

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

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

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



**Yidu Tech Inc.**  
**醫渡科技有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2158)**

**NOTICE OF ANNUAL GENERAL MEETING  
AND  
PROPOSALS FOR  
(1) GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE SHARES;  
(2) RE-ELECTION OF RETIRING DIRECTORS;  
(3) AMENDMENTS TO THE POST-IPO SHARE AWARD  
SCHEME;  
(4) ADOPTION OF THE SCHEME MANDATE LIMIT; AND  
(5) ADOPTION OF THE SERVICE PROVIDER SUBLIMIT**

---

A notice convening the Annual General Meeting of Yidu Tech Inc. to be held at 9/F, No. 9 Building (Jiankang Zhigu Building), 35 North Huayuan Road, Haidian District, Beijing, PRC on Thursday, September 28, 2023 at 3:00 p.m. is set out on pages 36 to 42 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.yidutechgroup.com](http://www.yidutechgroup.com)).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. before 3:00 p.m. on Tuesday, September 26, 2023) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof if they so wish and in such event, the form of proxy shall be deemed to be revoked.

September 7, 2023

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	5
1. INTRODUCTION .....	6
2. ISSUE MANDATE TO ISSUE SHARES .....	6
3. REPURCHASE MANDATE TO REPURCHASE SHARES .....	7
4. RE-ELECTION OF RETIRING DIRECTORS .....	7
5. TERMINATION OF THE POST-IPO SHARE OPTION SCHEME .....	8
6. PROPOSED AMENDMENTS TO THE POST-IPO SHARE AWARD SCHEME .....	8
7. PROPOSED ADOPTION OF THE SCHEME MANDATE LIMIT .....	13
8. PROPOSED ADOPTION OF THE SERVICE PROVIDER SUBLIMIT ..	14
9. CANCELLATION AND PROPOSED RE-GRANTS OF AWARDS TO EXISTING GRANTEEES UNDER THE POST-IPO SHARE AWARD SCHEME .....	15
10. CLOSURE OF REGISTER OF MEMBERS .....	16
11. NOTICE OF ANNUAL GENERAL MEETING .....	16
12. FORM OF PROXY .....	16
13. VOTING BY WAY OF POLL .....	17
14. DOCUMENTS ON DISPLAY .....	17
15. RECOMMENDATION .....	17
16. RESPONSIBILITY STATEMENT .....	18
<b>APPENDIX I — PARTICULARS OF THE RETIRING DIRECTORS         PROPOSED FOR RE-ELECTION</b> .....	19
<b>APPENDIX II — EXPLANATORY STATEMENT         ON THE REPURCHASE MANDATE</b> .....	24
<b>APPENDIX III — SUMMARY OF THE PRINCIPAL AMENDED TERMS         OF THE POST-IPO SHARE AWARD SCHEME</b> .....	27
<b>NOTICE OF ANNUAL GENERAL MEETING</b> .....	36

---

## DEFINITIONS

---

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

“Amendment Date”	the date on which the amendment of the Post-IPO Share Award Scheme is conditionally approved by the resolutions in the Annual General Meeting
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 9/F, No. 9 Building (Jiankang Zhigu Building), 35 North Huayuan Road, Haidian District, Beijing, PRC at 3:00 p.m. on Thursday, September 28, 2023, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 36 to 42 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Award”	an award granted by the Board to a Selected Participant, which may vest in the form of Award Shares or the actual selling price of the Award Shares in cash, as the Board may determine in accordance with the terms of the Scheme Rules
“Award Letter”	the letter to each Selected Participant regarding the notification of grant of Awards
“Award Shares”	the Shares granted to a Selected Participant in an Award
“Board”	the board of Directors
“Companies Act”	the Companies Act (2020 Revision) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Yidu Tech Inc. (醫渡科技有限公司), an exempted company with limited liability incorporated in the Cayman Islands on December 9, 2014, with its Shares initially listed on the Main Board of the Stock Exchange on January 15, 2021 (stock code: 2158)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consultation Conclusions”	the consultation conclusions on the proposed amendments to listing rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022

---

## DEFINITIONS

---

“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	any Employee Participant or Service Provider which the Board considers, in their sole discretion, to have contributed or will contribute to the Group
“Employee”	any employee (whether full-time or part-time employee) of any members of the Group provided that the Selected Participant shall not cease to be an Employee in the case of (a) any leave of absence approved by the Company; or (b) transfer amongst the Company, and provided further that an Employee shall, for the avoidance of doubt, cease to be an Employee with effect from (and including) the date of termination of his employment
“Employee Participant(s)”	the Director(s) and Employee(s) of the Company or any of its subsidiaries, and any person(s) who is/are granted Shares or Awards under the scheme as an inducement to enter into employment contracts with the Company or its subsidiaries
“Group”	the Company and its subsidiaries from time to time
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with new Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution for the granting of such general mandate by the Shareholders
“Latest Practicable Date”	August 28, 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Approval”	the Listing Committee’s approval of the listing of, and permission to deal in, any Share on the Stock Exchange which may be issued by the Company pursuant to the exercise of any Awards and/or Options under the share schemes of the Company
“Listing Date”	January 15, 2021, being the listing date when the Shares were listed on the Main Board of the Stock Exchange

---

## DEFINITIONS

---

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Nomination Committee”	the nomination committee of the Board
“Post-IPO Share Award Scheme”	the post-IPO share award scheme as adopted on December 28, 2020 and proposed to be amended on the Amendment Date
“Post-IPO Share Option Scheme”	the post-IPO share option scheme as adopted on December 28, 2020 and proposed to be terminated
“PRC”	the People’s Republic of China, and for the purposes of this circular only, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution for the granting of such general mandate by the Shareholders
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the limit on grants of share awards and/or options over new shares of the Company under all share schemes of the Company approved by its shareholders, which must not exceed 10% of the issued shares of the Company as at the date of the shareholders’ approval of the limit
“Selected Participant”	any Eligible Participant approved for participation in the Post-IPO Share Award Scheme and who has been granted any Award pursuant to the Post-IPO Share Award Scheme

---

## DEFINITIONS

---

“Service Provider”	any person (natural person or corporate entity) who provides services to the Company or any of its subsidiaries on a continuing or recurring basis in its ordinary and usual course of business, the grant of Awards to whom is in the interests of the long-term growth of the Group as determined by the Board or its delegate(s) in their sole discretion, including any officer, consultant, advisor, distributor, contractor, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group for its research and development, big data gathering, artificial intelligence and other technologies innovation, product and services offering, marketing, strategic planning on corporate image, investor relations, regulatory affairs, human resources and administration management (excluding any placing agents or financial advisers providing advisory services for fundraising, mergers or acquisition, and service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity)
“Service Provider Sublimit”	a sublimit under the Scheme Mandate Limit for share awards and/or options over new shares of the Company under all share schemes of the Company granted to the Service Providers, which must not exceed 1% of the issued shares of the Company as at the date of the shareholders’ approval of the limit
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.00002 each
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong, as amended, supplemented or otherwise modified from time to time
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

---

LETTER FROM THE BOARD

---



**Yidu Tech Inc.**  
**醫渡科技有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2158)**

*Executive Directors:*

Ms. Gong Yingying (*Chairlady*)  
Mr. Xu Jiming (*Chief Executive Officer*)  
Dr. Yan Jun  
Ms. Feng Xiaoying

*Non-Executive Director:*

Mr. Zeng Ming

*Independent Non-Executive Directors:*

Dr. Ma Wei-Ying  
Ms. Pan Rongrong  
Prof. Zhang Linqi

*Registered office:*

Suite #4-210, Governors Square  
23 Lime Tree Bay Avenue  
PO Box 32311  
Grand Cayman KY1-1209  
Cayman Islands

*Headquarters in the PRC:*

8/F Health Work  
No. 9 Building of Huayuan North Road  
Haidian District  
Beijing  
China

*Principal place of business in Hong Kong:*

14th Floor, Golden Centre  
188 Des Voeux Road Central  
Hong Kong

September 7, 2023

*To the Shareholders*

Dear Sir or Madam

**NOTICE OF ANNUAL GENERAL MEETING  
AND  
PROPOSALS FOR  
(1) GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE SHARES;  
(2) RE-ELECTION OF RETIRING DIRECTORS;  
(3) AMENDMENTS TO THE POST-IPO SHARE AWARD  
SCHEME;  
(4) ADOPTION OF THE SCHEME MANDATE LIMIT; AND  
(5) ADOPTION OF THE SERVICE PROVIDER SUBLIMIT**

---

## LETTER FROM THE BOARD

---

### 1. INTRODUCTION

The purpose of this circular is to give you the notice of the Annual General Meeting and the requisite information in respect of the following proposals to be put forward at the Annual General Meeting: (a) the granting of the Issue Mandate to issue Shares and the Repurchase Mandate to repurchase Shares; (b) the re-election of the retiring Directors; (c) amendments to the Post-IPO Share Award Scheme; (d) adoption of the Scheme Mandate Limit; and (e) adoption of the Service Provider Sublimit.

