

Stock abbreviation: MYSE

Stock code: 601615

**Ming Yang Smart Energy Group
Limited
2025 Stock Option Incentive Plan (Draft)**

Ming Yang Smart Energy Group Limited

September 2025

Statement

Ming Yang Smart Energy Group Limited (hereinafter referred to as the "Company") and all its directors warrant that the Incentive Plan and its abstract contain no false records, misleading statements, or material omissions, and shall bear legal liability for the authenticity, accuracy, and completeness of its content in accordance with the law.

Notes

I. The Incentive Plan is formulated in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Administrative Measures for Equity Incentives of Listed Companies and other relevant laws and regulations, normative documents and the Articles of Association of Ming Yang Smart Energy Group Limited

II. The incentive instruments adopted under the Incentive Plan are stock options, with the source of shares being A-share common stocks issued through private placement to the incentive recipients and/or A-share common stocks repurchased from the secondary market.

III. The number of stock options to be granted to the incentive recipients under the Incentive Plan is 20 million, accounting for 0.8805% of the Company's total share capital of 2,271,496,706 shares at the time of announcement of the draft Incentive Plan. This grant is a one-time grant without reserved interests.

As of the announcement date of the draft Incentive Plan, the total number of underlying shares involved in the equity incentive plan during the whole validity period of the Company does not exceed 10.00% of the total share capital of the Company when the Incentive Plan is submitted to the Shareholders' Meeting. The number of shares of the Company granted to any incentive recipient in the Incentive Plan through the equity incentive plan within the whole validity period does not exceed 1.00% of the total share capital of the Company.

During the period from the date of announcement of the draft Incentive Plan to the date when the incentive recipients complete the exercise of stock options, if the Company has capital reserve conversion into share capital, distribution of stock dividends, share splits or reverse stock splits, stock allotment and other matters, the number of stock options will be adjusted accordingly.

IV. The Incentive Plan grants a total of 260 incentive recipients, including middle and senior officers, core technical (business) backbone staff, as well as other employees whom the Company considers deserving of incentive and who have a direct impact on the Company's operating performance and future development, all of whom are employed by the Company (including its controlled subsidiaries) at the time of the announcement of the draft Incentive Plan.

The above incentive recipients exclude the Company's independent directors, shareholders or actual controllers individually or jointly holding more than 5% of the Company's shares, and their spouses, parents and children. All incentive recipients must have an employment or labor relationship with the Company or its controlled subsidiaries at the time of stock option grant and during the assessment period specified in the Incentive Plan.

V. The exercise price of the stock options granted to the incentive recipients under the Incentive Plan is RMB14.03 per share.

During the period from the date of announcement of the draft Incentive Plan to the date when the incentive recipients complete the exercise of stock options, if the Company has capital reserve conversion into share capital, distribution of stock dividends, share splits or reverse stock splits, share allotment, dividend payment and other matters, the exercise price of stock options will be adjusted accordingly according to the Incentive Plan.

VI. The Incentive Plan is valid from the grant date of stock options to the date when all stock options granted to the incentive recipients are either exercised or cancelled, with a maximum duration not exceeding 36 months.

VII. The Company does not fall under the circumstances specified in Article 7 of the Administrative Measures for Equity Incentives of Listed Companies.

VIII. None of the incentive recipients participating in the Incentive Plan fall under the circumstances that prohibit them from becoming incentive recipients as specified in Article 8 of the Administrative Measures for Equity Incentives of Listed Companies.

IX. The Company undertakes that it will not provide loans, guarantees for loans, or any other any other form of financial assistance to incentive recipients for the purpose of obtaining relevant rights and interests under the Incentive Plan.

X. The incentive recipients undertake that if the Company becomes ineligible to grant or exercise rights and interests due to false records, misleading statements, or material omissions in its information disclosure documents, they will return all benefits obtained from the equity incentive plan to the Company after such documents are confirmed to contain false records, misleading statements, or material omissions.

XI. The Incentive Plan can only be implemented after being approved by the Shareholders' Meeting of the Company.

XII. Within 60 days from the date when the Incentive Plan is approved by the Shareholders' Meeting, the Company will hold a Board meeting to grant rights and interests to the incentive recipients in accordance with relevant regulations, and complete relevant procedures such as registration and announcement. If the Company fails to complete the above tasks within 60 days, it shall promptly disclose the reasons for the failure and announce the termination of the Incentive Plan. Periods during which listed companies are prohibited from granting rights and interests under the Administrative Measures for Equity Incentives of Listed Companies and other relevant laws and regulations shall not be counted within the aforementioned 60-day period.

XIII. The implementation of the Incentive Plan will not cause the Company's equity distribution to fail to meet the listing conditions.

Contents

Statement.....	2
Notes	3
Chapter I Interpretations.....	7
Chapter II Purpose and Principles of the Incentive Plan.....	9
Chapter III Governing Body of the Incentive Plan	10
Chapter IV Basis and Scope for Determining Incentive Recipients.....	12
Chapter V Stock Option Incentive Methods, Sources, Quantity, and Distribution.....	15
Chapter VI Validity Period, Grant Date, and Other Terms.....	17
Chapter VII Exercise Price and Its Determination Method	20
Chapter VIII Grant and Exercise of Stock Options	21
Chapter IX Implementation Procedures for the Stock Option Incentive Plan	26
Chapter X Adjustment Methods and Procedures of the Incentive Plan	31
Chapter XI Accounting for Stock Options.....	34
Chapter XII Rights and Obligations of the Company/Incentive Recipients.....	36
Chapter XIII Handling of Changes Concerning the Company/Incentive Recipients	39
Chapter XIV Supplementary Provisions	43

Chapter I Interpretations

MYSE, the Company	refers to	Ming Yang Smart Energy Group Limited
Incentive Plan, the Incentive Plan, the Plan	refers to	2025 Stock Option Incentive Plan of Ming Yang Smart Energy Group Limited
Stock options or options	refers to	a right granted by the Company to incentive recipients to purchase a certain number of the Company's shares under predetermined conditions within a specified future period.
Incentive recipients	refers to	Middle and senior officers, core technical (business) backbone staff, as well as other employees whom the Company considers deserving of incentive and who have a direct impact on the Company's operating performance and future development, and who are granted stock options
Grant date	refers to	the date on which the Company grants stock options to the incentive recipients, which must be a trading date
Validity period	refers to	the period from the grant date of the stock options until the date when all stock options granted to the incentive recipients are either exercised or cancelled.
Vesting period	refers to	The period between the completion date of the registration of the stock option grant and the vesting date of the stock options.
Exercise	refers to	The act of exercising the stock options owned by incentive recipients under the Stock Option Incentive Plan. The exercise of an option under this Incentive Plan is the act of purchasing the underlying shares by incentive

