or the Scheme. The Board and/or the Delegatee shall ensure that the Trustee obtains the necessary funds for the establishment of the Trust, the amount of which shall be the sum of the following (the “**Scheme Funds**”):
- (a) the amount for purchasing or acquiring the Target Shares under the Scheme, or such equivalent amount as the Board and/or the Delegatee may determine at their sole discretion; and
 - (b) expenses related to the purchase of the Target Shares (including brokerage fees, stamp duty, SFC transaction levy, AFRC transaction levy and SEHK trading fee at that time), and other necessary expenses to complete the purchase of the Target Shares under the Scheme.
- (2) The Board and/or the Delegatee may adjust the Scheme Funds from time to time as agreed in the Trust Deed.

5.2. Source and Maximum Number of the Target Shares

- (1) Subject to Clause 5.3, the source of the Target Shares under the Scheme shall be the H Shares acquired by the Trustee using the Scheme Funds at the prevailing market price through on-floor trading and/or off-floor trading in the secondary market in accordance with the instructions of the Company and the relevant provisions of the rules of the Scheme.

The Board and/or the Delegatee may, in accordance with Clause 3.8, give instructions to the Trustee in relation to the acquisition of the H Shares and specify the terms and conditions, including but not limited to the specified price or price range for the acquisition, the maximum amount of funds to be used for the acquisition, the maximum number of the H Shares to be acquired and/or the specified date or time frame, provided that such acquisition instructions shall comply with the applicable laws and regulations and the Listing Rules, including but not limited to any restriction on trading in H Shares in the lock-up periods or with inside information, and avoid triggering the relevant provisions of a mandatory tender offer.

- (2) In any event, the number of Awarded Shares that may be granted under the Scheme is capped at 10% of the total issued share capital as at the Adoption Date of the Scheme (the “**Scheme Limit**”). Without the approval of a resolution by poll at the general meeting, the Board and/or the Delegatee shall not grant any additional Awarded Shares which would lead in exceeding the Scheme Limit.
- (3) For any 12-month period up to and including the date of grant of Awarded Shares, the maximum number of Awarded Shares granted to any single Grantee under the Scheme in aggregate shall not exceed 1% of the total issued share capital of the Company as at the Grant Date.

5.3. Restrictions on the Purchase of the Target Shares

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

- (1) from the appearance of any inside information, to the publication date of such inside information;
- (2) from the 60th day immediately prior to the publication of the annual performance, to the publication date of such annual performance (both dates inclusive);
- (3) from the 30th day immediately prior to the publication of the interim performance or quarterly performance (if applicable), to the publication date of such interim performance or quarterly performance (both dates inclusive); or

- (4) other restrictive circumstances as stipulated by the applicable laws and regulations of the places where the Company is registered and listed, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the Stock Exchange where the Company's securities are listed.
- 5.4. The Board and/or the Delegatee may, at any time after instructing the Trustee to purchase or acquire any Target Share, instruct the Trustee in writing to cease or suspend the purchase of the Target Shares until further notice (without giving any reason).

CHAPTER VI GRANT OF AWARDED SHARES

- 6.1. Subject to the terms and conditions of the Scheme, the Board and/or the Delegatee may, at their sole discretion and on such terms and conditions as they may think fit, grant Awarded Shares to any Eligible Participant at the Grant Price, which shall be paid by the Grantee in accordance with Clause 7.8 upon vesting of Awarded Shares. Unless otherwise determined by the Board and/or the Delegatee(s) at their sole discretion or otherwise provided in the Listing Rules or applicable laws and regulations, the Grantees are required to pay RMB1.00 to the Company as the purchase price for each Awarded Share.
- 6.2. Awarded Shares that lapse under the provisions of Chapter IV or Clause 7.5 or for any other reason may be re-granted by the Board and/or the Delegatee at their sole discretion.
- 6.3. The Company shall, after granting Awarded Shares, issue an Award Letter to the Grantee, which shall specify (or contain):
- (a) the name of the Grantee;
 - (b) the number of Awarded Shares to be granted;
 - (c) the vesting criteria and conditions;
 - (d) the Vesting Date;
 - (e) the Grant Price; and
 - (f) such other terms and conditions as the Board and/or the Delegatee shall determine and which are not inconsistent with the Scheme.
- 6.4. The Board and/or the Delegatee shall have the right to impose from time to time, at their sole discretion, any condition (including the period for which the Grantee shall continue to work for the Group after grant) on the vesting of Awarded Shares to the Grantee, and shall notify the Trustee and the Grantee of the relevant vesting conditions of Awarded Shares. Notwithstanding any other provision of the Scheme, subject to the applicable laws and regulations, the Board and/or the Delegatee may freely waive any vesting condition set forth in the Award Letter and/or this Clause 6.4.