### 2. ISSUE MANDATE TO ISSUE SHARES

At the annual general meeting of the Company convened on August 26, 2022, ordinary resolution was passed for the granting of issue mandate authorizing the Directors to allot, issue and/or otherwise deal with the Shares not exceeding 20% of the number of issued Shares at that date, which is due to expire at the conclusion of the Annual General Meeting.

In order to ensure flexibility and give discretion to the Directors to issue any new Shares when the Directors consider desirable for the Company to do so, approval is to be sought from the Shareholders at the Annual General Meeting, pursuant to the Listing Rules, for the grant of the Issue Mandate to the Directors to issue Shares. At the Annual General Meeting, an ordinary resolution numbered 7 will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares not exceeding 20% of the total number of issued Shares as at the date of passing of the ordinary resolution in relation to the Issue Mandate for the period until (i) the conclusion of the next annual general meeting of the Company; (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law(s) or the Articles of Association to be held; or (iii) revocation or variation of the Issue Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

As at the Latest Practicable Date, the total number of issued Shares comprised 1,052,857,269 Shares. Subject to the passing of the ordinary resolution numbered 7 and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 210,571,453 Shares.

In addition, subject to a separate approval of the ordinary resolution numbered 9, the number of Shares repurchased by the Company under ordinary resolution numbered 8 will also be added to extend the Issue Mandate as mentioned in ordinary resolution numbered 7 provided that such additional number of Shares shall not exceed 10% of the total number of issued Shares as at the date of passing the ordinary resolution in relation to the Issue Mandate and Repurchase Mandate.

---

## LETTER FROM THE BOARD

---

### 3. REPURCHASE MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company convened on August 26, 2022, ordinary resolution was passed for the granting of repurchase mandate authorizing the Directors to repurchase the Shares not exceeding 10% of the number of issued Shares at that date, which is due to expire at the conclusion of the Annual General Meeting.

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the total number of issued Shares as at the date of passing of the ordinary resolution in relation to the Repurchase Mandate for the period until (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law(s) or the Articles of Association to be held; or (iii) revocation or variation of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

As at the Latest Practicable Date, there were 1,052,857,269 Shares in issue. Subject to the passing of the ordinary resolution numbered 8 and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 105,285,726 Shares pursuant to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains the requisite information required by the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

### 4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with articles 16.2 and 16.20 of the Articles of Association, Mr. Xu Jiming, Ms. Feng Xiaoying, Dr. Yan Jun and Mr. Zeng Ming will retire from office by rotation, and being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

The re-appointment of the abovenamed Directors has been reviewed by the Nomination Committee which has made recommendations to the Board that the re-election of all retiring Directors be proposed for Shareholders' approval at the Annual General Meeting.

Particulars of the above Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

---

## LETTER FROM THE BOARD

---

### 5. TERMINATION OF THE POST-IPO SHARE OPTION SCHEME

Reference is made to the Company's announcement dated August 25, 2023, in relation to, among others, the termination of the Post-IPO Share Option Scheme.

The Board resolved on August 25, 2023 as announced in the announcement dated August 25, 2023 to terminate the Post-IPO Share Option Scheme. The Company adopted a Post-IPO Share Option Scheme on December 28, 2020 to provide incentives to selected participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole. On even date, the Company has also adopted a Post-IPO Share Award Scheme as an alternative means to incentivise the relevant selected participants. Since the adoption of the Post-IPO Share Option Scheme and the Post-IPO Share Award Scheme, the Post-IPO Share Award Scheme has been a more popular scheme among Directors, Employees and Service Providers, hence the utilisation rate is relatively higher as compared to the Post-IPO Share Option Scheme.

In view of such, the Directors consider that it would be in the best interests of the Company and its Shareholders to terminate the Post-IPO Share Option Scheme. Pursuant to the scheme rules of the Post-IPO Share Option Scheme, the Post-IPO Share Option Scheme can be terminated by approval from the Board, without Shareholders' approval.

Upon the termination of the Post-IPO Share Option Scheme, no further options will be offered or granted but the provisions of the Post-IPO Share Option Scheme shall remain in full force to the extent necessary to give effect to the exercise of any options granted prior to the termination. Options which are granted during the life of the Post-IPO Share Option Scheme and remain unexercised and unexpired immediately prior to the termination of the operation of the Post-IPO Share Option Scheme shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Post-IPO Share Option Scheme. As of the Latest Practicable Date, there were 16,713,022 underlying Shares comprised in the share options granted but not yet vested and 3,092,715 underlying Shares comprised in the share options vested but not yet exercised under the Post-IPO Share Option Scheme, of which a total of 3,124,650, 16,670,187 and 10,900 underlying Shares were granted to the Directors, Employee Participants (excluding Directors) and Service Providers, respectively, representing approximately 0.30%, 1.58% and 0.001% of the Company's issued share capital as at the Latest Practicable Date.

### 6. PROPOSED AMENDMENTS TO THE POST-IPO SHARE AWARD SCHEME

#### **Post-IPO Share Award Scheme**

Reference is made to the Company's announcement dated August 25, 2023, in relation to, among others, the proposed amendment of the Post-IPO Share Award Scheme.

The Company first adopted the Post-IPO Share Award Scheme on December 28, 2020. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes involving the grant of new shares or options over new shares of the listed issue with effect from

---

## LETTER FROM THE BOARD

---

January 1, 2023. In light of the amendments to the Listing Rules, the Board is pleased to announce that it has resolved on August 25, 2023 to propose the proposed amendments to be made to the Post-IPO Share Award Scheme (the “**Proposed Amendments to the Post-IPO Share Award Scheme**”) to bring it in line with the Listing Rules.

The purposes of the Post-IPO Share Award Scheme are to (i) align the interests of Eligible Participants with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) encourage and retain Eligible Participants to make contributions to the long-term growth and profits of the Group. The Board believes that through the grant of Awards, such Eligible Participant will share a common goal with the Group in terms of the long-term growth and development of the Group and therefore align with the purpose of the Post-IPO Share Award Scheme.

The purpose of including participants other than employees and directors of the Group in the Post-IPO Share Award Scheme, such as Service Providers, is to give more flexibility to the Company to incentivize and reward such persons who are expected to have a long-term relationship with the Group so that they may participate in the growth of the Group and will continue to contribute to the benefit of the Group and therefore aligns with the purpose of the Post-IPO Share Award Scheme. The eligibility of those Service Providers, being external parties other than employees and directors of the Group, will be determined by the Board or its delegate(s) in their sole discretion considering the potential and/or actual contribution of these individual parties to the Company’s research and development, big data gathering, artificial intelligence and other technologies innovation, product and services offering, marketing, strategic planning on corporate image, investor relations, regulatory affairs, human resources and administration management. The Directors consider that the inclusion of such Service Providers as eligible participants is appropriate as the successful development of the Group could not be achieved by the directors and employees of the Group alone and will also depend on the cooperation of the Service Providers and other stakeholders of the Group, which all play an important role in the business of the Group. Given that the success of the Group requires the cooperation and contribution from such parties, it is important that the Group is able to maintain a long term and sustainable relationship with them.

As of the Latest Practicable Date, there were 1,052,857,269 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date, the maximum number of Shares issuable pursuant to the amended Post-IPO Share Award Scheme and any other share schemes of the Company in aggregate will be 105,285,726 Shares, being 10% of the total number of Shares in issue on the Amendment Date. None of the Directors is a trustee of the Post-IPO Share Award Scheme or has any direct or indirect interests in the trustees of the Post-IPO Share Award Scheme, if any. The trustee of the Post-IPO Share Award Scheme is not a connected person of the Company under the Listing Rules. As of the Latest Practicable Date, there were 16,354,922 underlying Shares comprised in the share awards granted but not yet vested under the Post-IPO Share Award Scheme, of which a total of

---

## LETTER FROM THE BOARD

---

461,501, 15,804,546 and 88,875 underlying Shares were granted to the Directors, Employee Participants (excluding Directors) and Service Providers, respectively, representing approximately 0.04%, 1.50% and 0.01% of the Company's issued share capital as at the Latest Practicable Date.

At the Annual General Meeting, an ordinary resolution numbered 4 will be proposed to amend the Post-IPO Share Award Scheme.