		recipients based on the terms and conditions set forth in this Incentive Plan.
Vesting date	refers to	the date on which incentive recipients may begin exercise, and the vesting date must be a trading day
Exercise price	refers to	The price at which the incentive recipients under this Incentive Plan are entitled to purchase the Company's A-shares.
Exercise conditions	refers to	Conditions necessary for the exercise of stock options by incentive recipients under the Incentive Plan
Company Law	refers to	Company Law of the People's Republic of China
Securities Law	refers to	Securities Law of the People's Republic of China
Administrative Measures	refers to	Administrative Measures for Equity Incentives of Listed Companies
Articles of Association	refers to	Articles of Association of Ming Yang Smart Energy Group Limited
Administrative Measures for Assessment of the Company	refers to	Administrative Measures for the Implementation Assessment of 2025 Stock Option Incentive Plan of Ming Yang Smart Energy Group Limited
CSRC	refers to	China Securities Regulatory Commission
Stock Exchange	refers to	Shanghai Stock Exchange
Securities Depository and Clearing Corporation	refers to	China Securities Depository and Clearing Corporation Limited Shanghai Branch
RMB, RMB 10,000	refers to	RMB yuan, RMB ten thousand yuan

Notes: 1. Unless otherwise specified, the financial data and financial indicators cited in this draft Incentive Plan refer to those based on the consolidated financial statements and the financial indicators calculated therefrom.

2. Any minor discrepancies between the sum totals and the addition of individual figures in this draft Incentive Plan are due to rounding adjustments.

Chapter II Purpose and Principles of the Incentive Plan

To further establish and improve the Company's long-term incentive mechanism, attract and retain outstanding talents, fully mobilize the enthusiasm of the Company's core team, effectively align the interests of shareholders, the Company, and employees, and ensure all parties focus on the Company's long-term development, the Incentive Plan is formulated in accordance with the principles of matching rewards with contributions and with full protection of shareholders' interests, pursuant to the Company Law, the Securities Law, the Administrative Measures and other relevant laws, administrative regulations, normative documents and the Articles of Association.

Chapter III Governing Body of the Incentive Plan

I. The Shareholders' Meeting, as the highest authority of the Company, shall be responsible for considering and approving the implementation, change and termination of the Incentive Plan. The Shareholders' Meeting may, within the scope of its authority, authorize the Board to handle certain matters relating to the Incentive Plan.

II. The Board is the executive governing body of the Incentive Plan and is responsible for the implementation of the Incentive Plan. The Remuneration and Assessment Committee under the Board is responsible for formulating and revising the Incentive Plan and submitting it to the Company's Board for deliberation. After the Board reviews and approves the Incentive Plan, it shall be submitted to the Company's Shareholders' Meeting for approval. The Board shall handle matters related to the Incentive Plan within the scope authorized by the Shareholders' Meeting.

III. The Board's Remuneration and Assessment Committee is the supervisory body of the Incentive Plan, and shall express opinions on whether the Incentive Plan is conducive to the sustainable development of the Company and whether there are any circumstances that significantly harm the interests of the Company and all its shareholders. The Board's Remuneration and Assessment Committee shall review the list of incentive recipients under the Incentive Plan, and supervise whether the implementation of the Incentive Plan complies with relevant laws, administrative regulations, normative documents and business rules of the Stock Exchange.

IV. If the Company makes any amendments to the Incentive Plan before it is reviewed and approved by the Shareholders' Meeting, the Board's Remuneration and Assessment Committee shall provide an opinion on whether the amended plan is conducive to the sustainable development of the Company and whether there are any circumstances that significantly harm the interests of the Company and all its shareholders.

V. Before the Company grants the rights and interests to the incentive recipients, the Board's Remuneration and Assessment Committee shall issue clear opinions on the conditions for the incentive recipients to be granted the rights and interests set out in the Incentive Plan. If there is any discrepancy between the rights and interests granted by the Company to the incentive recipients and the arrangements specified in the Plan, the

Board's Remuneration and Assessment Committee (in cases where there are changes to the incentive recipients) shall simultaneously issue a clear opinion on the matter.

VI. Before the incentive recipients exercise their rights and interests, the Board's Remuneration and Assessment Committee shall issue clear opinions on whether the conditions for the incentive recipients to exercise their rights and interests set in the Incentive Plan have been met.

Chapter IV Basis and Scope for Determining Incentive Recipients

I. Basis for determining incentive recipients

(I) Legal basis for determining incentive recipients

The incentive recipients under the Incentive Plan are determined in accordance with the Company Law, the Securities Law, the Administrative Measures and other relevant laws, regulations, normative documents and the Articles of Association, and in combination with the actual situation of the Company.

(II) Post basis for determining incentive recipients

The incentive recipients involved in the Incentive Plan are the middle and senior officers, core technical (business) backbone staff, as well as other employees whom the Company considers deserving of incentive and who have a direct impact on the Company's operating performance and future development, all of whom are employed by the Company (including its controlled subsidiaries) at the time of the announcement of the draft Incentive Plan.

II. Scope of incentive recipients

The Incentive Plan grants a total of 260 incentive recipients, including middle and senior officers, core technical (business) backbone staff, as well as other employees whom the Company considers deserving of incentive and who have a direct impact on the Company's operating performance and future development, all of whom are employed by the Company (including its controlled subsidiaries) at the time of the announcement of the draft Incentive Plan.

The above incentive recipients exclude the Company's independent directors, shareholders or actual controllers individually or jointly holding more than 5% of the Company's shares, and their spouses, parents and children. All incentive recipients must have an employment or labor relationship with the Company or its controlled subsidiaries at the time of stock option grant and during the assessment period specified in the Incentive Plan.

The above incentive recipients include a number of foreign employees. The Company has included them in the Incentive Plan because: the Company is committed to the international development strategy, and the foreign employees included as incentive recipients play important roles to varying degrees in the Company's daily management, technology, business and operation. Equity incentive is a commonly used incentive means for overseas companies. Foreign employees are familiar with the remuneration model that combines cash remuneration with equity incentives. The implementation of equity incentive will help stabilize existing foreign talents and attract new outstanding talents. The Incentive Plan will further promote the construction and stability of the Company's talent team, thus contributing to its long-term development.

III. Circumstances under which an individual cannot become an incentive recipient under the Incentive Plan

- (I) being recognized as an unsuitable candidate by the Stock Exchange in the most recent 12 months;
- (II) being recognized as an unsuitable candidate by the CSRC or its local offices in the most recent 12 months;
- (III) being subject to administrative penalties or market entry bans by the CSRC or its local offices due to significant violations of laws or regulations in the most recent 12 months;
- (IV) circumstances under which a person may not serve as a director or senior officer of a company, as provided for in the Company Law;
- (V) cases in which participation in equity incentives of listed companies is prohibited by laws and regulations; or
- (VI) other circumstances recognized by the CSRC.