- 6.5.** The Grantee may accept the offer to grant Awarded Shares in the manner set forth in the Award Letter and must sign and return by email the Acceptance Form attached to the Award Letter within five (5) business days from the issuance date of the Award Letter. Once accepted, Awarded Shares shall be deemed to have been granted as of the issuance date of the Award Letter. After acceptance, the Grantee will become a participant of the Scheme.
- 6.6.** If the Grantee fails to sign and return by email the Acceptance Form attached to the Award Letter before the expiration of the acceptance period set forth in Clause 6.5 above, Awarded Shares granted to the Grantee will immediately lapse and will remain part of the Trust. In such case, the Board and/or the Delegatee shall, as soon as practicable after the expiration of the acceptance period set forth in Clause 6.5 above, notify the Trustee of the lapse of Awarded Shares.
- 6.7.** The Board and/or the Delegatee shall inform the Trustee of the matters set forth in Clause 6.3 after the appointment of the Trustee and after any Awarded Shares has been granted to and formally accepted by the Grantee.

6.8. Restrictions on the Grant Date

The Board and/or the Delegatee shall not grant any Awarded Shares during the following periods:

- (1) from the appearance of any inside information, to the publication date of such inside information;
 - (2) from the 60th day immediately prior to the publication of the annual performance, to the publication date of such annual performance (both dates inclusive);
 - (3) from the 30th day immediately prior to the publication of the interim performance or quarterly performance (if applicable), to the publication date of such interim performance or quarterly performance (both dates inclusive); or
 - (4) other restrictive circumstances as stipulated by the applicable laws and regulations of the places where the Company is registered and listed, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the Stock Exchange where the Company's securities are listed.
- 6.9.** No Awards shall be granted to any Eligible Participant if:
- (1) it has not obtained the necessary approval from any competent regulatory authority;
 - (2) securities laws or regulations require the issuance of a prospectus or other offering document in respect of the grant of the Awarded Shares or the Scheme, unless otherwise determined by the Board and/or the Delegatee;

- (3) the grant of the Awarded Shares would cause any member company of the Group or its directors to violate any applicable laws, rules, regulations and normative documents in any jurisdiction and the regulatory rules of the places where the Company is registered and listed;
- (4) the Board and/or the Delegatee are aware of any undisclosed inside information about the Group (as defined in the Securities and Futures Ordinance), or any director reasonably believe that there is any inside information that needs to be disclosed in accordance with the Listing Rules and the inside information provisions of Part XIVA of the Securities and Futures Ordinance (as defined in the Listing Rules), or the directors are prohibited from trading the securities of the Company under any code or requirement of the Listing Rules and all applicable laws, rules or regulations from time to time; or
- (5) after the expiration of the Scheme Period or the early termination of the Scheme pursuant to Clause 10.5.