**Key changes entailed by the Proposed Amendments are set out below:**

- (a) to revise the scope of Eligible Participants to include (i) Employee Participants and (ii) Service Providers;
- (b) to adopt the Scheme Mandate Limit and the Service Provider Sublimit;
- (c) to include the requirement of independent Shareholders' approval for refreshment of the Scheme Mandate Limit and Service Providers Sublimit;
- (d) to adopt a maximum limit for Shares which may be awarded under the Post-IPO Share Award Scheme and other share schemes of the Company, being 10% of the total issued Shares of the Company as at the Amendment Date (excluding any Shares which are the subject matter of any Awards that have already lapsed in accordance with the terms of the Post-IPO Share Award Scheme);
- (e) to include the requirement for 1% individual limit;
- (f) to include the requirement for 0.1% individual limit for grant of awards (excluding options) to directors other than independent non-executive directors and chief executive, or any of their associate in the 12-month period up to and including the date of such grant;
- (g) to include the requirement for 0.1% individual limit for grant of options or awards to an independent non-executive director or a substantial shareholder of the Company, or any of their respective associates in the 12-month period up to and including the date of such grant;
- (h) to elaborate on the provisions for adjustment of awards granted under the Post-IPO Share Award Scheme in the event of a capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital;
- (i) to elaborate on the scope of criteria for performance targets as from time to time determined by the Board/committee of the Board (as the case may be), including a mixture of key performance indicators components;

---

## LETTER FROM THE BOARD

---

- (j) to adopt a minimum vesting period of 12 months save where the grant of Awards to Employee Participants are subject to a shorter vesting period under specific circumstances, and to require approval by the Board and/or the Remuneration Committee for Awards granted to Directors or senior manager;
- (k) to include the requirement for Shareholders' approval for any alterations to the provisions of the Post-IPO Share Award Scheme relating to the matters set out in Rule 17.03 of the Listing Rules;
- (l) to include the requirement of abstention of voting by any trustee holding unvested shares, whether directly or indirectly; and
- (m) to include other amendments for house-keeping purposes and to better align the wording with that of the Listing Rules.

### **Basis of eligibility of the participants under the Post-IPO Share Award Scheme**

In the case of Employee Participants, assessing factors include, among others, the years of experience, years of employment, work quality, efficiency, collaboration, management and strategy according to the prevailing market practice and industry standard, and other factors the Board deems appropriate, from time to time.

In the case of Service Providers, assessing factors include, among others, the materiality and nature of the business relationship with the Group taking into account factors including whether they relate to the core business of the Group or whether such business dealings could be readily replaced by third parties, the quality of services a Service Provider has provided to the Group and/or the track record of the business relationship and cooperation with the Group and the scale of business dealing with the Group with regard to factors such as the actual or expected contribution to the Group's financial results, business development which is or may be attributable to the relevant Service Provider or contribution of the relevant Service Provider to the Company's business interest on the whole.

### **View of independent non-executive Directors on inclusion of Service Provider Participant as eligible participant**

The Board (including the independent non-executive Directors) is of the view that the proposed inclusion of Service Providers of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group as Eligible Participants under the Post-IPO Share Award Scheme would induce and provide further incentive to both current and future services and partnership of the Group to contribute to the development, growth and success of the Group, and is in line with the modern commercial practice with reference to other companies listed on the Stock Exchange to include participants, such as Service Providers of the Group to be given incentives to work towards enhancing the value and attaining the longer-term objectives of the Company and for the benefit of the Group as a whole. As more listed companies notice the importance of sharing the success of the company with its

---

## LETTER FROM THE BOARD

---

key stakeholders (including the service providers), the use of share incentives for service providers has become a practice widely adopted within the technology industry. This practice effectively encourages Service Providers to provide quality services on a long-term basis, strengthen their loyalty in order to maintain sustainable relationship between the Company and the Service Providers and ensure stable and sufficient supply of the relevant services, which aligns the interests of such long-standing business partners of the Company with the share value of the Company.

### **Adoption Conditions for the Post-IPO Share Award Scheme**

The adoption of Proposed Amendments to the Post-IPO Share Award Scheme is conditional upon the fulfilment of the following condition:

- (a) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting approving (i) the proposed Amendments to the Post-IPO Share Award Scheme; (ii) proposed adoption of the Scheme Mandate Limit, and (iii) adoption of the Service Provider Sublimit; and
- (b) the Company having obtained the Listing Approval.

In relation to the condition set out in (a) above, the Annual General Meeting will be held for the Shareholders to consider and, if thought fit, approve, *inter alia*, the proposed amendments to the Post-IPO Share Award Scheme. No Shareholder is required to abstain from voting on the relevant resolution to approve the proposed amendments to the Post-IPO Share Award Scheme at the Annual General Meeting. In relation to the condition set out in (b) above, an application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise/vest of any awards and/or share options up to 10% of the Shares in issue as at the Amendment Date.

### **Basis of proposed amendments to the Post-IPO Share Award Scheme**

The Post-IPO Share Award Scheme is established to attract and retain employees, to reward Eligible Participants for their past contribution to the Company, to provide incentives to the Eligible Participants to further contribute to the Company and the subsidiaries and to align their interests with that of the Company and the Shareholder as a whole.

The grant of Awards to the Eligible Participants would not only align the interest of the Group with these grantees but also provide incentive and reward for (i) their participation and involvement in promoting the business of the Group, (ii) their joint and collaborative efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Awards, such Eligible Participants will share a common goal with the Group in terms of the long-term growth and development of the Group and therefore aligns with the purpose of the Post-IPO Share Award Scheme.

---

## LETTER FROM THE BOARD

---

The vesting period for Awards under the Post-IPO Share Award Scheme shall not be less than 12 months, whilst any grant of Awards to the Eligible Participants other than Service Providers are subject to a shorter vesting period under specified circumstances. In this connection, the Board and the Remuneration Committee are of the view that the shorter vesting period prescribed in sub-paragraph 7(iv) of Appendix III to this circular is in line with the requirements under the Listing Rules, customary market practice, and allows flexibility for the Company to align the granting of Awards under the Post-IPO Share Award Scheme with its general administrative schedule, reward exceptional performers with an accelerated vesting schedule, or under exceptional circumstances where justified, all in which aligns with the purpose of the Post-IPO Share Award Scheme.

The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward for the Eligible Participants contribution or potential contribution. Further, by allowing the Company to grant Awards under the Post-IPO Share Award Scheme and requiring the Selected Participants to achieve performance targets as may be stipulated in the Award Letter on a case-by-case basis, the Company may be in a better position to retain such Eligible Participants to continue serving the Group whilst at the same time providing these Eligible Participants further incentive in achieving the goals of the Group, and therefore aligns with the purpose of the Post-IPO Share Award Scheme. The Company has established an appraisal mechanism to assess the fulfilment of performance targets by its Directors, chief executive and employees, which are linked to the Company's strategic goals and values. The appraisal mechanism uses a grading system based on a matrix of qualitative and quantitative indicators that vary according to the roles and responsibilities of the relevant Directors, chief executive and employees. The indicators include, but are not limited to, measures of work quality, efficiency, collaboration, management and strategy. The grading system evaluates the Directors, chief executive and employees' regular duties and the strategic objectives or tasks assigned for the appraisal period. The Company intends to make reference to this appraisal mechanism to set and review the performance targets of the award grantees periodically.

A summary of the principal amended terms of the Post-IPO Share Award Scheme is set out in Appendix III to this circular.

### **7. PROPOSED ADOPTION OF THE SCHEME MANDATE LIMIT**

Reference is made to the Company's announcement dated August 25, 2023, in relation to, among others, the proposed adoption of the Scheme Mandate Limit.

Pursuant to the existing scheme mandate limit, the total number of Shares which may be issued upon exercise of Options to be granted thereunder shall not exceed 90,176,201 Shares, which represented 10% of total number of Shares in issue as at December 28, 2020 (the "**Existing Scheme Limit for Post-IPO Share Option Scheme**").

---

## LETTER FROM THE BOARD

---

Pursuant to the existing terms of the Post-IPO Share Award Scheme, the total number of Awards which may be granted thereunder shall not exceed 45,088,100 Shares, subject to an annual limit of 3% of the total number of Shares in issued at the relevant time (the “**Existing Scheme Limit for Post-IPO Share Award Scheme**”, together with the Existing Scheme Limit for Post-IPO Share Option Scheme, the “**Existing Scheme Limits**”).

In view of the termination of Post-IPO Share Option Scheme, the Board considers that it is in the interest of the Company to replace the Existing Scheme Limits with its proposed adoption of the Scheme Mandate Limit and seek the Shareholders’ approval to adopt the Scheme Mandate Limit such that the Company may be provided with greater flexibility to grant the appropriate and meaningful number of Awards to the Eligible Participants under the Post-IPO Share Award Scheme for the purpose of rewarding and motivating such participants to contribute further to the success of the Company.

In light of the above, the Board has resolved to propose the adoption of the Scheme Mandate Limit, being a scheme mandate limit not exceeding 10% of the total number of Shares in issue to all share schemes adopted by the Company from time to time. The said Scheme Mandate Limit shall be 105,285,726 Shares, on the basis that there are a total of 1,052,857,269 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting.

At the Annual General Meeting, an ordinary resolution numbered 5 will be proposed to adopt the Scheme Mandate Limit.

### **8. PROPOSED ADOPTION OF THE SERVICE PROVIDER SUBLIMIT**

Reference is made to the Company’s announcement dated August 25, 2023, in relation to, among others, the proposed adoption of the Service Provider Sublimit.

As the scope of Eligible Participants shall be expanded to include Service Providers, the Board considers that it is appropriate to adopt a “service provider sublimit” within the Scheme Mandate Limit in accordance with Rule 17.03A(1) of the Listing Rules.