If any of the above circumstances occurs to the incentive recipient during the implementation of the Incentive Plan, the Company will terminate his/her right to participate in the Incentive Plan, and stock options that have been exercised will remain unaffected, while stock options that have been granted but not yet exercised shall not be exercisable and shall be cancelled by the Company.

IV. Verification of incentive recipients

1. After the Incentive Plan is reviewed and approved by the Board and before the Shareholders' Meeting, the Company will internally publicize the names and positions of the incentive recipients for a publicity period of no less than 10 days.

2. The Board's Remuneration and Assessment Committee will review the list of incentive recipients, fully consider the feedback received during the publicity period, and disclose the review opinion of the Board's Remuneration and Assessment Committee on the list of incentive recipients and an explanation of the publicity status no later than 5 days prior to the Shareholders' Meeting deliberation on the Incentive Plan. The list of incentive recipients adjusted by the Board of the Company shall also be verified by the Board's Remuneration and Assessment Committee.

Chapter V Stock Option Incentive Methods, Sources, Quantity, and Distribution

I. Incentive methods and stock source of the Incentive Plan

The incentive instruments adopted under the Incentive Plan are stock options, with the source of shares being A-share common stocks issued through private placement to the incentive recipients and/or A-share common stocks repurchased from the secondary market.

II. Number of stock options granted

The number of stock options to be granted under the Incentive Plan is 20 million, accounting for 0.8805% of the Company's total share capital of 2,271,496,706 shares at the time of announcement of the draft Incentive Plan. This grant is a one-time grant without reserved interests.

As of the announcement date of the draft Incentive Plan, the total number of underlying shares involved in the equity incentive plan during the whole validity period of the Company does not exceed 10.00% of the total share capital of the Company when the Incentive Plan is submitted to the Shareholders' Meeting. The number of shares of the Company granted to any incentive recipient in the Incentive Plan through the equity incentive plan within the whole validity period does not exceed 1.00% of the total share capital of the Company.

III. Allocation of stock options granted to incentive recipients

The allocation of stock options granted under the Incentive Plan among the incentive recipients is shown in the table below:

No.	Name	Position	Number of stock options granted (10,000)	Proportion in the total number of stock options granted	Proportion in the total share capital on the announcement date of the Incentive Plan
1. Directors and senior officers of the Company (9 people)					
1	Fan Yuanfeng	Director	20	1.00%	0.0009%
2	Wang	Employee Director	25	1.25%	0.0011%

	Limin				
3	Fang Meng	Chief Financial Officer	20	1.00%	0.0009%
4	Wang Dongdong	Vice President	20	1.00%	0.0009%
5	Liu Jianjun	Chief Risk Officer	20	1.00%	0.0009%
6	Yi Lingna	Vice President	18	0.90%	0.0008%
7	Han Bing	Vice President	20	1.00%	0.0009%
8	Ye Fan	Vice President	15	0.75%	0.0007%
9	Wang Chengkui	Vice President, Secretary of the Board	15	0.75%	0.0007%
2. Middle and senior officers, core technical (business) backbone staff, as well as other employees whom the Company considers deserving of incentive and who have a direct impact on the Company's operating performance and future development (251 people)			1,827	91.35%	0.0805%
Total			2,000	100.00%	0.8805%

Notes: 1. Incentive recipients do not include shareholders or actual controllers who individually or jointly hold more than 5% of the Company's shares, nor their parents, spouses, or children.

2. The Company's shares granted to any of the above incentive recipients under the Plan do not exceed 1.00% of the Company's total share capital. The total number of underlying shares involved in the Plan in full force of the Company shall not exceed 10.00% of the total share capital of the Company at the time of submission to the Shareholders' Meeting.

3. Any minor discrepancies between the sum of individual items and the corresponding totals in the Incentive Plan are due to rounding. The same applies below.

Chapter VI Validity Period, Grant Date, and Other Terms

I. Validity period

The Incentive Plan is valid from the grant date of stock options to the date when all stock options are either exercised or cancelled, with a maximum duration not exceeding 36 months.

II. Grant date

The grant date of the Incentive Plan shall be determined by the Board after the Incentive Plan is submitted to and approved by the Company's Shareholders' Meeting, and the grant date must be the trading day. The Board shall grant stock options and complete registration, announcement and other relevant procedures within 60 days after the approval of the Shareholders' Meeting. If the above tasks are not completed within 60 days, the Incentive Plan will be terminated, and the ungranted stock options will become invalid. Periods during which listed companies are prohibited from granting equity incentives under the Administrative Measures shall not be counted within the 60-day period.

III. Vesting period

The vesting period of the Incentive Plan refers to the period from the date of stock option grant to the vesting date of the stock options, which are 12 months and 24 months from the date of grant, respectively. The time interval between the grant date and the first vesting date shall not be less than 12 months.

The stock options granted to the incentive recipients during the vesting period shall not be transferred, used for guarantee, or used to repay debts before being exercised.

IV. Vesting date

After the Incentive Plan is approved by the Shareholders' Meeting, the granted stock options may be exercised 12 months after the completion of the grant registration. The vesting date must be a trading day, but exercise shall not occur during the following periods:

1. Within 15 days before the announcement of the annual report and semi-annual report of the Company, if the announcement date of the annual report and semi-annual report is

postponed due to special reasons, it shall be counted from 15 days prior to the original appointment announcement date to 1 day before the announcement;

2. Within 5 days prior to the announcement of the Company's quarterly report, earnings forecast, or earnings preliminary announcement;

3. From the date of occurrence of a major event that may have a significant impact on the trading price of the Company's shares and their derivatives or the date of entering the decision-making procedure to the date of disclosure in accordance with the law;

4. Other periods stipulated by the CSRC and the Shanghai Stock Exchange.

V. Exercise schedule

The exercise periods and corresponding exercise schedule for the stock options granted under the Incentive Plan are as follows:

Exercise period	Schedule	Proportion
First exercise period	From the first trading day falling 12 months after the date of the share option grant to the last trading day falling 24 months after the date of the stock option grant	50%
Second exercise period	From the first trading day falling 24 months after the date of the share option grant to the last trading day falling 36 months after the date of the stock option grant	50%

VI. Lock-up period

The sale restrictions under the Incentive Plan shall be implemented in accordance with the Company Law, the Securities Law, the Interim Measures for the Administration of Shareholding Reduction by Shareholders of Listed Companies, the Rules for the Administration of Shares Held by Directors and Senior Officers of Listed Companies and Their Changes and other relevant laws, regulations, normative documents and the Articles of Association. The specific provisions are as follows:

(I) If the incentive recipients are directors and senior officers of the Company, the shares transferred each year during their tenure determined at the time of assuming office shall not exceed 25% of the total shares of the Company held by them; Within half a year after resignation, they shall not transfer the Company's shares held by them.

