
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 Qingdao AInnovation Technology Group Co., Ltd, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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QINGDAO AINNOVATION TECHNOLOGY GROUP CO., LTD* 青島創新奇智科技集團股份有限公司

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

(Stock code: 2121)

- (1) ANNUAL REPORT FOR THE YEAR 2021**
- (2) FINAL ACCOUNTS REPORT FOR THE YEAR 2021**
- (3) FINANCIAL BUDGET FOR THE YEAR 2022**
- (4) REPORT OF THE BOARD FOR THE YEAR 2021**
- (5) REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2021**
- (6) REPORT ON THE INITIAL PUBLIC OFFERING**
- (7) RE-APPOINTMENT OF AUDITOR FOR THE YEAR 2022**
- (8) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- (9) PROPOSED GRANTING OF GENERAL MANDATE TO THE BOARD
TO REPURCHASE SHARES**
- AND**
- (10) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at The North Star Conference Room, 8F, Dinghao Tower Block A, No. 3 Haidian Street, Haidian District, Beijing, PRC on Tuesday, 10 May 2022 at 2 p.m. is set out on pages 14 to 16 of this circular.

A form of proxy for use at the AGM is enclosed. If you intend to appoint a proxy to attend the AGM, you are required to complete and return the accompanying form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for holding the AGM (i.e. before 2 p.m. on Monday, 9 May 2022) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

Precautionary measures for the Annual General Meeting

Taking into account the recent developments of the COVID-19, the Company will implement the following prevention and control measures at the Annual General Meeting to safeguard the health and safety of the Shareholders attending the Annual General Meeting:

1. Compulsory body temperature check will be conducted for every Shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue.
2. Every Shareholder or proxy is required to wear a surgical face mask throughout the meeting.
3. Every Shareholder or proxy is required to complete a health declaration form before entering the venue.
4. No entry to the venue is allowed for any person who has shown any symptom of COVID-19 or is subject to quarantine order.
5. As a precautionary safety measure, appropriate distancing and spacing will be observed and as such, the Company reserves the right to limit the number of the attendees at the Annual General Meeting as may be necessary to reduce interaction between participants.
6. No refreshments will be served and no corporate gifts will be distributed.

Shareholders, particularly those who are subject to quarantine in relation to COVID-19, are reminded that they may appoint any person or the chair of the Annual General Meeting as a proxy to attend and vote at the Annual General Meeting, instead of attending and voting in person.

References to time and dates in this circular are to Hong Kong time and dates.

* For identification purpose only

14 April 2022

CONTENT

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
1. INTRODUCTION	2
2. BUSINESS TO BE CONSIDERED AT THE AGM	3
3. ANNUAL GENERAL MEETING	3
4. RECOMMENDATION	3
5. RESPONSIBILITY STATEMENT	4
APPENDIX I — BUSINESS TO BE CONSIDERED AT THE AGM	5
APPENDIX II — EXPLANATORY STATEMENT ON THE SHARE REPURCHASE MANDATE	11
NOTICE OF ANNUAL GENERAL MEETING	14

DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at The North Star Conference Room, 8F, Dinghao Tower Block A, No. 3 Haidian Street, Haidian District, Beijing, PRC on Tuesday, 10 May 2022 at 2 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 14 to 16 of this circular, or any adjournment thereof (as the case may be)
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Company”	Qingdao AInnovation Technology Group Co., Ltd, a limited liability company established under the laws of the PRC on 6 February, 2018 and converted into a joint stock company with limited liability on 19 May 2021, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2121)
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Shares”	overseas listed shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	9 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended and supplemented from time to time
“PRC”	The People’s Republic of China, but for the purpose of this circular only, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of Shares
“Shares”	H Shares
“Supervisory Committee”	supervisory committee of the Company
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs as amended and supplemented from time to time
“%”	per cent

LETTER FROM THE BOARD



QINGDAO AINNOVATION TECHNOLOGY GROUP CO., LTD*
青島創新奇智科技集團股份有限公司

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

(Stock code: 2121)

Executive Director:
Xu Hui (*Chief Executive Officer*)

Non-executive Directors:
Kai-Fu Lee (*Chairman*)
Wang Hua
Zhou Wei

Independent Non-executive Directors:
Xie Deren
Ko Wing Yan Samantha
Jin Keyu

Registered office and headquarter:
Room 501
Block A, Haier International Plaza
No. 939 Zhenwu Road
Economic Development Zone
Jimo District, Qingdao
Shandong, PRC