Accordingly, the total number of awards and/or share options which may be granted under the Post-IPO Share Award Scheme and any other share schemes of the Company to the Service Providers from time to time shall not exceed 1% of the total number of Shares in issue on the Amendment Date. Thus, the Service Provider Sublimit in respect of the share schemes of the Company shall be 10,528,572 Shares, being 1% of the total number of Shares in issue at the Latest Practicable Date assuming that no new Share are issued or repurchased by the Company prior to the Annual General Meeting.

The basis of determination of the Service Provider Sublimit included the potential dilution effect on the Shares arising from grants to the Service Providers, the actual or expected increase in the Group’s revenue or profits which shall be attributable to the Service Providers and the extent of use of the Service Provider in the Group’s business. The Group also values long-standing relationship with its Service Providers as they are key to the Group’s success. The Group believes that, through engaging, collaborating, and cultivating

---

## LETTER FROM THE BOARD

---

strong relationships with the Service Providers, the Group can strive to achieving corporate sustainability, delivering high quality products to its potential customers and developing mutual trust and enhancing communication and commitment between the Group and its Service Providers to maintain sustainable growth.

In determining the Service Provider Sublimit, the Directors consider that it is important to ensure that all share schemes will be attractive and is able to provide sufficient incentives to Service Providers who are able to contribute to the research and development, big data gathering, artificial intelligences and other technologies innovation, products and services offering, marketing, strategic planning on corporate image, investor relations, regulatory affairs, human resources and administration management of the Group, all of which being core functions on which the Group relies in its ordinary and usual course of business.

Taking into account (i) the hiring practice, organizational structures and business models of the Group; (ii) the benefit to and needs of the Group to provide long-term equity incentives to maintain the recurring and continuing contributions of the Service Providers in relation to day-to-day operations and core business functions of the Group; (iii) the minimal potential dilution to the shareholding of public Shareholders following the exercise of the Options and/or Awards to be granted to Service Providers under the Service Provider Sublimit; and (iv) the fact that the individual limit under Rule 17.03D(1) of the Listing Rules is also 1%, that there is no other share schemes involving grant of Option over new Shares of the Company, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable. The Service Provider Sublimit is subject to separate approval by the Shareholders at the Annual General Meeting.

At the Annual General Meeting, an ordinary resolution numbered 6 will be proposed to adopt the Service Provider Sublimit.

### **9. CANCELLATION AND PROPOSED RE-GRANTS OF AWARDS TO EXISTING GRANTEES UNDER THE POST-IPO SHARE AWARD SCHEME**

References are made to (i) the Company's announcement dated August 25, 2023, in relation to, among others, the cancellation and proposed Re-grants of Awards to Existing Grantees under the Post-IPO Share Award Scheme and (ii) the Company's announcement dated July 3, 2023 in relation to, among others, the grant of a total of 3,184,506 Awards to 9 award grantees (the "**Existing Grantees**") under the Post-IPO Share Award Scheme by issuing new Shares, subject to acceptance of the Existing Grantees. As at the date of this circular, none of the aforesaid Awards have been vested (the "**Re-grant Announcement**").

On August 25, 2023, the Board has resolved to cancel the aforementioned 3,184,506 Awards pursuant to terms of the Post-IPO Share Award Scheme, such that the Company can make a grant of such Awards to the Existing Grantees shall be subject to the terms of the amended Post-IPO Share Award Scheme, which is in line with the requirements under Chapter 17 of the Listing Rules. On the even date, the Board has resolved to propose to "re-grant" 3,184,506 Awards to the Existing Grantees (the "**Re-grants**"), subject to the

---

## LETTER FROM THE BOARD

---

acceptance by the Existing Grantees and obtaining Shareholders' approval to (i) adopt the Scheme Mandate Limit and (ii) amend the Post-IPO Share Award Scheme at the Annual General Meeting.

The Re-grants shall constitute part of the adopted Scheme Mandate Limit and shall be subject to the terms of the amended Post-IPO Share Award Scheme upon Shareholders' approval at the Annual General Meeting.

Please refer to the Re-grant Announcement for further details.

### 10. CLOSURE OF REGISTER OF MEMBERS

The forthcoming Annual General Meeting is scheduled to be held on Thursday, September 28, 2023. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, September 25, 2023 to Thursday, September 28, 2023, both days inclusive, during such period no transfer of Shares will be registered. In order to attend and vote at the Annual General Meeting, all duly completed share transfer documents, accompanied by the relevant share certificates, must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, September 22, 2023.

### 11. NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 36 to 42 of this circular is the notice of the Annual General Meeting at which, *inter alia*, ordinary resolutions will be proposed to Shareholders to consider and approve (a) the granting of the Issue Mandate to issue Shares and the Repurchase Mandate to repurchase Shares; (b) the re-election of the retiring Directors; (c) amendments to the Post-IPO Share Award Scheme; (d) adoption of the Scheme Mandate Limit; and (e) adoption of the Service Provider Sublimit.

### 12. FORM OF PROXY

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.yidutechgroup.com](http://www.yidutechgroup.com)). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time fixed for holding the Annual General Meeting (i.e. before 3:00 p.m. on Tuesday, September 26, 2023) or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the Annual General Meeting if they so wish and in such event, the form of proxy shall be deemed to be revoked.

---

## LETTER FROM THE BOARD

---

### 13. VOTING BY WAY OF POLL

There is no Shareholder who has any material interest in the proposed resolutions, therefore none of the Shareholders is required to abstain from voting at the Annual General Meeting.

Pursuant to Rule 13.39(4) of the Listing Rules and article 13.6 of the Articles of Association, any resolution put to the vote of the Shareholders at a general meeting shall be decided on a poll, except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of the Annual General Meeting will be taken by way of poll.

On a poll, every Shareholder presents in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorized representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote on a poll needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### 14. DOCUMENTS ON DISPLAY

Copies of the rules governing the Post-IPO Share Award Scheme, as amended by the proposed amendments, will be published on the websites of Stock Exchange and the Company for display for a period of not less than 14 days before the date of the AGM. In addition, such rules governing the Post-IPO Share Award Scheme, as amended by the proposed amendments, will be made available for inspection at the AGM.

### 15. RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favor of all the resolutions to be proposed at the Annual General Meeting.

---

## LETTER FROM THE BOARD

---

### 16. 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.

Yours faithfully,  
By order of the Board  
**Yidu Tech Inc.**  
**Gong Yingying**  
*Executive Director and Chairlady*

*The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.*

## EXECUTIVE DIRECTORS

### (1) Mr. Xu Jiming

**Mr. Xu Jiming** (徐濟銘), aged 39, is an executive Director and the Chief Executive Officer of our Company to lead and manage the daily operations of the Company. Mr. Xu has served as the chief technology officer of Yidu Cloud Beijing, a subsidiary of the Company, since October 2015 and the chief executive officer of Tianjin Happy Life, an affiliated company of the Company, since March 2018. Mr. Xu is the co-author of a paper on the application of AI technology in medicine development published in the *Nature Medicine* journal in January 2019. Mr. Xu is the spouse of Ms. Gong Yingying (“**Ms. Gong**”), an executive Director and the Chairlady of the Board.

Mr. Xu has over ten years of experience in the fields of search engine technology, big data and AI. Before joining the Group in October 2015, Mr. Xu worked in the mobile business division of Alibaba where he held the positions of senior architect at *UCWeb* between June 2015 and October 2015 and general manager of the search product technology center of amap.com between May 2013 and June 2015. Between July 2008 and May 2013, Mr. Xu worked at Baidu Internet Technology Co., Ltd. as a technology manager.

Mr. Xu received his master’s degree in computer application technology from the Graduate School of the Chinese Academy of Sciences in July 2008 and his bachelor’s degree in automation from Tsinghua University in July 2005.

As at the Latest Practicable Date, Mr. Xu was interested in an aggregate of 416,626,975 Shares, representing approximately 39.57% of the issued share capital of the Company within the meaning of Part XV of the SFO. Mr. Xu holds 16,355,529 Shares and is entitled to receive up to 1,021,180 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, 309,750 Shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme, and 51,626 award shares granted to him under the Post-IPO Share Award Scheme. Sweet Panda Limited is wholly-owned by Ms. Gong, spouse of Mr. Xu, owns 398,888,890 Shares. Mr. Xu is deemed to be interested in these Shares.

Mr. Xu has entered into a service contract with the Company for an initial term of three years which is subject to retirement as and when required under the Articles of Association and will be automatically renewed for successive periods of three years until terminated in accordance with the terms of the service contract. Mr. Xu is entitled to receive a director’s fee of RMB160,000 per annum from the Group for services provided to the Company in his capacity as an executive Director. Mr. Xu’s remuneration may include share options, which he may from time to time be entitled. Such remuneration/emoluments

will be reviewed annually by the Board and the Remuneration Committee and he is also entitled to a discretionary bonus with reference to his performance and the operating results of the Group.

Save as disclosed above, as at the Latest Practicable Date, Mr. Xu (i) did not hold any other position with the Company and other members of the Group; (ii) did not have any relationship with any other Directors, senior management, or substantial shareholders or Controlling Shareholder; (iii) had not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have other major appointments and professional qualifications.