CHAPTER VII VESTING OF AWARDED SHARES

- 7.1.** Subject to all applicable laws, rules and regulations, the Board and/or the Delegatee may from time to time determine the criteria, conditions and period for the vesting of Awarded Shares under the Scheme, during the Scheme Period. Save for the circumstances as described in Clause 7.2, the vesting period in respect of any Awarded Shares shall be no less than twelve (12) months from (and including) the Grant Date.
- 7.2.** A shorter vesting period for Awarded Shares may be granted to a Grantee at the Remuneration Committee's sole and absolute discretion in the following circumstances:
- (1) grants of "make-whole" awards to new joiners to replace the share awards they forfeited when leaving their previous employers;
 - (2) grants that are made in batches during a year for administrative or compliance requirements, including Awards that should have been granted earlier but had to wait for a subsequent batch for administrative or compliance reasons. In such case, the vesting period may be shortened to reflect the time from which the Awards would have been granted;
 - (3) grants with a mixed or accelerated vesting schedule such as where the Shares Awards may vest evenly over a period of 12 months, or where the Shares Awards may vest by several batches with the first batch to vest within 12 months of the Grant Date and the last batch to vest 12 months after the Grant Date;
 - (4) 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
 - (5) grants with a total vesting and holding period of more than 12 months.

- 7.3.** Unless otherwise notified in writing by the Board and/or the Delegatee, each vesting shall be conducted in accordance with the specific vesting conditions set forth in the Award Letter and the provisions of the Scheme.
- 7.4.** Vesting of 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 Awards 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 milestones and market capitalization 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 Share Award shall lapse automatically.
- 7.5.** If a selected Grantee fails to meet any vesting condition applicable to the vesting of Awarded Shares, unless such vesting condition is waived by the Board and/or the Delegatee, Awarded Shares that would otherwise be vested during the vesting period shall not be vested and cannot be vested in respect of the Grantee and shall be returned to the Trustee for satisfying other Awards under the Scheme. In such case, the Board and/or the Delegatee shall have the authority to give notice to and instruct the Trustee to sell the aforesaid unvested Awarded Shares on the open market at the market price within a reasonable period of time after the receipt of such notice.
- 7.6.** Notwithstanding the terms and conditions of the Scheme, the Remuneration Committee has the authority to provide that any Share Award shall be subject to a clawback if any of the following events occurs:
- (1) if the Grantee ceases to be an Employee Participant by reason of the termination of his or her employment or engagement on the grounds that he or she has been guilty of fraud or dishonesty or persistent or serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his or her debts or has become bankrupt or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or on any other ground on which an employer would be entitled to terminate his or her employment summarily;
 - (2) if the Grantee joins a company which the Board believes in its sole and reasonable opinion to be a competitor of the Company; and
 - (3) if any other clawback event set out in the Award Letter occurs.

Upon occurrence of any of the above events (and whether an event is to be regarded as having occurred for the purpose of this Clause 7.6 is subject to the sole determination of the Board) in relation to a Grantee, the Board may (but is not obliged to) by notice in writing to the relevant Grantee claw back such number of Awarded Shares granted (to the extent not already vested) as the Board may consider appropriate. The Share Awards that are clawed back shall be regarded as cancelled and the Share Awards so cancelled shall be regarded as utilized for the purpose of calculating the Scheme Limit.

- 7.7. The Board and/or the Delegatee will instruct and cause the Trustee, except in any unforeseen circumstances, to give a Vesting Notice (the “**Vesting Notice**”) to the relevant Grantee within such reasonable period as the Trustee and the Board and/or the Delegatee may agree from time to time before any Vesting Date, and the Vesting Notice shall contain a confirmation of the satisfaction of the vesting conditions by the Grantee and the Vesting Date, a confirmation of the payment method of the Grant Price and a confirmation of the details of the Grantee’s bank account to pay the cash corresponding to the Actual Selling Price set forth in Clause 7.9 (after deducting the Grant Price and the Taxes borne by the Grantee, if applicable) to the Grantee.
- 7.8. The Grantee (or its legal representative) shall promptly reply in writing to the Board and/or the Delegatee after receiving the Vesting Notice. If the Board and/or the Delegatee did not receive a reply from the Grantee by email within a reasonable period of time as determined by the Board and/or the Delegatee from time to time prior to any Vesting Date, Awarded Shares that would otherwise be vested in the Grantee shall lapse and be returned to the Trust account, and the corresponding Target Shares shall remain part of the Trust, unless otherwise agreed in writing by the Board and/or the Delegatee.