*Principal place of business
in Hong Kong:*
Level 54, Hopewell Center
183 Queen's Road East
Hong Kong

14 April 2022

To the Shareholders

Dear Sir or Madam,

- (1) ANNUAL REPORT FOR THE YEAR 2021**
(2) FINAL ACCOUNTS REPORT FOR THE YEAR 2021
(3) FINANCIAL BUDGET FOR THE YEAR 2022
(4) REPORT OF THE BOARD FOR THE YEAR 2021
(5) REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2021
(6) REPORT ON THE INITIAL PUBLIC OFFERING
(7) RE-APPOINTMENT OF AUDITOR FOR THE YEAR 2022
(8) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
**(9) PROPOSED GRANTING OF GENERAL MANDATE TO THE BOARD
TO REPURCHASE SHARES**
AND
(10) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is, among other things, to provide you with the notice of the AGM and information on certain resolutions to be considered at the AGM to enable you to make an informed decision on whether to vote for or against those resolutions at the AGM.

* *For identification purpose only*

LETTER FROM THE BOARD

2. BUSINESS TO BE CONSIDERED AT THE AGM

Ordinary resolutions to be proposed at the AGM for the Shareholders to consider and approve include: (i) the annual report for the year 2021; (ii) the final accounts report for the year 2021; (iii) the financial budget for the year 2022; (iv) the report of the Board for the year 2021; (v) the report of the Supervisory Committee for the year 2021; (vi) the report on the initial public offering; and (vii) the re-appointment of auditor for the year 2022.

Special resolutions to be proposed at the AGM for the Shareholders to consider and approve include: (i) proposed amendments to the Articles of Association and (ii) proposed granting of general mandate to the Board to repurchase Shares.

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make well-informed decisions, the Company has provided detailed information in this circular, including matters to be dealt with at the AGM (see Appendix I) and the explanatory statement on the share repurchase mandate (see Appendix II).

3. Annual General Meeting

A notice convening the AGM of the Company to be held at The North Star Conference Room, 8F, Dinghao Tower Block A, No. 3 Haidian Street, Haidian District, Beijing, PRC at 2 p.m. on Tuesday, 10 May 2022 is set out on pages 14 to 16 of this circular.

In order to determine the list of Shareholders who are entitled to attend the AGM, the register of members of the Company will be closed from Wednesday, 4 May 2022 to Tuesday, 10 May 2022, both days inclusive, during which period no transfer of Shares will be effected. Unregistered holders of Shares of the Company who wish to attend the AGM must lodge the share certificates accompanied by transfer documents with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Tuesday, 3 May 2022. Shareholders whose names appear on the register of members of the Company on Tuesday, 10 May 2022 are entitled to attend and vote at the AGM.

A form of proxy for use at the AGM is enclosed with this circular and is also published on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.ainnovation.com>). Shareholders who intend to appoint a proxy to attend the AGM shall complete the proxy form and return it to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 24 hours before the time for holding the AGM (i.e. before 2 p.m. on Monday, 9 May 2022). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof should they so wish.

Voting at the AGM will be taken by poll.

4. Recommendation

The Board considers that all the resolutions set out in the notice of the AGM for consideration and approval by the Shareholders are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

5. 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

QINGDAO AINNOVATION TECHNOLOGY GROUP CO., LTD

青島創新奇智科技集團股份有限公司

Executive Director and Chief Executive Officer

Xu Hui

1. ANNUAL REPORT FOR THE YEAR 2021

For details of the annual report for the year 2021 of the Company, please refer to the 2021 annual report of the Company published by the Company on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.ainnovation.com>) on 14 April 2022.

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

2. FINAL ACCOUNTS REPORT FOR THE YEAR 2021

The Company has prepared the final accounts report for the year 2021 in accordance with the International Financial Reporting Standards and engaged PricewaterhouseCoopers to audit the financial statements of the Company. PricewaterhouseCoopers has issued a standard unqualified auditor's report for the Company. For details of the above statements, please refer to the financial report of the Company contained in the 2021 annual report of the Company, which has been published on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.ainnovation.com>).

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

3. FINANCIAL BUDGET FOR THE YEAR 2022

In accordance with the relevant provisions of the Articles of Association, the Company formulated the financial budget for the year 2022. It is expected that the Company will achieve an operating income of RMB1.55 billion in 2022.