Save for the information disclosed above, as at the Latest Practicable Date, there is no other matter in relation to the re-election of Mr. Xu that needs to be brought to the attention of the Shareholders and there is no other information relating to Mr. Xu which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

## (2) Ms. Feng Xiaoying

**Ms. Feng Xiaoying** (封曉瑛), aged 44, is an executive Director, the Chief Financial Officer and the joint company secretary of our Company. Ms. Feng obtained her Bachelor degree in Management from the School of Economics and Management of the Tsinghua University in 2001. Ms. Feng is a Chartered Professional Accountant of Canada and a Certified Public Accountant of China. Ms. Feng has led the team to win the 6th New Fortune Best IR team award (Hong Kong listed company), the Excellent Technology Value Listed Company in the 2022 Capital Market “Golden Sail” Case awarded by 21st Century Business Herald, the Best IR Team Award in the 7th Zhitong Caijing Capital Market Annual Meeting, and IRSC 2022–2023 Best Shareholder Relations Award. Prior to that, Ms. Feng has worked at PricewaterhouseCoopers, Deloitte, China Minsheng Investment Group and other institutions. Ms. Feng served as executive director and deputy chief executive officer of China Minsheng Financial Holdings Corporation Limited from December 2015 to February 2018, as executive vice president and chief financial officer of OFO (HK) Limited from February 2018 to May 2019. She was appointed as an independent non-executive director of Shenzhen Leo-king Envero. Group (深圳市朗坤環境集團股份有限公司) (Shenzhen Stock Exchange Stock code: 301305) since May 2019.

As at the Latest Practicable Date, Ms. Feng was interested in an aggregate of 2,344,900 Shares, representing approximately 0.22% of the issued share capital of the Company within the meaning of Part XV of the SFO. Ms. Feng holds 210,625 Shares and is entitled to receive up to 1,724,400 Shares pursuant to the exercise of options granted to her under the Post-IPO Share Option Scheme, and 409,875 award shares granted to her under the Post-IPO Share Award Scheme.

Ms. Feng has entered into a service contract with the Company for an initial term of three years which is subject to retirement as and when required under the Articles of Association and will be automatically renewed for successive periods of three years until

terminated in accordance with the terms of the service contract. Ms. Feng is entitled to receive a director's fee of RMB160,000 per annum from the Group for services provided to the Company in her capacity as an executive Director. Ms. Feng's remuneration may include share options, which she may from time to time be entitled. Such remuneration/emoluments will be reviewed annually by the Board and the Remuneration Committee and she is also entitled to a discretionary bonus with reference to her performance and the operating results of the Group.

Save as disclosed above, as at the Latest Practicable Date, Ms. Feng (i) did not hold any other position with the Company and other members of the Group; (ii) did not have any relationship with any other Directors, senior management, or substantial shareholders or Controlling Shareholder; (iii) had not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have other major appointments and professional qualifications.

Save for the information disclosed above, as at the Latest Practicable Date, there is no other matter in relation to the re-election of Ms. Feng that needs to be brought to the attention of the Shareholders and there is no other information relating to Ms. Feng which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

### **(3) Dr. Yan Jun**

**Dr. Yan Jun** (閆峻), aged 44, is an executive Director and the Chief Technology Officer of our Company. Dr. Yan has served as the Chief AI Scientist of our Group since December 2017. Dr. Yan is responsible for the overall technology strategy of our Group and research and development of medical AI technologies, including the research and development of large language model in the medical vertical field, natural language processing, etc.

Before joining our Group in December 2017, Dr. Yan worked at Microsoft (China) Co., Ltd. between July 2006 and November 2017 in various research roles, including as a senior lead researcher in the enterprise intelligence and data mining area. The main areas of Dr. Yan's research included AI knowledge mining, knowledge-based machine learning, text processing technology and information retrieval with an emphasis on AI technologies in the medical field. His research products have led to a range of commercial applications and have been granted numerous patents.

Dr. Yan has published over 100 papers in prestigious academic publications and conferences including Special Interest Group on Knowledge Discovery in Data (SIGKDD) of the Association for Computing Machinery (“ACM”), Special Interest Group on Information Retrieval (SIGIR) of the ACM, International Conference on World Wide Web (WWW) Conference, the International Conference on Data Mining held by the Institute of Electrical and Electronics Engineers (“IEEE”) and *IEEE Transactions on Knowledge and Data Engineering*.

Dr. Yan has been a member of the medical health and biological information processing committee of Chinese Information Processing Society of China since December 2018. Dr. Yan also chaired the organizing committee of the Global Artificial Intelligence Technology Conference and was invited as a special forum guest in 2018.

Dr. Yan holds a Ph.D. in applied mathematics from Peking University awarded in July 2006 and received his bachelor’s degree in computational mathematics from Jilin University in July 2001.

As at the Latest Practicable Date, Dr. Yan was interested in 3,719,040 Shares, representing approximately 0.35% of the issued share capital of the Company within the meaning of Part XV of the SFO. The Shares were held by Dr. Yan representing his entitlement to receive up to 2,500,640 Shares pursuant to the exercise of options granted to him under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options and his entitlement to receive up to 1,090,500 Shares pursuant to the exercise of options granted to him under the Post-IPO Share Option Scheme. Ms. Liu Ning, spouse of Dr. Yan, purchased 127,900 Shares. By virtue of the SFO, Dr. Yan is deemed to be interested in the Shares held by Ms. Liu Ning.

Dr. Yan has entered into a service contract with the Company for an initial term of three years and will continue thereafter until terminated in accordance with the terms of the service contract. Dr. Yan is entitled to receive a director’s fee of RMB160,000 per annum from the Group for services provided to the Company in his capacity as an executive Director. Dr. Yan’s remuneration may include share options, which he may from time to time be entitled. Such remuneration/emoluments will be reviewed annually by the Board and the Remuneration Committee and he is also entitled to a discretionary bonus with reference to his performance and the operating results of the Group.

Save as disclosed above, as at the Latest Practicable Date, Dr. Yan (i) did not hold any other position with the Company and other members of the Group; (ii) did not have any relationship with any other Directors, senior management, or substantial shareholders or Controlling Shareholder; (iii) had not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have other major appointments and professional qualifications.

Save for the information disclosed above, as at the Latest Practicable Date, there is no other matter in relation to the re-election of Dr. Yan that needs to be brought to the attention of the Shareholders and there is no other information relating to Dr. Yan which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

#### **NON-EXECUTIVE DIRECTOR**

##### **(4) Mr. Zeng Ming**

**Mr. Zeng Ming** (曾鳴), aged 53, has been appointed as a non-executive Director of the Company with effect from June 25, 2021. Mr. Zeng was the chief strategy officer of Alibaba Group between 2006 and 2018. Mr. Zeng has published a number of books on business strategies. Mr. Zeng obtained his Doctor of Philosophy degree in International Business and Strategy from University of Illinois at Urbana-Champaign, USA in 1998 and a bachelor of arts degree in Economics from Fudan University (復旦大學) in 1991. Mr. Zeng was the professor of strategy at Cheung Kong Graduate School of Business, Beijing China and a faculty member at INSEAD, France.

As at the Latest Practicable Date, Mr. Zeng, through Perfect Sword Limited, a company controlled by him and his spouse, was interested in 2,163,845 Shares, representing approximately 0.21% of the issued share capital of the Company within the meaning of Part XV of the SFO. The Shares were held by Mr. Zeng, through Perfect Sword Limited, representing his entitlement to receive up to 750,000 Shares pursuant to the exercise of options granted to him, through Perfect Sword Limited, under the Pre-IPO Share Option Plans, subject to the conditions (including vesting conditions) of those options, and 1,413,845 Shares exercised under the Pre-IPO Share Option Plans.

Mr. Zeng has entered into an appointment letter with the Company for an initial term of three years and will continue thereafter until terminated in accordance with the terms of the appointment letter. Mr. Zeng is entitled to receive a director's fee of RMB160,000 per annum. Such remuneration will be reviewed annually by the Board and the Remuneration Committee.

Save as disclosed above, as at the Latest Practicable Date, Mr. Zeng (i) did not hold any other position with the Company and other members of the Group; (ii) did not have any relationship with any other Directors, senior management, or substantial shareholders or Controlling Shareholder; (iii) had not held any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas; and (iv) did not have other major appointments and professional qualifications.

Save for the information disclosed above, as at the Latest Practicable Date, there is no other matter in relation to the re-election of Mr. Zeng that needs to be brought to the attention of the Shareholders and there is no other information relating to Mr. Zeng which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

*The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the total number of issued Shares was 1,052,857,269 Shares of par value of US\$0.00002 each which have been fully paid. Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that the total number of issued Shares remains unchanged on the date of the Annual General Meeting, i.e. being 1,052,857,269 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase a maximum of 105,285,726 Shares, representing 10% of the total number of issued Shares as at the date of the Annual General Meeting, during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law(s) or the Articles of Association to be held; or (iii) the passing of an ordinary resolution by Shareholders in general meeting of the Company revoking or varying such mandate.