The Grantee shall pay the corresponding Grant Price in cash to the Company’s designated bank account within a reasonable period of time as determined by the Board from time to time prior to any Vesting Date, and the Trustee shall, after receiving the Company’s confirmation that all vesting criteria and conditions set forth in the Award Letter have been satisfied and/or waived and the Grantee’s written confirmation of the vesting and the Grant Price, vest Awarded Shares in the Grantee.

- 7.9. For Awarded Shares that are properly vested in an Grantee in accordance with Clauses 7.6 and 7.8, subject to the Company Law of the People’s Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee shall, as instructed by the Grantee in writing from time to time, transfer all or part of the Awarded Shares that have been vested in the Grantee to the Grantee or the entity designated by the Grantee on the date specified by the Grantee; and/or sell all or part of the Awarded Shares that have been vested in the Grantee through on-floor trading at the prevailing market price and pay the cash corresponding to the Actual Selling Price (after deducting the Taxes borne by the Grantee, if applicable) to the Grantee.

- 7.10.** Any expense incurred for the management of the Trust shall be borne by the Trust Property.
- 7.11.** The financial, accounting and tax issues in connection with the implementation of the Scheme shall be subject to the applicable laws and regulations and the Company's internal management rules. Each Grantee shall be liable for all other taxes (including individual income tax, salary tax or other levies (the "Tax" or "Taxes")) in relation to his/her participation in the Scheme or in relation to the Target Shares or the equivalent cash of the Target Shares. Neither the Company nor the Trustee is liable for any Tax. The Grantee will indemnify the Trustee and all member companies of the Group for any Tax and hold them harmless from any liability that they may have to pay such Tax, including any withholding liability related to any tax. To give effect to this, notwithstanding any other provision of the rules of the Scheme (subject to the applicable laws), the Group may:
- (1) instruct the Trustee to deduct or withhold the amount of the Tax from the cash corresponding to the Actual Selling Price, after the sale of the Target Shares corresponding to Awarded Shares that have been vested in the Grantee, and transfer the amount to the Company to pay the Tax; or
 - (2) if the amount deducted or withheld is insufficient to cover the amount of the Tax, the Grantee shall transfer the shortfall to the Company, and then the Company shall pay the Tax on behalf of the Grantee.
- 7.12.** If the Actual Selling Price (after deducting the Taxes borne by the Grantee, if applicable) is not paid to the Grantee in time due to any error in the details of the bank account provided by the Grantee or any abnormality of the bank account such as account freezing, without any subjective operation error of the Company or the Trustee, the losses arising therefrom shall be borne by the Grantee.
- 7.13.** The Trustee shall not be obliged to make any payment to the Grantee under Clause 7.9, unless the Grantee convinces the Company that he/she has fulfilled its obligations under the Scheme, and the Trustee receives the confirmation set forth in Clause 7.8 and the payment of the Grant Price.

7.14. Restrictions on the Sale of the Target Shares

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

- (1) from the appearance of any inside information, to the publication date of such inside information;
- (2) from the 60th day immediately prior to the publication of the annual performance, to the publication date of such annual performance (both dates inclusive);
- (3) from the 30th day immediately prior to the publication of the interim performance or quarterly performance (if applicable), to the publication date of such interim performance or quarterly performance (both dates inclusive); or

- (4) other restrictive circumstances as stipulated by the applicable laws and regulations of the places where the Company is registered and listed, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the Stock Exchange where the Company's securities are listed.

7.15. The Grantee agrees, undertakes and warrants that if, upon termination of the Scheme in accordance with Clause 10.5, there are any Awarded Shares that have been vested but not yet paid to the Grantee by the Trustee in accordance with Clause 7.9, the Grantee will voluntarily abandon such Awarded Shares. Such Awarded Shares will be deemed as lapsed, and the corresponding Target Shares will be treated in accordance with paragraph 2(b) of Clause 10.5.