(II) If the incentive recipients are the directors and senior officers of the Company, any profits obtained from selling the Company's shares they hold within 6 months after purchase, or from repurchasing the Company's shares within 6 months after sale, shall belong to the Company. The Company's Board shall reclaim such profits.

(III) During the validity period of the Incentive Plan, if any changes occur in the relevant provisions regarding the transfer of shares held by directors and senior officers of the Company under the Company Law, the Securities Law, the Interim Measures for the Administration of Shareholding Reduction by Shareholders of Listed Companies, the Rules for the Administration of Shares Held by Directors and Senior Officers of Listed Companies and Their Changes and other relevant laws, regulations, normative documents and the Articles of Association, then such incentive recipients must comply with the revised relevant provisions when transferring the Company's shares they hold.

Chapter VII Exercise Price and Its Determination Method

I. Exercise price of the granted stock options

The exercise price of the stock options granted under the Incentive Plan is RMB 14.03 per share, that is, after meeting the exercise conditions, each stock option granted to the incentive recipients entitles them to purchase one share of the Company at RMB 14.03 per share during the exercise period.

II. Method for determining the exercise price of granted stock options

The exercise price of the stock options granted under the Incentive Plan shall not be lower than the par value of the shares, and shall not be lower than the higher of the following prices:

- (I) the average trading price of the Company's shares on the 1 trading day preceding the announcement date of the draft Incentive Plan, which is RMB 14.03 per share;
- (II) the average trading price of the Company's shares over the 20 trading days preceding the announcement date of the draft Incentive Plan, which is RMB 12.97 per share.

Chapter VIII Grant and Exercise of Stock Options

I. Conditions for granting stock options

The Company shall grant stock options to incentive recipients if the following grant conditions are simultaneously met; conversely, stock options cannot be granted to incentive recipients if any of the following grant conditions are not met.

(I) The Company does not fall under any of the following circumstances:

1. the certified public accountants have issued an audit report with an adverse opinion or a disclaimer of opinion in respect of the financial statements for the most recent accounting year;
2. the certified public accountants have issued an audit report with an adverse opinion or a disclaimer of opinion in respect of internal controls over financial reporting for the most recent accounting year;
3. within the most recent 36 months after listing, there have been cases where profit distribution has not been made in accordance with laws and regulations, the Company's Articles of Association, and public commitments;
4. equity incentives are prohibited by laws and regulations;
5. other circumstances recognized by the CSRC.

(II) The incentive recipients do not fall under any of the following circumstances:

1. being recognized as an unsuitable candidate by the Stock Exchange in the most recent 12 months;
2. being recognized as an unsuitable candidate by the CSRC or its local offices in the most recent 12 months;
3. being subject to administrative penalties or market entry bans by the CSRC or its local offices due to significant violations of laws or regulations in the most recent 12 months;
4. circumstances under which a person may not serve as a director or senior officer of a company, as provided for in the Company Law;
5. cases in which participation in equity incentives of listed companies is prohibited by laws and regulations; or

6. other circumstances recognized by the CSRC.

II. Exercise conditions of stock options

During the exercise period, stock options granted to incentive recipients may be exercised only if the following conditions are simultaneously met:

(I) The Company does not fall under any of the following circumstances:

1. the certified public accountants have issued an audit report with an adverse opinion or a disclaimer of opinion in respect of the financial statements for the most recent accounting year;
2. the certified public accountants have issued an audit report with an adverse opinion or a disclaimer of opinion in respect of internal controls over financial reporting for the most recent accounting year;
3. within the most recent 36 months after listing, there have been cases where profit distribution has not been made in accordance with laws and regulations, the Company's Articles of Association, and public commitments;
4. equity incentives are prohibited by laws and regulations;
5. other circumstances recognized by the CSRC.

(II) The incentive recipients do not fall under any of the following circumstances:

1. being recognized as an unsuitable candidate by the Stock Exchange in the most recent 12 months;
2. being recognized as an unsuitable candidate by the CSRC or its local offices in the most recent 12 months;
3. being subject to administrative penalties or market entry bans by the CSRC or its local offices due to significant violations of laws or regulations in the most recent 12 months;
4. circumstances under which a person may not serve as a director or senior officer of a company, as provided for in the Company Law;
5. cases in which participation in equity incentives of listed companies is prohibited by laws and regulations; or
6. other circumstances recognized by the CSRC.

If any of the circumstances specified in Item (I) above occurs to the Company, all stock options that have been granted to the incentive recipients under the Incentive Plan but have not yet been exercised shall be cancelled by the Company. If an incentive recipient falls under any of the circumstances specified in Item (II) above, the stock options granted to the incentive recipient but not yet exercised shall be cancelled by the Company.

(III) Company-level performance assessment requirements

The exercise assessment period for the stock option granted under the Incentive Plan covers 2025 and 2026 fiscal years, with assessments conducted annually. The performance assessment objectives under the Incentive Plan are shown in the following table:

Exercise period	Performance assessment objectives
First exercise period	Achievement of any one of the following assessment objectives shall suffice: Taking the net profit in 2024 as the base, the net profit growth rate in 2025 is not less than 200%; Taking the operating revenue of 2024 as the base, the operating revenue growth rate in 2025 is not less than 30%.
Second exercise period	Achievement of any one of the following assessment objectives shall suffice: Taking the net profit in 2024 as the base, the net profit growth rate in 2026 is not less than 300%; Taking the operating revenue of 2024 as the base, the operating revenue growth rate in 2026 is not less than 50%.

Note: The above-mentioned "net profit" indicator is calculated on the basis of the audited net profit attributable to shareholders of the Company, excluding the impact of share-based payment expenses in the current year involved in all equity incentive plans and/or ESOPs of the Company within the validity period.

If the Company fails to meet any of the above performance assessment objectives, all stock options that are exercisable in the corresponding exercise period granted to the incentive recipients shall not be exercised and shall be canceled by the Company.

(IV) Individual-level performance assessment requirements

The Incentive Plan will implement personal performance assessments in accordance with the Company's performance assessment system. The assessment years are 2025 and 2026. The number of options that an incentive recipient may exercise in each period shall be determined based on their individual assessment results, as detailed below:

Performance assessment results	Excellent	Good	Pass	Fail
Individual exercise coefficient	1.0	1.0	0.8	0

Subject to the fulfillment of the Company-level performance assessment criteria, the number of exercisable options for the current period shall be determined based on the individual assessment results of the incentive recipient during the exercise assessment year.