## **REASONS FOR AND FUNDING OF SHARE REPURCHASE**

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Company to repurchase its Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the Company's net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

Repurchase of the Shares must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. The Directors may not repurchase the Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, the Directors may make repurchases with profits of the Company or out of a new issuance of shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Companies Act, out of capital and, in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles of Association and subject to the Companies Act, out of capital.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchases would be in the best interests of the Company. If the Repurchase Mandate is exercised in full, there might be a material adverse impact on the working capital and the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at March 31, 2023, being the date to

which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

### **GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

No core connected person has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to sell any Shares held by him or her to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

### **TAKEOVERS CODE**

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

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Ms. Gong and Mr. Xu Jiming are deemed to be interested in 416,626,975 Shares through Sweet Panda Limited and the Shares held by Mr. Xu Jiming, under the SFO, representing approximately 39.57% of the issued share capital of the Company. In the event that the Directors should exercise in full the Repurchase Mandate, such interests will be increased to approximately 43.97% of the issued share capital of the Company.

To the best knowledge and belief of the Directors and in the absence of any special circumstances, such increase would give rise to an obligation to make a mandatory offer under the Takeovers Code. The Directors do not propose to exercise the Share repurchase to such an extent as would, in the circumstances, give rise to obligations to make a mandatory offer in accordance with Rule 26 of the Takeover Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

The Listing Rules prohibit a company from making a repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued Shares of the Company would be publicly held. The Directors do not intend to repurchase Shares to the extent that, after the consummation of any such repurchase, less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued Shares would be publicly held.

#### SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company during the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

#### MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares were traded on the Stock Exchange during each of the previous twelve months immediately preceding the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest prices <i>HKD</i></b>	<b>Lowest prices <i>HKD</i></b>
<b>2022</b>		
July	10.780	8.090
August	8.570	6.930
September	7.170	4.650
October	5.140	3.630
November	6.530	3.910
December	8.530	5.290
<b>2023</b>		
January	7.480	5.910
February	10.080	6.530
March	9.260	6.600
April	8.660	5.790
May	6.050	4.730
June	6.420	4.880
July	6.090	5.210
August (up to the Latest Practicable Date)	5.770	3.800

*The following is a summary of the principal terms of the Post-IPO Share Award Scheme. It does not form part of, nor is it intended to be part of the rules of the Post-IPO Share Award Scheme. The Directors reserve the right at any time prior to the AGM to make such amendments to the Post-IPO Share Award Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any materials aspects with the summary in this Appendix.*

## **1. PURPOSE AND OBJECTIVES**

The purposes of the Post-IPO Share Award Scheme are to (i) align the interests of Eligible Participants with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) encourage and retain Eligible Participants to make contributions to the long-term growth and profits of the Group. The Board believes that through the grant of Awards, such Eligible Participant will share a common goal with the Group in terms of the long-term growth and development of the Group and therefore align with the purpose of the Post-IPO Share Award Scheme.

## **2. PARTICIPANTS AND CRITERIA FOR DETERMINING SELECTED PARTICIPANTS**

The Board and the committee of the Board or person(s) to which the Board has delegated its authority may, from time to time, grant Awards to an individual or a corporate entity (as the case may be), being any of the following: (i) any employee of the Group and any persons who are granted Awards under the Post-IPO Share Award Scheme as an inducement to enter into employment contracts with the Group; (ii) a director (including executive directors, non-executive directors and independent non-executive directors) of any member of the Group; and (iii) a Service Provider, being any persons (natural person or corporate entity) who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business, the grant of Awards to whom is in the interests of the long-term growth of the Group as determined by the Board or its delegate(s) in their sole discretion, including any officer, consultant, advisor, distributor, contractor, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group for its research and development, big data gathering, artificial intelligence and other technologies innovation, product and services offering, marketing, strategic planning on corporate image, investor relations, regulatory affairs, human resources and administration management (excluding any placing agents or financial advisers providing advisory services for fundraising, mergers or acquisition, and service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity).

In determining the number of Awards to be granted to a Selected Participant, the Board may take into consideration matters including, but without limitation to, (i) the present contribution and expected contribution of the relevant Selected Participant to the profits of the Group; (ii) the rank and performance of the relevant Selected Participant; (iii) the general financial condition of the Group; (iv) the Group's overall business objectives and future development plan; and (v) any other matter which the Board considers relevant.

In the case of Employee Participants, assessing factors include, among others, the years of experience, years of employment, work quality, efficiency, collaboration, management and strategy according to the prevailing market practice and industry standard, and other factors the Board deems appropriate, from time to time.

In the case of Service Providers, assessing factors include, among others, the materiality and nature of the business relationship with the Group taking into account factors including whether they relate to the core business of the Group or whether such business dealings could be readily replaced by third parties, the quality of services a Service Provider has provided to the Group and/or the track record of the business relationship and cooperation with the Group and the scale of business dealing with the Group with regard to factors such as the actual or expected contribution to the Group's financial results, business development which is or may be attributable to the relevant Service Provider or contribution of the relevant Service Provider to the Company's business interest on the whole.

### **3. SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT**

- (i) The Company shall not make any further grant of Award which will result in the aggregate number of Shares underlying all grants of (i) new Shares of the Company; or (ii) options over new Shares made pursuant to the Post-IPO Share Award Scheme and other share scheme(s) adopted by the Company (excluding Award Shares that have been forfeited in accordance with the Scheme) to exceed 10% of the total number of issued Shares as of the Amendment Date, without Shareholders' approval. The Company may seek separate approval from the Shareholders in general meeting for granting Awards under the Post-IPO Share Award Scheme which will result in the Scheme Mandate Limit and/or the Service Provider Sublimit being exceeded, provided that: (a) the grant is only to Eligible Participants specifically identified by the Company before the approval is sought; (b) a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules; and (c) the number and terms of Awards to be granted to the Eligible Participants must be fixed before Shareholders' approval. Any Awards lapsed in accordance with the terms of the Post-IPO Share Award Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder).

- (ii) In the event the Company undertakes a capitalisation issue, right issue, consolidation, sub-division of the shares or reduction of capital in the share capital of the Company, corresponding changes will be made to the number of outstanding Award Shares that have been granted provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the Selected Participants and comply with Chapter 17 of the Listing Rules. Any adjustments required under rule 17.03(13) of the Listing Rules must give a participant the same proportion of the equity capital, rounded to the nearest whole shares, as that to which that person was previously entitled, but no such adjustments may be made to the extent that a share would be issued at less than its nominal value (if any). The issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Company's auditors must confirm to the Directors in writing that the adjustments satisfy the requirements set out in this paragraph.
- (iii) Save as prescribed in paragraph 3(i) above or as otherwise restricted by the Listing Rules, within the Scheme Mandate Limit, the total number of Awards which may be granted under the Post-IPO Share Award Scheme and other share schemes of the Company to Service Providers, shall not exceed 1% of the total number of Shares in issue on the Amendment Date.
- (iv) The Company may seek the approval of its Shareholders in general meeting to refresh the Scheme Mandate Limit (and the Service Provider Sublimit thereunder) after three years from the date of Shareholders' approval for the last refreshment (or the adoption of the Post-IPO Share Award Scheme), or for the refreshment of Scheme Mandate Limit within three years from the date of Shareholders' approval for the last refreshment (or the adoption of the Post-IPO Share Award Scheme), by ordinary resolution of the Shareholders in a general meeting where the controlling shareholders of the Company and their associates (or if there is no controlling shareholder, director (excluding independent non-executive directors) and the chief executive of the Company, and their respective associates) must abstain from voting in favour of such resolutions, provided that (i) the aggregate number of Shares underlying all grants made pursuant to the Post-IPO Share Award Scheme and other incentive schemes adopted by the Company shall not exceed 10% of the total number of issued Shares as of the date of approval of the refreshed limit, (ii) the circular to the Shareholders will contain the number of Awards that were already granted under the existing Scheme Mandate Limit and the reasons for the refreshment, and (iii) awards previously granted under the Post-IPO Share Award Scheme or any other incentive scheme, including Awards outstanding, cancelled or lapsed in accordance with the relevant incentive scheme, shall not be counted for the purpose of calculating the limit to be refreshed.

- (v) The maximum number of grant of Awards under the Post-IPO Share Award Scheme is 10% (excluding any Awards lapsed in accordance with term of the Post-IPO Share Award Scheme).