Special note: The financial budget for the year 2022 does not constitute a performance commitment or profit forecast to investors. Due to the impact of factors such as macro-economy, industry development, market demand and the epidemic, there are uncertainties. Investors are advised to pay special attention to it.

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

4. REPORT OF THE BOARD FOR THE YEAR 2021

For details of the report of the Board for the year 2021 of the Company, please refer to the report of the Board in the 2021 Annual Report of the Company published by the Company on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.ainnovation.com>) on 14 April 2022.

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

5. REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2021

For details of the report of the Supervisory Committee for the year 2021 of the Company, please refer to the report of the Supervisory Committee in the 2021 annual report of the Company published by the Company on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.ainnovation.com>) on 14 April 2022.

This resolution has been considered and approved at the meeting of the Supervisory Committee held on 30 March 2022 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

6. REPORT ON THE INITIAL PUBLIC OFFERING

The Company was listed on the Main Board of the Hong Kong Stock Exchange on 27 January 2022. On 19 February 2022, the over-allotment option lapsed. As a result, the Company issued 44,744,400 Shares with a par value of RMB1 per share through initial public offering, which increased the total share capital by 44,744,400 Shares. After the offering and listing, the share capital of the Company increased from 514,560,438 Shares to 559,304,838 Shares, and the registered capital increased from RMB514,560,438 to RMB559,304,838.

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

7. RE-APPOINTMENT OF AUDITOR FOR THE YEAR 2022

The Board proposed to re-appoint PricewaterhouseCoopers as the auditor of the Company for the year of 2022 to hold office from the date of approval at the AGM until the next annual general meeting and the auditor's remuneration would be RMB4.5 million (excluding travel, transportation, accommodation and other miscellaneous expenses).

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as an ordinary resolution for consideration and approval.

8. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 30 March 2022 in relation to, among others, the proposed amendments to the Articles of Association.

As the Company has completed the initial public offering and listing, in light of the factual circumstances of the Company, the Board proposed to amend the Articles of Association. The proposed amendments to the Articles of Association are as follows:

Original Articles	Amended Articles
<p>Article 19 Subject to the approval by the securities regulatory authorities of the State Council, the Company may issue no more than 197,248,167 H shares. As approved by the security regulatory authority of the State Council, Sinovation Ventures (Beijing) Enterprise Management Limited (創新工場 (北京) 企業管理股份有限公司), Xu Hui (徐輝), Qingdao Xinnuo Zhiqi Enterprise Management Consultation Partnership (Limited Partnership) (青島新諾智奇企業管理諮詢合夥企業 (有限合夥)), SVF II Zeal Subco (Singapore) Pte. Ltd., Qingdao Chuangzhi Equity Investment Fund (Limited Partnership) (青島甲子創智股權投資基金 (有限合夥)), Qingdao Xinhui Zhiqi Entrepreneurship Service Center (Limited Partnership) (青島新輝智奇創業服務中心 (有限合夥)), Ningbo Meishan Free Trade Port Hongxi Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區泓熙股權投資合夥企業 (有限合夥)), Shenzhen Huasheng Lingxiu Equity Investment Partnership (Limited Partnership) (深圳華晟領秀股權投資合夥企業 (有限合夥)), Beijing Sinovation Ventures Center (Limited Partnership) (北京創新工場創業投資中心 (有限合夥)), Chengwei Evergreen Equity Investment Partnership (Limited Partnership) (南通成為常青股權投資合夥企業 (有限合夥)), Ningbo Meishan Free Trade Port Hongyue Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區泓越股權投資合夥企業 (有限合夥)), Ningbo Meishan Free Trade Port Honger Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區泓爾股權投資合夥企業 (有限合夥)), Qingdao Xinqi Entrepreneurship Service Center (Limited Partnership) (青島新奇創業服務中心 (有限合夥)), Qingdao Xinyun Entrepreneurship Service Center (Limited Partnership) (青島新雲創業服務中心 (有限合夥)), Beijing Sinovation Ventures Yucheng Management Consultation Co., Ltd. (北京創新工場育成管理諮詢有限公司), Wang Hua (汪華), Qingdao Innovation Zhicheng Technology Center (Limited Partnership) (青島創新智成科技中心 (有限合夥)), Shanghai Lanyue Enterprise Management (Limited Partnership) (上海攬岳企業管理中心 (有限合夥)), Shanghai Guohe Phase II Modern Service Industry Equity Investment Fund Partnership (上海國和二期現代服務業股權投資基金合夥企業 (有限合夥)),</p>	<p>Article 19 Subject to the approval by the securities regulatory authorities of the State Council, the Company may has issued <u>44,744,400</u> no more than 197,248,167 H shares. As approved by the security regulatory authority of the State Council, Sinovation Ventures (Beijing) Enterprise Management Limited (創新工場 (北京) 企業管理股份有限公司), Xu Hui (徐輝), Qingdao Xinnuo Zhiqi Enterprise Management Consultation Partnership (Limited Partnership) (青島新諾智奇企業管理諮詢合夥企業 (有限合夥)), SVF II Zeal Subco (Singapore) Pte. Ltd., Qingdao Chuangzhi Equity Investment Fund (Limited Partnership) (青島甲子創智股權投資基金 (有限合夥)), Qingdao Xinhui Zhiqi Entrepreneurship Service Center (Limited Partnership) (青島新輝智奇創業服務中心 (有限合夥)), Ningbo Meishan Free Trade Port Hongxi Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區泓熙股權投資合夥企業 (有限合夥)), Shenzhen Huasheng Lingxiu Equity Investment Partnership (Limited Partnership) (深圳華晟領秀股權投資合夥企業 (有限合夥)), Beijing Sinovation Ventures Center (Limited Partnership) (北京創新工場創業投資中心 (有限合夥)), Chengwei Evergreen Equity Investment Partnership (Limited Partnership) (南通成為常青股權投資合夥企業 (有限合夥)), Ningbo Meishan Free Trade Port Hongyue Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區泓越股權投資合夥企業 (有限合夥)), Ningbo Meishan Free Trade Port Honger Equity Investment Partnership (Limited Partnership) (寧波梅山保稅港區泓爾股權投資合夥企業 (有限合夥)), Qingdao Xinqi Entrepreneurship Service Center (Limited Partnership) (青島新奇創業服務中心 (有限合夥)), Qingdao Xinyun Entrepreneurship Service Center (Limited Partnership) (青島新雲創業服務中心 (有限合夥)), Beijing Sinovation Ventures Yucheng Management Consultation Co., Ltd. (北京創新工場育成管理諮詢有限公司), Wang Hua (汪華), Qingdao Innovation Zhicheng Technology Center (Limited Partnership) (青島創新智成科技中心 (有限合夥)), Shanghai Lanyue Enterprise Management (Limited Partnership) (上海攬岳企業管理中心 (有限合夥)), Shanghai Guohe Phase II Modern Service Industry Equity Investment Fund Partnership (上海國和二期現代服務業股權投資基金合夥企業 (有限合夥)),</p>