CHAPTER VIII TRANSFER OF AWARDED SHARES AND OTHER RIGHTS

8.1. During the Scheme Period, unless and until the Awarded Shares are vested and transferred to the Grantee in accordance with the terms of the Scheme (where applicable), the Grantees shall not dispose Awarded Shares vest in them in any way, including but not limited to sale, transfer, pledge, mortgage, charge or creation of any benefit for others, or execution of any agreement to do so.

8.2. During the Scheme Period, the Trustee shall not exercise voting rights in respect of the Target Shares held by it under the Scheme.

8.3. Any substantial or attempted breach of Clause 8.1 by a Grantee shall entitle the Company to cancel any Awarded Shares that have been granted to the Grantee but not yet vested in the Grantee, without any compensation. In this regard, the decision of the Board and/or the Delegatee as to whether the Grantee has breached any of the above provisions shall be final.

8.4. During the Scheme Period, each Grantee shall be entitled to the dividends (if any) of the Target Shares based on his/her Awarded Shares, provided that such dividends shall only be paid to the Grantee when vesting.

8.5. For the avoidance of doubt,

- (1) the Grantee shall have no rights (such as voting right, share allotment right and share subscription right) of the Target Shares except the right to dividend until the Awarded Shares are vested and transferred to the Grantee (where applicable);
- (2) the Grantee does not have any right to Awarded Shares under the Trust Account or the accounts of other Grantees;
- (3) the Grantee shall not give any instruction to the Trustee except the instruction set forth in Clause 7.9 hereof; and

- (4) the provisions of the Scheme shall apply if the vesting conditions specified in the Vesting Notice are not met in full before or on the Vesting Date or the Grantee ceases to be an Eligible Participant on the Vesting Date, unless otherwise waived by the Board and/or the Delegatee.

- 8.6. The Grantee agrees, undertakes and warrants that he/she will not make any claim against the Company, any other member company of the Group, the Board, the Delegatee, the Trust or the Trustee under any circumstance.

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

9.1. Reorganization of Capital Structure

In the event of an alteration in the capital structure of the Company whilst any Share Award remains outstanding by way of capitalization of profits or reserves, rights issue, subdivision or consolidation of shares, or reduction of the share capital of the Company in accordance with legal requirements in Hong Kong and the PRC and requirements of the Stock Exchange (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party), such corresponding alterations (if any) shall be made to the number or nominal amount of Shares comprised in each Share Award to the extent outstanding as the auditors or an independent financial advisor engaged by the Company for such purpose shall, at the request of the Company, certify in writing to the Board, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided always that any such adjustments should give each Grantee the same proportion of the equity capital, rounded to the nearest whole Share, of the Company as that to which that Grantee was previously entitled prior to such adjustments, and no adjustments shall be made which will enable a Share to be issued at less than its nominal value. The capacity of the auditors or independent financial advisor (as the case may be) in this section 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. The costs of the auditors or independent financial advisor (as the case may be) shall be borne by the Company.

9.2. Change in Control

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

- (1) whether the Scheme shall be terminated within five (5) business days after the change in the control of the Company, and that Awarded Shares that have not been vested shall be cancelled, and the corresponding Target Shares will be treated in accordance with paragraph 2(b) of Clause 10.5; or

- (2) that all the Awarded Shares that have not been vested shall be vested immediately on the date on which such change in control becomes or is declared unconditional, and that such date shall be deemed as the Vesting Date. Subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee shall sell the relevant Target Shares in accordance with Clause 7.9; or
- (3) such other options as the Board and/or the Delegatee may think fit.

For the purposes of this Clause 9.2, "control" shall have the meaning as set out from time to time in the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs.

9.3. Bonus Warrant

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

9.4. Voluntary Liquidation

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

- (1) subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the adjustment of the Vesting Date of any Awarded Shares, and that whether the Grantee is entitled to obtain the amount corresponding to the Actual Selling Price of the Target Shares (after deducting the Taxes borne by the Grantee, if applicable) corresponding to Awarded Shares that have been vested in him/her from the assets available in liquidation, on the basis of equality with the Shareholders; or
- (2) the termination of the Scheme, and that Awarded Shares that have not been vested shall be cancelled, and the corresponding Target Shares will be treated in accordance with paragraph 2(b) of Clause 10.5; or
- (3) the adoption of such other options as the Board and/or the Delegatee may think fit.