#### 4. INDIVIDUAL LIMITS

- (i) The approval of independent non-executive Directors (excluding any independent non-executive Directors who is a proposed Selected Participant of the Award(s)) is required for each grant of Awards to a Director, chief executive, or substantial shareholder of the Company or any of their respective associates.
- (ii) Where any grant of Awards to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates would result in the total number of Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Post-IPO Share Award Scheme) under the Post-IPO Share Award Scheme and grants of awards (excluding option grants) under any other incentive scheme(s) of the Company to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of Shares in issue, such further grant of Awards must be approved by Shareholders in general meeting and shall comply with the requirements of Rule 17.04 of the Listing Rules. The Company must send a circular to the Shareholders containing the information required under Rule 17.04(5) of the Listing Rules.
- (iii) Save as prescribed in paragraph 3 (i) or as otherwise restricted by the Listing Rules, for any 12-month period up to and including the date of grant of Awards, the aggregate number of Shares issued and to be issued in respect of all Awards granted to any Selected Participant and all grants made under any other incentive scheme(s) of the Company (excluding any Awards lapsed in accordance with the Post-IPO Share Award Scheme) shall not exceed 1% of the total number of the Shares in issue at the relevant time without Shareholders' approval. Any further grant of Awards must be separately approved by the Shareholders in general meeting with such Eligible Participant and his or her close associates (or his or her associates if the Selected Participant is a connected person) abstaining from voting. The Company must then send a circular to its Shareholders and the circular must disclose the identity of the Eligible Participants, the number and terms of the Awards to be granted and Awards previously granted to such Eligible Participant and the information required under the Listing Rules. The number and terms of the Awards to be granted to such Eligible Participant must be fixed before Shareholders' approval.
- (iv) Where any grant of Awards to a substantial shareholder of the Company or an independent non-executive Director, or their respective associates, would result in the total number of Shares issued and to be issued in respect of all Awards or options granted and to be granted (excluding any Awards or options lapsed in accordance with the terms of the scheme(s)) to such person in the 12-month period

up to and including the date of such grant, representing in aggregate over 0.1% of the total number of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting and shall comply with the requirements of Rule 17.04 of the Listing Rules. The Company must send a circular to the Shareholders containing the information required under Rule 17.04(5) of the Listing Rules.

## 5. DURATION AND TERMINATION

Without prejudicing the subsisting rights of any Selected Participant, subject to any early termination as may be determined by the Board, the Post-IPO Share Award Scheme remains valid and effective from the adoption date on December 28, 2020 (“**Adoption Date**”) until the tenth (10th) anniversary of the Adoption Date (December 28, 2030), after which period no further Awards will be granted, but the provisions of the Post-IPO Share Award Scheme will in all other respects remain in full force and effect and Awards that are granted from the Adoption Date until the tenth (10th) anniversary of the Adoption Date may continue to be exercisable in accordance with their terms of issue.

## 6. GRANT OF AWARDS

- (i) The Company shall issue an Award Letter to each Selected Participant in such form as the Board or the committee of the Board or person(s) to which the Board has delegated its authority may from time to time determine, specifying the grant date, the number of Award Shares underlying the Award, the vesting criteria and conditions, the vesting date, the vesting period, the performance targets (if applicable) and such other details as they may consider necessary.
- (ii) Where a Trust has been established for the purposes of administering this Scheme, as soon as practicable after the grant of any Award to a Selected Participant, the Company shall notify the Trustee of: (a) the name of each such Selected Participant to whom such an Award has been made; (b) the number of Award Shares to which each such Award relates; and (c) the Vesting Date and/or the Vesting Period.
- (iii) No Award may be made by the Board to any Selected Participants:
  - (a) where the Company or any Selected Participant is in possession of unpublished inside information in relation to the securities of the Company or where the Company reasonably believes there is unpublished inside information in relation to the securities of the Company which must be disclosed under part XIVA of the SFO, or where dealings by Directors of the Company are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
  - (b) after any inside information in relation to the securities of the Company has occurred or has become the subject of a decision, until (and including) the trading day after such inside information has been published;

- (c) during the period commencing one month immediately before the earlier of:
  - i. the date of the board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - ii. the deadline for the issuer to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

- (iv) Where a trust has been established for the purposes of administering the Post-IPO Share Award Scheme and if so determined by the Company, as soon as reasonably practicable and no later than 30 Business Days from the grant date, for the purposes of satisfying the grant of Awards, issue and allot Shares to the trustee and/or transfer to the trust the necessary funds and instruct the trustee to acquire Shares through on-market transactions at the prevailing market price. The Company shall instruct the trustee whether or not to apply any returned shares to satisfy any grant of Awards made, and if the returned shares, as specified by the Company, are not sufficient to satisfy the Awards granted, the Company shall, as soon as reasonably practicable and no later than 30 business days from the grant date, for purposes of satisfying the Awards granted, issue and allot further Shares to the trustee and/or transfer to the trust the necessary funds and instruct the trustee to acquire further Shares through on-market transactions at the prevailing market price.

## **7. VESTING**

- (i) The Board or the committee of the Board or person(s) to which the Board delegated its authority may from time to time while the Post-IPO Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested. Vesting of any Award shall be, where the Selected Participant is an Employee, conditional upon the Selected Participant being in full compliance with the Non-compete Obligation (as defined below) as of the vesting date (unless the requirement to comply with the Non-compete Obligation is waived by the Board or its delegate(s)). For the purpose of this the Post-IPO Share Award Scheme, "Non-compete Obligation" means during the employee's employment with the Group and within two (2) years after his/her employment with the Group ends, the employee shall not, directly or indirectly, (i) establish, carry on, participate in, work for, provide financial support or security for, or advise, any entity or individual that directly or indirectly competes with the Group; (ii) participate in or work for any entity or individual that is a supplier or vendor of the Group; or (iii) carry on any activity similar to the business carried on by the Group.

- (ii) For the purposes of vesting of the Award, the Board or the committee of the Board or person(s) to which the Board delegated its authority may either:
  - (a) direct and procure the trustee to release from the trust the Award Shares to the Selected Participants by transferring the number of Award Shares to the Selected Participants in such manner as determined by them from time to time; or
  - (b) to the extent that, at the determination of the Board or its delegate(s), it is not practicable for the Selected Participant to receive the Award in Shares solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or its delegate(s) will direct and procure the Trustee to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds in cash arising from such sale based on the actual selling price of such Award Shares as set out in the vesting notice. Such portion of Award Shares sold by the Trustee shall be deducted from the Scheme Mandate Limit.
- (iii) Save for the circumstances prescribed under paragraph 7(iv), the vesting period of the Awards granted shall not be less than 12 months.
- (iv) A shorter vesting period may be granted to an Employee Participant only and not a Service Provider, and any shorter vesting period in respect of Awards granted to Employee Participants must be approved by the Board and/or the Remuneration Committee of the Company (for Awards granted to Directors or senior managers) at the Directors' direction, provided that such Selected Participant(s) has been specifically identified by the Board before granting such approval. The specific circumstances giving rise to shorter vesting period include:
  - (a) grants of compensatory Awards to Selected Participants who are new joiners of the Group to replace their original share awards forfeited when leaving their previous employers. The Vesting Period of such Awards shall reflect the remainder of the Vesting Period on the forfeited awards to the extent that the latter may less than 12 months to run;
  - (b) grants to a Selected Participant whose employment or contract for service is terminated due to death or disability or occurrence of any out-of-control event;
  - (c) grants of Awards with performance-based vesting conditions provided in the scheme document, in lieu of time-based vesting criteria;

- (d) grants of Awards in batches during a year for administrative and compliance reasons, such as where Awards should have been granted earlier but had to wait for a subsequent batch to reflect the time from which the Awards would have been granted;
  - (e) grants of Awards with a mixed or accelerated vesting schedule such as where Awards may vest evenly over a period of 12 months; and
  - (f) cancellation of Awards and subsequent “re-grant” of new Awards to the same Selected Participant.
- (v) No amount is payable on application or acceptance of the Awards, therefore there is no period within which payments or calls must or may be made or loans for such purposes must be repaid.
- (vi) No purchase price is payable in relation to shares awarded.

## 8. LAPSE AND CLAWBACK OF AWARDS

The Awards shall lapse automatically upon the earliest of: (i) the expiry of the vesting period set out in the Award Letter; (ii) the date of commencement of the winding-up of the Company; (iii) the date on which the Awards of a Selected Participant are forfeited for reasons set out in the scheme rules of the Post-IPO Share Award Scheme; and (iv) the date on which the Selected Participant commits a breach of terms under the scheme rules in relation restrictions on assignment and transferability.

## 9. RESTRICTIONS AND LIMITATIONS

Any Award granted but not yet vested is personal to the Selected Participant to whom it is made and is not assignable or transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

The Shares to be issued and allotted or transferred to the Selected Participant pursuant to the Post-IPO Share Award Scheme shall be subject to the Company’s constitutional documents for the time being in force and the Companies Act (As Revised) of the Cayman Islands as amended from time to time and shall rank *pari passu* in all respects with the fully-paid Shares in issue of the Company as at the date of allotment or transfer and will entitle the holders to participate in all dividends or other distributions declared or recommended or resolved to be paid or made in respect of a record date falling on or after the date of allotment. Prior to the Selected Participant being registered as a Shareholder on the register of members of the Company, the Selected Participant shall not have any voting rights, or rights to participate in any dividends or distributions or any rights arising on a liquidation of the Company, in respect of the Shares to be issued upon the vesting of the Awards.

A Selected Participant or a Trustee holding unvested Award Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

#### **10. CANCELLATION OF AWARDS**

The Company may cancel an Award granted but not vested with the approval of the Selected Participant of such Award. No awards may be granted to an Eligible Participant in place of his cancelled Awards unless there are available unissued Awards (excluding the cancelled Awards) within the Scheme Mandate Limit of the Scheme from time to time. The Board or its delegate(s) shall be entitled to cancel any outstanding Awards of a Selected Participant if the Selected Participant's employment and engagement with the Company terminates for reasons set out in the terms of the Post-IPO Share Award Scheme or the Selected Participant does not fulfil performance targets set out in the Award Letter, and such portion of the Awards that is cancelled shall be of no further force and effect.