Original Articles	Amended Articles
<p>Qingdao Yunhai Zhicheng Investment Management Center (Limited Partnership) (青島雲海至誠投資管理中心 (有限合夥)), Xiamen Ronghui Yingjia Equity Investment Partnership (Limited Partnership) (廈門融匯盈嘉股權投資合夥企業 (有限合夥)), Tianjin Huaxing Zhihong Equity Investment Partnership (Limited Partnership) (天津華興志鴻股權投資合夥企業 (有限合夥)), Qingdao Xinda Entrepreneurship Service Center (Limited Partnership) (青島新達創業服務中心 (有限合夥)), Qingdao SAIF Haohai Venture Capital Center (Limited Partnership) (青島賽富皓海創業投資中心 (有限合夥)), Jiaxing Yilang Kunrui Investment Management Partnership (Limited Partnership) (嘉興宜朗坤瑞投資管理合夥企業 (有限合夥)), Tao Ning (陶寧), Huangshan SAIF Tourism Culture Industry Development Fund (Limited Partnership) (黃山賽富旅遊文化產業發展基金 (有限合夥)), Wufang Tianya Group Co., Ltd. (五方天雅集團有限公司), Yinfeng Finance (Beijing) Investment Management Co., Ltd. (銀豐融金(北京)投資管理有限公司), Shenzhen Qianhai Puzheng Investment Management Co., Ltd. (深圳前海普正投資管理有限公司) have converted all the non-listed shares held by them in the Company, totally 514,560,438 shares, into overseas listed foreign shares (H shares).</p> <p>Upon the completion of the issuance of the above overseas listed foreign shares and the conversion of non-listed shares into overseas listed foreign shares (H shares), the share capital structure of the Company is as follows: there are 559,304,838 ordinary shares and all of them are overseas listed foreign shares (H shares).</p>	<p>Qingdao Yunhai Zhicheng Investment Management Center (Limited Partnership) (青島雲海至誠投資管理中心 (有限合夥)), Xiamen Ronghui Yingjia Equity Investment Partnership (Limited Partnership) (廈門融匯盈嘉股權投資合夥企業 (有限合夥)), Tianjin Huaxing Zhihong Equity Investment Partnership (Limited Partnership) (天津華興志鴻股權投資合夥企業 (有限合夥)), Qingdao Xinda Entrepreneurship Service Center (Limited Partnership) (青島新達創業服務中心 (有限合夥)), Qingdao SAIF Haohai Venture Capital Center (Limited Partnership) (青島賽富皓海創業投資中心 (有限合夥)), Jiaxing Yilang Kunrui Investment Management Partnership (Limited Partnership) (嘉興宜朗坤瑞投資管理合夥企業 (有限合夥)), Tao Ning (陶寧), Huangshan SAIF Tourism Culture Industry Development Fund (Limited Partnership) (黃山賽富旅遊文化產業發展基金 (有限合夥)), Wufang Tianya Group Co., Ltd. (五方天雅集團有限公司), Yinfeng Finance (Beijing) Investment Management Co., Ltd. (銀豐融金(北京)投資管理有限公司), Shenzhen Qianhai Puzheng Investment Management Co., Ltd. (深圳前海普正投資管理有限公司) have converted all the non-listed shares held by them in the Company, totally 514,560,438 shares, into overseas listed foreign shares (H shares).</p> <p>Upon the completion of the issuance of the above overseas listed foreign shares and the conversion of non-listed shares into overseas listed foreign shares (H shares), the share capital structure of the Company is as follows: there are 559,304,838 ordinary shares and all of them are overseas listed foreign shares (H shares).</p>
<p>Article 22 Up to the issuance of H shares, the Company's registered capital is RMB514,560,438.</p>	<p>Article 22 Up to the issuance of H shares, the Company's registered capital is RMB514,560,438.</p> <p><u>Following completion of the issuance of overseas listed foreign shares and the conversion of domestic shares into overseas listed foreign shares of the Company, the registered capital of the Company is RMB559,304,838.</u></p>

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as a special resolution for consideration and approval.

9. PROPOSED GRANTING OF GENERAL MANDATE TO THE BOARD TO REPURCHASE SHARES

In order to stabilize the Company's share price, taking into account market conditions, fluctuations and changes in the Company's share price and other factors, the Company proposed to grant the following general mandate to the Board to repurchase the Company's Shares ("**Share Repurchase Mandate**") at the Annual General Meeting:

- (1) approve a general mandate to the Board to, by reference to market conditions and in accordance with needs of the Company, repurchase the Shares of the Company that do not exceed 10% of the issued Shares of the Company at the time of passing the resolution at the Annual General Meeting, so as to safeguard the value of the Company and Shareholders' rights and interests. The H Shares repurchased under this general mandate can only be cancelled according to the Listing Rules, and the registered capital of the Company shall be reduced accordingly.
- (2) the Board be authorised to (including but not limited to the following):
 - a) formulate and implement the repurchase plan, including but not limited to determining the time of repurchase, period of repurchase, repurchase price and number of Shares to be repurchased;
 - b) notify creditors and issue announcements;
 - c) open overseas share accounts and carry out related change of foreign exchange registration procedures;
 - d) carry out relevant approval/filing procedures (if any) pursuant to the other laws, regulations and regulatory requirements;
 - e) according to the actual repurchase situation, handle the transfer or cancellation of the repurchased Shares, revise the relevant contents of the Company's Articles of Association, such as the total share capital and shareholding structure, and go through the change registration procedures and other documents and matters related to the repurchase of Shares (if any); and
 - f) the Board authorizes the general manager (Chief Executive Officer) of the Company or its delegates to specifically handle the above matters.

The above Share Repurchase Mandate will expire on the earliest of the following two dates (the "**Relevant Period**"):

- a) at the end of the 2022 annual general meeting of the Company; or
- b) the date on which the special resolution passed at the general meeting of shareholders withdraws or amends the mandate mentioned in this proposal.