Number of options exercisable by an incentive recipient in the current period = number of options planned to be exercised by the individual in the current year × individual exercise coefficient. If any options planned to be exercised by an incentive recipient in the current period cannot be exercised or cannot be fully exercised due to assessment results, such options shall be cancelled by the Company and cannot be deferred to the next year. The specific assessment details of the Incentive Plan shall be implemented in accordance with the Company's Administrative Measures for Assessment.

III. Scientificity and rationality of assessment indicators

The Incentive Plan establishes assessment indicators at two levels: company-level performance assessment and individual-level performance assessment.

Regarding the Company-level performance assessment indicators, and with the goal of aligning the Company's steady future development with incentive effectiveness, net profit and operating revenue have been selected as assessment indicators after comprehensive consideration of the Company's historical performance, future strategic planning, and industry characteristics. Such indicators serve as important indicators

reflecting the Company's operational status, market share, and potential for future business expansion. The setting of these indicators is reasonable and scientific.

In addition to the company-level performance assessment, the Company has also set up a rigorous performance evaluation system for individuals to make a more accurate and comprehensive evaluation of the work performance of the incentive recipients. The Company will determine whether the incentive recipients meet the conditions for exercise according to the annual performance assessment results of the incentive recipients.

In summary, the assessment system of the Company's current Incentive Plan is comprehensive, integrated, and operable. The setting of assessment indicators is highly scientific and reasonable, while an appropriate level of challenge will create a positive incentive effect on the incentive recipients. It balances the needs and interests of shareholders, the Company, and the incentive recipients, thereby promoting sustained mutual benefits for all three parties.

Chapter IX Implementation Procedures for the Stock Option Incentive Plan

I. Effective procedures of Stock Option Incentive Plan

(I) The Board's Remuneration and Assessment Committee is responsible for preparing the draft and summary of the Incentive Plan and submitting them to the Board for deliberation.

(II) The Company's Board shall adopt a resolution regarding the Incentive Plan in accordance with the law. When the Board considers the Incentive Plan, any director who is an incentive recipient or has affiliated relations with an incentive recipient shall recuse himself/herself from voting. The Board shall submit the Incentive Plan to the Shareholders' Meeting for deliberation after deliberating and approving the Incentive Plan and performing the publicity and announcement procedures. Simultaneously, it shall submit to the Shareholders' Meeting for authorization to implement the granting, registration, adjustment, exercise and cancellation of stock options.

(III) The Board's Remuneration and Assessment Committee shall express opinions on whether the Incentive Plan is conducive to the sustainable development of the Company and whether there are any circumstances that significantly harm the interests of the Company and all its shareholders. The lawyer hired by the Company issues a legal opinion on the Incentive Plan.

(IV) The Incentive Plan may be implemented only after it has been reviewed and approved by the Company's Shareholders' Meeting. The Company shall publicize the names and positions of incentive recipients within the Company through the Company's website or other channels before convening the Shareholders' Meeting, and the publicity period shall not be less than 10 days. The Board's Remuneration and Assessment Committee shall review the list of incentive recipients and fully consider the feedback received during the publicity period. The Company shall disclose the explanation from the Board's Remuneration and Assessment Committee regarding the review of the list of incentive recipients and the publicity status 5 days before the Shareholders' Meeting reviews the Incentive Plan.

(V) The Company shall conduct self-inspection on the trading of the Company's shares and their derivatives by insiders within 6 months prior to the announcement of the draft plan, and disclose whether any insider trading activities have occurred. Any individual who trades the Company's shares with knowledge of inside information shall be disqualified from becoming an incentive recipient, except for circumstances not deemed as insider trading under laws, administrative regulations, and relevant judicial interpretations. Any individual who leaks inside information, thereby leading to insider trading, shall be disqualified from becoming an incentive recipient.

(VI) The Shareholders' Meeting shall vote on the content of the equity incentive plan as stipulated in Article 9 of the Administrative Measures, and such plan must be approved by at least 2/3 of the voting rights held by the attending shareholders. The voting results of shareholders other than the Company's directors, senior officers, and shareholders individually or jointly holding 5% or more of the Company's shares shall be separately counted and disclosed.

When the Shareholders' Meeting of the Company considers the equity incentive plan, shareholders who are the incentive recipients or shareholders who have affiliated relations with incentive recipients shall refrain from voting.

(VII) When the Incentive Plan is reviewed and approved by the Shareholders' Meeting of the Company and the grant conditions specified in the Incentive Plan are met, the Company shall grant stock options to the incentive recipients within the specified time. Upon authorization by the Shareholders' Meeting, the Board is responsible for implementing the granting and exercise of stock options.

II. Procedures for granting stock options

(I) After the Shareholders' Meeting deliberates and approves the Incentive Plan and the Board passes the resolution on granting rights and interests to the incentive recipients, the Company shall sign a Stock Option Grant Agreement with each incentive recipient to define the rights and obligations of both parties.

(II) Before the Company grants rights and interests to the incentive recipients, the Board shall review and announce whether the conditions for the incentive recipients to be granted rights and interests set in the equity incentive plan have been fulfilled. The Board's Remuneration and Assessment Committee shall issue clear opinions at the same

time. The law firm shall issue a legal opinion on whether the conditions for the incentive recipients to be granted rights and interests have been satisfied.

(III) The Board's Remuneration and Assessment Committee shall verify the grant date of the stock options and the list of incentive recipients, and provide its opinion thereon.

(IV) In the event of any discrepancy between the rights and interests granted to incentive recipients and the arrangements specified in the equity incentive plan, the Board's Remuneration and Assessment Committee (in cases where there are changes to the incentive recipients) and the law firm shall simultaneously issue clear opinions on the matter.

(V) After the equity incentive plan is reviewed and approved by the Shareholders' Meeting, the Company shall grant stock options to the incentive recipients and make an announcement within 60 days. If the Company fails to complete the grant announcement within 60 days, the Incentive Plan shall be terminated, and the Board shall disclose the reasons for the non-completion in a timely manner and shall not review any new equity incentive plan within 3 months (period during which the listed company is prohibited from granting stock options under the Administrative Measures and other relevant laws and regulations shall not be counted within the 60-day period).

(VI) After granting stock options, the Company shall apply to the Stock Exchange, and after confirmation by the Stock Exchange, the Securities Depository and Clearing Corporation shall handle the registration and clearing matters.