9.5. Compromise or arrangement

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

- (1) adjust the Vesting Date of any Awarded Shares; or
- (2) terminate the Scheme and unvested Awarded Shares shall be cancelled and such corresponding Target Shares will be dealt with in accordance with paragraph 2(b) of Clause 10.5; or
- (3) adopt such other plans as the Board and/or the Delegatee may think fit.

CHAPTER X ALTERATION, DISPUTE, TERMINATION OF THE SCHEME AND CANCELLATION OF AWARDED SHARES**10.1. Validity Period of the Scheme and Duration of the Scheme**

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

10.2. Alteration of the Scheme

- (1) Subject to the Scheme Limit, the Scheme may be altered or supplemented in any respect by resolution of the Board. Any such alteration or supplementation shall be notified in writing to the Trustee and the Grantees.
- (2) When the Board alters the Scheme, the independent non-executive directors shall supervisor whether such alteration is conducive to the sustainable development of the Company, and whether such alteration damages the overall interests of the Company and its Shareholders.

10.3. Dispute

Any dispute arising out of the Scheme shall be submitted to the Board, and the decision of the Board shall be final and binding.

10.4. Cancellation of Awarded Shares

The Board and/or the Delegatee may, at their sole discretion, decide to cancel any unvested or lapsed Awarded Shares. Such cancellation shall be notified to the Trustee and the relevant Grantee.

10.5. Termination and Subsequent of the Scheme

- (1) The Scheme shall be terminated on the following dates, whichever is earlier:
 - (a) the tenth (10th) anniversary date from the Adoption Date of the Scheme; and
 - (b) the early termination date of the Scheme as determined by a resolution of the Board.
- (2) Upon termination of the Scheme:
 - (a) no more Awarded Shares shall be granted under the Scheme; and
 - (b) the Trustee shall, after receiving the notice of the termination of the Scheme, within such reasonable period as the Trustee and the Company may agree, (i) sell the remaining unvested Target Shares under the Trust (or such longer period as may be otherwise determined by the Company in consultation with the Trustee), and remit all cash and the net proceeds from the sale set forth in paragraph 2(b) of this Clause 10.5, and other funds remaining in the Trust (after make the appropriate deductions for all disposal costs, expenses and other current and future liabilities in accordance with the Trust Deed) to the Company. For the avoidance of doubt, the Trustee shall not transfer any H Share to the Company and the Company shall not otherwise hold any H Share (other than the proceeds from the sale of such H Share pursuant to this Clause 10.5); and (ii) as instructed by the Grantee, transfer the Target Shares that have been vested in the Grantee to the Grantee or the entity designated by the Grantee, or sell the Target Shares that have been vested in the Grantee and remit the net proceeds from the sale (after deducting the Taxes borne by the Grantee, if applicable) to the Grantee, if the Grantee fails to give an instruction to the Trustee within the reasonable period, the Trustee shall, as instructed by the Board and/or the Delegatee, sell the Target Shares that have been vested in the Grantee and remit the net proceeds from the sale (after deducting the Taxes borne by the Grantee, if applicable) to the Grantee.

10.6. For the avoidance of doubt, a decision of the Board and/or the Delegatee to suspend the grant of the Awarded Shares shall not be construed as terminating the operation of the Scheme.