The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit).

#### **11. ALTERATION OF THE POST-IPO SHARE AWARD SCHEME**

Any alterations to the terms and conditions of the Post-IPO Share Award Scheme which are of a material nature or any alterations to the provisions of the Post-IPO Share Award Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of participant must be approved by Shareholders in general meeting. Any change to the terms of any awards granted to a participant shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case maybe) if the initial grant of Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case maybe), except where the alterations take effect automatically under the existing terms of the Post-IPO Share Award Scheme. The amended terms of the Post-IPO Share Award Scheme or the Awards must still comply with Chapter 17 of the Listing Rules. Any change to the authority of the Board to alter the terms of the Post-IPO Share Award Scheme must be approved by Shareholders in general meeting.

---

## NOTICE OF ANNUAL GENERAL MEETING

---



**Yidu Tech Inc.**  
**醫渡科技有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2158)**

### NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Yidu Tech Inc. (the “**Company**”) will be held at 9/F, No. 9 Building (Jiankang Zhigu Building), 35 North Huayuan Road, Haidian District, Beijing, PRC on Friday, September 28, 2023 at 3:00 p.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company for the year ended March 31, 2023 and the reports of the directors (the “**Directors**”) and auditor thereon.
2. To re-elect Directors and authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration:
  - (a) To re-elect Mr. Xu Jiming as an executive Director;
  - (b) To re-elect Ms. Feng Xiaoying as an executive Director;
  - (c) To re-elect Dr. Yan Jun as an executive Director;
  - (d) To re-elect Mr. Zeng Ming as a non-executive Director; and
  - (e) To authorise the Board to fix the remuneration of the Directors.
3. To re-appoint PricewaterhouseCoopers as auditor of the Company to hold office until the conclusion of the next annual general meeting of the Company and to authorise the Board to fix its remuneration.

---

## NOTICE OF ANNUAL GENERAL MEETING

---

To consider and, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:

4. **“That:**
  - (i) conditional upon the passing of ordinary resolution numbered 5, the amendments to the Post-IPO Share Award Scheme proposed by the Board, a copy of which is produced to this meeting and signed by the Chairman of the AGM for the purpose of identification, be and is hereby approved and adopted in all respects; and
  - (ii) the Directors be and are hereby authorised to grant the awards thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the Post-IPO Share Award Scheme.”
5. **That**, the Scheme Mandate Limit (as defined in the Post-IPO Share Award Scheme) on the total number of Shares that may be issued in respect of all options and awards to be granted to the Eligible Participants under all the share schemes of the Company, being 10% of the total issued Shares of the Company as at the date of passing resolution numbered 5, be and is hereby approved and adopted.
6. **That**, conditional upon the passing of ordinary resolution numbered 5, the Service Provider Sublimit (as defined in the Post-IPO Share Award Scheme) on the total number of Shares that may be issued in respect of all options and awards to be granted to the Service Providers under all share schemes of the Company, being 1% of the total issued Shares of the Company as at the date of the passing resolution numbered 6, be and is hereby approved and adopted.
7. **“That:**
  - (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all the powers of the Company to allot, issue and/or otherwise deal with additional shares of US\$0.00002 each in the share capital of the Company (“**Shares**”) or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers, be and is hereby generally and unconditionally approved;
  - (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (as defined hereinafter) to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such power after the end of the Relevant Period;

---

## NOTICE OF ANNUAL GENERAL MEETING

---

(iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) and issued by the Directors during the Relevant Period (as defined hereinafter) pursuant to the approval in paragraph (i) above, otherwise than pursuant to:

- (1) any Rights Issue (as defined hereinafter);
- (2) the grant or exercise of any option under any share option scheme of the Company (if applicable) or any other option, scheme or similar arrangements for the time being adopted for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for Shares or rights to acquire Shares;
- (3) any scrip dividend or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company; or
- (4) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares, shall not exceed the aggregate of the following two items:
  - (a) 20% of the number of issued shares of the Company as at the date of passing this resolution; and
  - (b) (if the Board is so authorised by resolution numbered 9) the aggregate number of shares of the Company purchased by the Company subsequent to the passing of resolution numbered 8 (up to a maximum equivalent to 10% of the number of issued shares of the Company as at the date of passing resolution numbered 8),

and the approval shall be limited accordingly; and

(iv) for the purpose of this resolution:

- (a) “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
  - (1) the conclusion of the next annual general meeting of the Company;
  - (2) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law(s) or the amended and restated articles of association of the Company (“**Articles of Association**”) to be held; or

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (3) the passing of an ordinary resolution by the shareholders of the Company (“**Shareholders**”) in general meeting of the Company revoking or varying the authority given to the Directors by this resolution; and
- (b) “Rights Issue” means an offer of shares of the Company or an issue of warrants, options or other securities giving rights to subscribe for Shares, open for a period fixed by the Directors to holders of shares of the Company on the register of members on a fixed record date in proportion to their then holdings of such Shares of the Company (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”
8. “**That:**
- (i) subject to paragraph (ii) below of this resolution, the exercise by the Directors during the Relevant Period (as defined hereinafter) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of the Shares to be repurchased by the Company pursuant to the approval in paragraph (i) above of this resolution during the Relevant Period shall not exceed 10% of the number of issued shares of the Company as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs (i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and

---

## NOTICE OF ANNUAL GENERAL MEETING

---

(iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiry of the period within which the next annual general meeting of the Company is required by any applicable law(s) or the Articles of Association to be held; or
- (c) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the directors of the Company by this resolution.”

9. **“That** conditional upon the resolutions numbered 7 and 8 set out in this notice being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and/or otherwise deal with new shares of the Company and to make or grant offers, agreements and/or options which might require the exercise of such powers pursuant to the resolution numbered 7 set out in this notice be and is hereby extended by the addition to the number of the issued shares of the Company which may be allotted or agreed conditional or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the number of the issued shares of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 8 set out in this notice, provided that such extended amount shall represent up to 10% of the number of issued shares of the Company as at the date of passing of the said resolutions.”

Ordinary resolutions numbered 4 and 6 are conditional upon the passing of the ordinary resolution numbered 5. In the event that ordinary resolution numbered 4 and 5 are passed but ordinary resolution numbered 6 is not passed, the Company will adopt the amendments to the Post-IPO Share Award Scheme proposed by the Board save that the Board shall alter the Post-IPO Share Award Scheme to remove references to the grant of Awards to the Service Providers.

By order of the Board  
**Yidu Tech Inc.**  
**Gong Yingying**  
*Executive Director and Chairlady*

Hong Kong, September 7, 2023

---

## NOTICE OF ANNUAL GENERAL MEETING

---

*Registered office:*

Suite #4-210, Governors Square  
23 Lime Tree Bay Avenue  
PO Box 32311  
Grand Cayman KY1-1209  
Cayman Islands

*Headquarters in the PRC:*

8/F Health Work  
No. 9 Building of Huayuan North Road  
Haidian District  
Beijing  
China

*Principal place of business in Hong Kong:*

14th Floor, Golden Centre  
188 Des Voeux Road Central  
Hong Kong

*Notes:*

- (i) A shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxy(ies) to attend, speak and vote in his/her stead. The proxy does not need to be a shareholder of the Company.
- (ii) Where there are joint registered holders of any shares of the Company, any one of such persons may vote at the above meeting (or at any adjournment of it), either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto but the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (iii) In order to be valid, the completed form of proxy must be deposited at the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practice in Hong Kong), at least 48 hours before the time appointed for holding the above meeting (i.e. before 3:00 p.m. on Tuesday, September 26, 2023) or any adjournment thereof (as the case may be). The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish and in such event, the form of proxy shall be deemed to be revoked.
- (iv) The register of members of the Company will be closed from Monday, September 25, 2023 to Thursday, September 28, 2023, both days inclusive, in order to determine the eligibility of shareholders to attend and vote at the above meeting, during which period no share transfers will be registered. To be eligible to attend and vote at the above meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, September 22, 2023.
- (v) In respect of resolutions numbered 2 above, details of the directors of the Company proposed for re-election are set out in Appendix I to the Circular.
- (vi) In respect of the resolution numbered 7 above, the directors of the Company wish to state that they have no immediate plans to issue any new shares of the Company referred therein. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Listing Rules.

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (vii) In respect of resolution numbered 8 above, the directors of the Company wish to state that they will exercise the powers conferred by the repurchase mandate to repurchase shares of the Company in circumstances which they deem appropriate and for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the Circular.
- (viii) Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in this notice will be taken by poll at the above meeting.

*As at the date of this notice, the Board of Directors of the Company comprises Ms. Gong Yingying, Mr. Xu Jiming, Dr. Yan Jun and Ms. Feng Xiaoying as executive Directors; Mr. Zeng Ming as non-executive Director; and Dr. Ma Wei-Ying, Ms. Pan Rongrong and Prof. Zhang Linqi as independent non-executive Directors.*