III. Procedures for the exercise of stock options

(I) The Company's Board shall review whether the exercise conditions for incentive recipients specified in the equity incentive plan have been satisfied prior to the exercise of stock options. The Board's Remuneration and Assessment Committee shall concurrently provide a clear opinion on the matter, and the law firm shall issue a legal opinion on whether the conditions for the incentive recipients to exercise their rights have been met. For incentive recipients who meet the exercise conditions, the Company's Board may decide to have the Company centrally process the exercise matters or allow the incentive recipients to exercise their options independently. For incentive recipients who fail to meet the exercise conditions, the corresponding batch of stock options shall not be exercised and shall be cancelled by the Company. The Company shall disclose the

announcement of the resolution of the Board in a timely manner after the incentive recipients exercise their options, and announce the opinions of the Board's Remuneration and Assessment Committee and the law firm, as well as the relevant implementation details.

(II) Prior to any exercise of stock options, the Company shall submit an application to the Stock Exchange, and upon confirmation by the Stock Exchange, the Securities Depository and Clearing Corporation shall handle the share exercise.

(III) If the exercise of options by the incentive recipients involves a change in the registered capital, the Company shall apply to the business registration department for the registration of the change of the Company's affairs. The Company may, based on actual circumstances, offer incentive recipients either a centralized exercise method or an autonomous exercise method for their options.

IV. Change

(I) If the Company intends to change the Incentive Plan before the Shareholders' Meeting deliberates and approves it, it shall be reviewed and approved by the Board.

(II) If the Company intends to change the Incentive Plan after the Shareholders' Meeting deliberates and approves it, it shall be decided by the Shareholders' Meeting after deliberation, and shall not include the following circumstances: 1. circumstances leading to accelerated exercise of the options; 2. Circumstances resulting in a reduction of the exercise price (except for the reduction of the exercise price due to conversion of capital reserves into share capital, distribution of stock dividends, allotment of shares, etc.).

(III) The Board's Remuneration and Assessment Committee shall express independent opinions on whether the changed plan is conducive to the sustainable development of the Company and whether there is any obvious damage to the interests of the Company and all shareholders. The law firm shall give professional opinions on whether the changed plan complies with the Administrative Measures and relevant laws and regulations, and whether there is any obvious damage to the interests of the Company and all shareholders.

V. Termination procedures

(I) If the Company intends to terminate the Incentive Plan prior to the consideration of the Incentive Plan by the Shareholders' Meeting, the Board shall consider and approve the termination of the Incentive Plan.

(II) In the event that the Company terminates the Incentive Plan after it has been considered and approved by the Shareholders' Meeting, such termination shall be considered and decided by the Shareholders' Meeting.

(III) The law firm shall give professional opinions on whether the Company's termination of the Incentive Plan complies with the Administrative Measures and relevant laws and regulations, and whether there are any circumstances that significantly damage the interests of the Company and all shareholders.

(IV) Upon termination of the Plan, the Company shall cancel the stock options that have not been exercised and dispose of them in accordance with the Company Law.

(V) If a resolution to terminate the equity incentive plan is approved by the Shareholders' Meeting or the Board of the Company, the Company shall not review any new equity incentive plan within 3 months from the announcement date of such resolution.

Chapter X Adjustment Methods and Procedures of the Incentive Plan

I. Method of adjusting the stock option quantity

Prior to the exercise of incentive recipients, in case of the Company's conversion of capital reserves into share capital, distribution of stock dividends, share splits, rights issues, or reverse stock split, etc., the stock option quantity shall be adjusted accordingly. The adjustment method is as follows:

(I) Capitalization of capital reserve, distribution of stock dividends and stock split

$$Q = Q_0 \times (1 + n)$$

Where: Q_0 is the number of stock options before adjustment; N is the ratio of capitalization of capital reserve, stock dividend, or stock split per share (i.e., the increase in the number of shares per share after capitalization, dividend, or split); Q is the number of stock options after adjustment.

(II) Rights issue

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: Q_0 is the number of stock options before adjustment; P_1 is the closing price on the equity registration date; P_2 is the rights issue price; N is the ratio of the rights issue (i.e., the ratio of the number of rights shares to the total share capital of the Company before the rights issue); Q is the number of stock options after adjustment.

(III) Reverse stock split

$$Q = Q_0 \times n$$

Where: Q_0 is the number of stock options before adjustment; N is the reverse split ratio (i.e., one share of the Company is consolidated into n shares); Q is the number of stock options after adjustment.

(IV) Additional issuance and dividend payment

The number of stock options shall not be adjusted in the event of new share issuances or dividend distributions by the Company.

II. Adjustment method of exercise price

If events of the Company such as capitalization of capital reserve, stock dividend, stock split, rights issue, reverse stock split, or dividend payments occur before the incentive recipients exercise their options, the exercise price shall be adjusted accordingly. The adjustment method is as follows:

(I) Capitalization of capital reserve, distribution of stock dividends and stock split

$$P = P_0 \div (1 + n)$$

Where: P_0 is the exercise price before adjustment; N is the ratio of capitalization of capital reserve, stock dividend, or stock split per share; P is the exercise price after adjustment.

(II) Rights issue

$$P = P_0 \times (P_1 + P_2 \times n) \div [P_1 \times (1 + n)]$$

Where: P_0 is the exercise price before adjustment; P_1 is the closing price on the equity registration date; P_2 is the rights issue price; N is the ratio of the rights issue (i.e., the ratio of the number of rights shares to the total share capital of the Company before the rights issue); P is the exercise price after adjustment.

(III) Reverse stock split

$$P = P_0 \div n$$

Where: P_0 is the exercise price before adjustment; N is the reverse stock split ratio; P is the exercise price after adjustment.

(IV) Dividend payments

$$P = P_0 - V$$

Where: P_0 is the exercise price before adjustment; V is the amount of dividend paid per share; P is the exercise price after adjustment. After dividend payment adjustments, P must still be positive.

(V) Additional share issue

In the event that the Company issues new shares, the exercise price of stock options are not adjusted.

III. Procedures for adjustment of Stock Option Incentive Plan

The Shareholders' Meeting of the Company authorizes the Board of the Company to adjust the number of stock options and the exercise price according to the reasons set out in the Incentive Plan. In case of any of the foregoing circumstances, the Board of the Company shall deliberate and adopt a proposal on adjusting the number of stock options and the exercise price. The Company shall engage a lawyer to provide professional opinions on whether the above adjustments comply with the provisions of the Administrative Measures, the Articles of Association and the Incentive Plan. After the adjustment proposal is deliberated and approved by the Board, the Company shall timely disclose the announcement of the resolution of the Board and the legal opinions.

Chapter XI Accounting for Stock Options

In accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 11 - Share-based Payment and Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, the Company will, on each balance sheet date during the vesting period, revise the estimated number of stock options expected to vest based on subsequent information such as the latest changes in the number of eligible participants and the completion status of performance indicators. The services obtained in the current period will be recognized as related costs or expenses and capital reserve, based on the fair value of the stock options on the grant date.