CHAPTER XI OTHERS

11.1. Miscellaneous Provisions

- (1) The Scheme does not form part of the employment contract between the Company or any of its subsidiaries and any employee, and the rights and obligations or the appointment of the employee under his/her term of office or authority shall not be affected by his/her participation in the Scheme.
- (2) No director or Delegatee shall be personally liable for any contract or other instrument entered into by or on behalf of him/her in respect of the Scheme or for any misjudgment while acting in good faith, and the Company shall indemnify any member of the Board or any Delegatee who manages or interprets the Scheme and hold him/her harmless from any cost or expense (including legal costs) or liability (including payments made with the approval of the Board and/or the Delegatee for the settlement of claims) arising from any act or omission of him/her in connection with the Scheme, except those caused by his/her willful breach, fraud, dishonesty or illegal act.
- (3) For the notices or other communications between the Company and an Eligible Participant, a notice given by the Company to the Eligible Participant may be sent by email, prepaid mail or personal delivery to the Company's principal place of business at its headquarters in PRC or at such other address as the Company may from time to time notify the Eligible Participant, and a notice given by the Eligible Participant to the Company may be sent by email or personal delivery at the address or email address as notified by the Company from time to time.
- (4) Any notice or other communication sent by mail shall be deemed to have been served 72 hours after posting. Any notice or other communication sent electronically shall be deemed to have been received on the date following its sending.
- (5) The Company, the Board, the Delegatee, the Trust and the Trustee shall not be liable for the failure of any Eligible Participant to obtain any consent or approval required to participate in the Scheme as an Grantee, or for any tax, duty, expense, cost or other liability that the Eligible Participant may incur as a result of his/her participation in the Scheme.
- (6) The provisions of the Scheme shall be deemed to be severable and may be enforced separately. If any provision is unenforceable, it shall be deemed to have been deleted from the Scheme, and such deletion shall not affect the enforceability of the remaining provisions of the Scheme that have not been deleted.

- (7) Except as otherwise specified herein, the Scheme shall not directly or indirectly confer on any person any legal or equitable right (other than the rights constituting and attached to the Awarded Shares) against the Group, nor shall it give rise to any legal or equitable action against the Group. In no event shall any person require the Board, the Delegatee and/or the Company to be liable for any cost, loss, expense and/or damage arising out of or in connection with the Scheme or its management.
- (8) In the event that Awarded Shares lapse in accordance with the rules of the Scheme, no Grantee shall be entitled to any indemnity for any loss that may be suffered by him/her or any right or benefit or any anticipated right or benefit to which he/she may be entitled under the Scheme.
- (9) The operation of the Scheme shall be subject to the restrictions imposed by the Articles of Association of the Company and the applicable laws, rules and regulations.

11.2. Disclosure Rights

By participating in the Scheme, each Grantee agrees that the Company may properly hold, process, store and use his/her personal information and data in PRC, Hong Kong or elsewhere for the purpose of executing, managing or implementing the Scheme, and such consent includes but is not limited to:

- (1) manage and keep a record for the selected Grantee;
- (2) provide the personal data or information to the Group, the Trustee or third-party managers or administrators of the Scheme in Hong Kong or elsewhere;
- (3) disclose the personal information or data to any future acquirer or merger partner of the Company; and
- (4) the Grantee may obtain a copy of his/her personal data upon request to the Company if it is necessary to issue an announcement or circular for the grant of the Awarded Shares in accordance with the Listing Rules or other applicable laws, rules or regulations, or disclose the identity of the Grantee, Awarded Shares, the grant, the vesting conditions and other information required by the Listing Rules or other applicable laws, rules or regulations in the Company's annual report, and the Grantee shall have the right to require the Company to correct if his/her personal data is inaccurate.

11.3. Governing Law

The Scheme shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China.

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the 2024 fifth extraordinary general meeting of UBTECH ROBOTICS CORP LTD (the “**Company**”) will be convened and held at JIMU Conference Room, 25/F, Building C1, Nanshan Smart Park, No. 1001 Xueyuan Avenue, Nanshan District, Shenzhen, PRC on Thursday, September 12, 2024 at 3:00 p.m. (the “**EGM**”) to consider and, if thought fit, approve the following resolutions:

ORDINARY RESOLUTION

1. Resolution on the Company’s application for credit limit from relevant banks: THAT the Arrangement of Bank Credit be and is hereby approved and the legal representative of the Company (or his authorised representative) be and is hereby authorised to sign on behalf of the Company the relevant legal documents in connection with the Arrangement of Bank Credit within 12 months from the passing of this resolution.

SPECIAL RESOLUTIONS

2. Resolution on providing guarantees for wholly-owned subsidiaries, non-wholly owned subsidiaries and indirect subsidiaries: THAT the Arrangement of Guarantees be and are hereby approved and the legal representative of the Company (or his authorised representative) be and is hereby authorised to sign on behalf of the Company the relevant agreements in connection with the Arrangement of Guarantees within 12 months from the passing of this resolution.
3. Resolution on change of registered capital of the Company, amendments on the Articles of Association and handling of business registration procedures: THAT the Proposed Amendments be and are hereby approved and the Directors be and are hereby authorised to deal with on behalf of the Company the relevant application(s), approval(s), registration(s), filing(s) and other related procedures or issues and to make further amendment(s) (where necessary) pursuant to the requirements of the relevant governmental and/or regulatory authorities arising from the Proposed Amendments.

NOTICE OF EXTRAORDINARY GENERAL MEETING

4. To consider and approve the proposed adoption of the H Share Incentive Scheme.
5. To consider and approve the proposed authorisation to the Board and/or the Delegatee(s) to handle matters pertaining to the H Share Incentive Scheme.

By order of the Board
UBTECH ROBOTICS CORP LTD
Jian ZHOU

Chairman, Executive Director and Chief Executive Officer

Hong Kong, August 28, 2024

As at the date of this notice, 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.

Notes:

1. For details of the resolutions to be approved in the EGM, please refer to the circular of the Company dated August 28, 2024 (the “**Circular**”). Unless the context requires otherwise, the terms used in this notice of EGM shall have the same meaning as those used in the Circular.
2. Individual Shareholders who wish to attend the meeting in person shall produce their identity cards or other effective document or proof of identity and stock account cards. Proxies of individual Shareholders shall produce their effective proof of identity and form of proxy. A corporate shareholder should attend the meeting by its legal representative or proxy appointed by the legal representative. A legal representative who wishes to attend the meeting should produce his/her identity card or other valid documents evidencing his/her capacity as a legal representative. If appointed to attend the meeting, the proxy should produce his/her identity card and an authorisation instrument duly signed by the legal representative of the corporate shareholder.
3. Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more person(s) (if the Shareholder holds two or more Shares), whether (each of) such person is a Shareholder or not, as his/her/its proxy or proxies to attend and vote on his/her/its behalf at the EGM.

The instrument appointing a proxy must be signed by the shareholder or his/her attorney duly authorised in writing. For a corporate shareholder, the proxy instrument must be affixed with the common seal or signed by its director or attorney duly authorised in writing.

If the power of attorney of the proxy is signed by the authorised person of the appointer under a power of attorney or other authorisation document(s) given by the appointer, such power of attorney or other authorisation document(s) shall be notarised and served at the same time as the power of attorney. To be valid, the form of proxy, together with a notarially certified copy of the power of attorney or other authorisation document(s), must be delivered to the H share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders), or the registered office of the Company at Room 2201, Building C1, Nanshan Smart Park, No. 1001 Xueyuan Avenue, Changyuan Community, Taoyuan Street, Nanshan District, Shenzhen, PRC (for Domestic Shareholders) not later than 24 hours before the designated time for the holding of the EGM (i.e. not later than 3:00 p.m. on Wednesday, September 11, 2024) or any adjournment thereof (as the case may be).

NOTICE OF EXTRAORDINARY GENERAL MEETING

In case of registered joint holders of any Shares, any one of the registered joint holders can vote on such Shares at the EGM in person or by proxy as if he/she is the only holder entitled to vote. If more than one registered joint holders attend the EGM in person or by proxy, only the vote of the person whose name appears first in the register of members of the Company relating to such Shares (in person or by proxy) will be accepted as the sole and exclusive vote of the joint holders.

After the completion and return of the form of proxy and the power of attorney, you can attend and vote in person at the EGM or any adjournment thereof should you so wish. In this case, the power of attorney will be deemed to have been revoked.

4. According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be proposed at the EGM will be voted on by poll. Results of the poll voting will be posted on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.ubtrobot.com) upon the conclusion of the EGM.
5. Shareholders attending the EGM are responsible for their own transportation and accommodation expenses.