I. Fair value of stock options and determination method

The Company selects the Black-Scholes model to calculate the fair value of the options, and uses the model to measure 20 million stock options granted on September 25, 2025. The specific parameters are selected as follows:

- (I) Underlying share price: RMB 14.12/share (assumed to be calculated based on closing price of the Company's stock on September 25, 2025, with the final price subject to the closing price on the actual grant date);
- (II) Validity period: 1 year, 2 years (the period from the grant date of the stock options to the first exercise date of each vesting period);
- (III) Historical volatility: 19.63%, 16.92% (using the volatility of the SSE Index over the most recent 1 year and 2 years, respectively);
- (IV) Risk-free Rate: 1.50% and 2.10% (with the 1-year and 2-year benchmark deposit rates set by the People's Bank of China for financial institutions used as the proxies, respectively);
- (V) Dividend Yield: 2.53% (based on the company's dividend payments over the most recent fiscal year).

II. Impact of stock option implementation on operating performance of each period

The Company determines the fair value of the stock option on the grant date in accordance with relevant valuation tools, and finally recognizes the share-based payment expenses of the Incentive Plan, which will be amortized according to the exercise ratio during the implementation of the Incentive Plan. Incentive costs arising from the Incentive Plan will be recorded as recurring profit or loss.

Assuming the stock options are granted in October 2025, the impact of the stock options granted under the Incentive Plan on the accounting costs for each period, as required by Chinese Accounting Standards, is shown in the table below:

Number of stock options (Unit: 10,000)	Total expenses to be amortized (Unit: RMB 10,000)	2025 (Unit: RMB 10,000)	2026 (Unit: RMB 10,000)	2027 (Unit: RMB 10,000)
2,000	2,316.10	280.63	1,508.52	526.95

Note: 1. The above cost amortization forecast does not represent the final accounting cost. The actual accounting cost depends not only on the actual grant date, closing price on the grant date, and the number of options granted but also on the actual number of options that vest or lapse. Shareholders are also reminded to note the potential dilutive effect.

2. Any minor discrepancies between the sum of individual items and the corresponding totals above are due to rounding.

3. The final impact of the above cost amortization forecast on the Company's operating results will be subject to the annual auditors' report issued by the accounting firm.

The costs associated with the Incentive Plan shall be amortized over the vesting period and recognized in the cost and expense accounts of each period. Based on currently available information and without considering the motivational effects of the Incentive Plan on the Company's performance, the cost amortization of the Incentive Plan is estimated to have a certain impact on annual net profits during the validity period. However, given the positive impact of the Incentive Plan on the Company's operational development, including enhanced motivation among management and business teams, improved operational efficiency, and reduced operating costs, the resulting performance gains brought by the Incentive Plan are expected to significantly outweigh the incremental costs, thereby effectively safeguarding the enhancement of the Company's overall value and the interests of all shareholders.

Chapter XII Rights and Obligations of the Company/Incentive Recipients

I. Rights and obligations of the Company

(I) The Company has the right to interpret and implement the Incentive Plan, conduct performance assessment of incentive recipients, and supervise and review whether incentive recipients continue to qualify for exercise. If an incentive recipient fails to meet the exercise conditions, the stock options that have been granted but not yet exercised shall not be exercised and shall be canceled by the Company upon approval by the Board.

(II) The Company has the right to require incentive recipients to work for the Company in accordance with the requirements of their appointed positions. If an incentive recipient fails the performance assessment, or commits acts such as violating laws, breaching professional ethics, disclosing the Company secrets, violating the Company rules and regulations, dereliction of duty, or misconduct, which seriously damages the Company's interests or reputation, the stock options that have been granted but not yet exercised shall not be exercised and shall be canceled by the Company upon approval by the Board.

(III) The Company shall, in accordance with relevant national tax laws and regulations, withhold and pay individual income tax and other taxes payable by incentive recipients.

(IV) The Company shall not provide loans, guarantees for loans, or any other form of financial assistance to the incentive recipients for obtaining stock options under the Incentive Plan.

(V) The Company shall disclose information related to the Incentive Plan in a timely, truthful, accurate, and complete manner in accordance with relevant laws, regulations, and normative documents, ensuring no false records, misleading statements, or material omissions, and shall timely fulfill the relevant reporting obligations for the Incentive Plan.

(VI) The Company shall, in accordance with the Incentive Plan and the relevant provisions of the CSRC, the Stock Exchange and the Securities Depository and Clearing Corporation, handle the exercise of stock options for eligible incentive recipients. However, the Company shall not be liable if an incentive recipient fails to exercise stock

options due to reasons attributable to the CSRC, the Stock Exchange, or Securities Depository and Clearing Corporation, resulting in losses to the incentive recipient.

(VII) Other relevant rights and obligations stipulated by laws, administrative regulations and normative documents.

II. Rights and obligations of incentive recipients

(I) The incentive recipients shall, according to the requirements of their positions in the Company, diligently fulfill their responsibilities, abide by professional ethics and make due contributions to the development of the Company.

(II) The incentive recipients shall lock up their granted stock options in accordance with the provisions of the Incentive Plan.

(III) The source of funds of incentive recipients is self-raised funds of incentive recipients.

(IV) The incentive recipients, in accordance with the provisions of the Incentive Plan, are granted stock options that do not entitle them to voting rights or decision-making rights before exercising the options, nor do they participate in the distribution of stock dividends or cash dividends. Any stock options granted to incentive recipients may not be transferred, used as collateral, or used to repay debt prior to their exercise.

(V) The incentive recipients shall pay individual income tax and other taxes in accordance with national tax laws and regulations for the proceeds obtained from the Incentive Plan.

(VI) The incentive recipients commit that if the Company's disclosure documents contain false records, misleading statements, or material omissions, resulting in non-compliance with the grant or exercise arrangements, they shall return all benefits obtained from the Incentive Plan to the Company after such disclosure documents are confirmed to contain false records, misleading statements, or material omissions.

(VII) After the Shareholders' Meeting deliberates on and approves the Incentive Plan and the Board passes the resolution on granting rights and interests to the incentive recipients, the Company will sign the Stock Option Grant Agreement with the incentive recipients to agree on the rights and obligations of both parties under laws, administrative regulations, normative documents and the Incentive Plan and other relevant matters.

(VIII) Other relevant rights and obligations stipulated by laws, administrative regulations and normative documents.

III. Other explanations

The Company's determination of the incentive recipients of the Incentive Plan does not constitute a commitment to the employment period of employees. The Company still determines the employment relationship of employees according to the Labor Contract or employment contract signed with the incentive recipient.

Chapter XIII Handling of Changes Concerning the Company/Incentive Recipients

I. Handling of changes concerning the Company

(I) In case of any of the following circumstances, the Incentive Plan shall be terminated, and the stock options granted to the incentive recipients but not yet exercised shall not be exercised, and shall be canceled by the Company:

1. the certified public accountants have issued an audit report with an adverse opinion or a disclaimer of opinion in respect of the financial statements for the most recent accounting year;
2. the certified public accountants have issued an audit report with an adverse opinion or a disclaimer of opinion in respect of internal controls over financial reporting for the most recent accounting year;
3. within the most recent 36 months after listing, there have been cases where profit distribution has not been made in accordance with laws and regulations, the Company's Articles of Association, and public commitments;
4. circumstances under which equity incentives shall not be implemented according to laws and regulations;
5. other circumstances identified by the CSRC that require the termination of the Incentive Plan.

(II) In any of the following circumstances, the Plan will not be changed:

1. Change in control of the Company, without triggering a major asset reorganization;
2. In the event of a merger or division, the Company continues to exist.

(III) If the Company's disclosure documents contain false records, misleading statements, or material omissions, resulting in failure to meet the grant conditions or exercise arrangements for the stock options, the unexercised stock options shall be canceled by the Company. If the granted stock options have already been exercised by incentive recipients, the benefits obtained therefrom shall be returned. The Board shall recover the benefits obtained by the incentive recipients in accordance with the preceding provisions. If an incentive recipient is not responsible for the aforementioned matter and suffers

losses due to returning the benefits, the incentive recipient may seek compensation from the Company or the responsible party.

II. Changes in personal conditions of an incentive recipient

(I) Change in position of an incentive recipient

1. If an incentive recipient undergoes a change in position but remains employed by the Company or any of its controlled subsidiaries, the stock options already granted to such recipient shall continue to be exercised in accordance with the procedures stipulated in the Incentive Plan prior to the position change.

2. If an incentive recipient assumes a position such as an independent director or another role where holding the Company's shares is prohibited due to an organizational transfer, any stock options that have already been exercised will remain unaffected. However, any granted stock options that have not yet been exercised shall not be exercisable and shall be canceled by the Company.

3. If an incentive recipient undergoes a position change due to any conduct that harms the interests or reputation of the Company, such as incompetence, violation of law, breach of professional ethics, disclosure of the Company's confidential information, dereliction of duty, malfeasance, or serious violation of the Company's rules and regulations, or if the employment or labor relationship between the incentive recipient and the Company or its controlled subsidiaries is terminated due to any of the aforementioned reasons, the stock options already granted to the incentive recipient but not yet exercised shall not be exercisable and shall be canceled by the Company. The individual income tax on the portion of stock options already exercised shall be paid in full before the departure of the incentive recipient. Furthermore, in cases of serious violation, the Company may seek recourse for losses incurred in accordance with applicable laws and regulations.

(II) Termination of employment of an incentive recipient

In circumstances such as voluntary resignation, termination due to downsizing, non-renewal upon contract expiration, dismissal due to personal fault, or mutual termination of the labor contract or employment agreement, any stock options already granted but not yet exercised shall not be exercisable and shall be canceled by the Company. The incentive recipient shall pay the individual income tax involved in the exercised stock options to the Company before the departure.

Personal fault includes, but is not limited to, the following actions: any breach of an employment contract, confidentiality agreement, non-competition agreement or any other similar agreement with the Company or its affiliates; violation of the laws of the country of residence, resulting in criminal offenses or other egregious circumstances affecting the performance of duties.

(III) Retirement of an incentive recipient

1. If an incentive recipient is rehired by the Company after retirement or continues to provide labor services to the Company in any other form, the stock options granted to such recipient shall remain valid and shall continue to be exercised in accordance with the procedures stipulated in the Incentive Plan. After any occurrence of the circumstances described in this paragraph, if there is no individual performance assessment for incentive recipients, the conditions of their individual performance assessment shall no longer be included in the exercise condition. If there is individual performance assessment for incentive recipients, their individual performance assessment shall remain one of the exercise conditions for stock options.

2. If the incentive recipient ceases to remain employed by the Company and does not continue to provide labor services in any other form after retirement, any stock options already granted but not yet exercised shall become non-exercisable and be null and void as of the date of retirement. Prior to retirement, the incentive recipient shall pay in full the individual income tax arising from the exercised stock options.

(IV) Termination due to loss of labor capacity by an incentive recipient

1. If an incentive recipient loses labor capacity due to work-related duties and consequently leaves the Company, the stock options already granted to such recipient shall be exercised strictly in accordance with the procedures stipulated in the Incentive Plan prior to the occurrence of such circumstance. Furthermore, the Company's Board may determine that the personal performance assessment conditions shall no longer apply as exercise conditions, while all other exercise conditions shall remain valid. The incentive recipient shall pay the individual income tax involved in the exercised stock options to the Company before the departure.

2. When an incentive recipient leaves the Company due to incapacity not resulting from the performance of his/her duties, any stock options already granted but not yet exercised shall not be exercisable and shall be canceled by the Company. The

incentive recipient shall pay the individual income tax involved in the exercised stock options to the Company before the departure.

(V) Death of an incentive recipient

1. If an incentive recipient passes away due to the performance of duties, the stock options already granted to such recipient shall be held by his/her designated estate beneficiary or legal heir, and shall be exercised in accordance with the procedures stipulated in the Incentive Plan prior to the date of death. The Company's Board may determine that the personal performance assessment conditions shall no longer apply as exercise conditions. Prior to inheriting the options, the beneficiary must pay in full the individual income tax arising from any stock options already exercised.

2. If the incentive recipient passes away not due to the performance of duties, the stock options granted to the such recipient but not yet exercised shall not be exercisable and shall be canceled by the Company. The Company has the right to require the successor of the incentive recipient to use the estate of the incentive recipient to pay the individual income tax involved in the exercised stock options.

(VI) For any circumstances not explicitly stipulated in the Incentive Plan, the Company's Board shall make determinations and decide on the appropriate handling methods.

III. Resolution of disputes between the Company and incentive recipients

Any dispute or disagreement arising from or relating to the implementation of the Plan and/or the equity incentive agreement executed between the Company and the incentive recipient shall be resolved by the Parties through consultation and communication. If the parties fail to resolve the dispute or controversy by the above means within 60 days from the date of dispute or controversy or fail to resolve the relevant dispute or controversy by the above means, either party shall have the right to file a lawsuit to resolve the dispute or controversy with the competent people's court in the place where the Company is located.

Chapter XIV Supplementary Provisions

- I. The Incentive Plan shall come into force after being deliberated and approved by the Shareholders' Meeting of the Company.
- II. The Board of the Company reserves the right to interpret the Incentive Plan.

The Board of Directors of Ming Yang Smart Energy Group Limited

September 25, 2025