Unless the Board decides to repurchase Shares during the Relevant Period, such repurchase plan may need to be continued or implemented after the end of the Relevant Period.

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 granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

This resolution has been considered and approved at the Board meeting held on 30 March 2022 and is hereby proposed to the AGM as a special resolution for consideration and approval.

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 special resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 559,304,838 Shares, all of them are H Shares.

Subject to the passing of the special resolution set out in item 9 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate to the Board and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 559,304,838 Shares, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a maximum of 55,930,483 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Share repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of the PRC and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing levels of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2021) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Hong Kong Stock Exchange during the period from 27 January 2022 (the date of listing of the Shares on the Hong Kong Stock Exchange) up to and including the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
January 2022 (<i>from 27 January 2022</i>)	27.0	16.2
February 2022	20.6	14.5
March 2022	16.3	7.6
April 2022 (<i>up to the Latest Practicable Date</i>)	16.4	14.7

6. GENERAL

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

The Directors have undertaken to the Hong Kong Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the PRC.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share 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.

To the best knowledge of the Company, as at the Latest Practicable Date, Sinovation Ventures (Beijing) Enterprise Management Limited (“**Sinovation Ventures**”), Beijing Sinovation Ventures Yucheng Management Consulting Co., Ltd. (“**Sinovation Ventures Yucheng**”), Mr. Wang Hua and Ms. Tao Ning directly held 135,000,000, 8,640,000, 8,640,000 and 2,160,000 Shares in the Company, respectively. Sinovation Ventures and Sinovation Ventures Yucheng are collectively controlled by Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying. Sinovation Ventures, Sinovation Ventures Yucheng, Mr. Wang Hua and Ms. Tao Ning have been acting in concert and will continue to act in concert in the Company’s general meetings and Board meetings pursuant to a concert party agreement among themselves. As a result, each of Sinovation Ventures, Sinovation Ventures Yucheng, Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying is deemed to be interested in the Shares held by other members of the single largest group of Shareholders (i.e. 154,440,000 Shares representing approximately 27.61% of the total issued share capital of the Company). In the event that the Directors exercise the proposed Share Repurchase Mandate in full, the aggregate shareholding of Sinovation Ventures, Sinovation Ventures Yucheng, Mr. Wang Hua, Ms. Tao Ning, Ms. Lang Chunhui and Mr. Zhang Ying would be increased to approximately 30.68% of the issued share capital of the Company.

The Directors consider that such increase in shareholding would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Hong Kong Stock Exchange.

Save as disclosed above, the Directors are not aware of any consequences which will arise under the Takeovers Code and/or any similar applicable law.

8. SHARE REPURCHASE MADE BY THE COMPANY

From 27 January 2022 (the date of listing of the Shares on the Hong Kong Stock Exchange) and up to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Hong Kong Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



QINGDAO AINNOVATION TECHNOLOGY GROUP CO., LTD* **青島創新奇智科技集團股份有限公司**

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 2121)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Qingdao AInnovation Technology Group Co., Ltd (the “**Company**”) will be held at The North Star Conference Room, 8F, Dinghao Tower Block A, No. 3 Haidian Street, Haidian District, Beijing, PRC on Tuesday, 10 May 2022 at 2 p.m. for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the annual report of the Company for the year 2021.
2. To consider and approve the final accounts report of the Company for the year 2021.
3. To consider and approve the financial budget of the Company for the year 2022.
4. To consider and approve the report of the board of directors of the Company for the year 2021.
5. To consider and approve the report of the supervisory committee of the Company for the year 2021.
6. To consider and approve the report on the initial public offering of the Company.
7. To consider and approve the re-appointment of auditor for the year 2022.

SPECIAL RESOLUTIONS

8. To consider and approve the proposed amendments to the Articles of Association of Qingdao AInnovation Technology Group Co., Ltd.
9. To consider and approve the proposed granting of general mandate to the board of directors of the Company to repurchase shares:
 - (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

(b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution; and

(c) for the purposes of this resolution:

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

(i) at the end of the 2022 annual general meeting of the Company; or

(ii) the date on which the special resolution passed at the general meeting of shareholders withdraws or amends the mandate mentioned in this proposal.

By order of the Board

QINGDAO AINNOVATION TECHNOLOGY GROUP CO., LTD

青島創新奇智科技集團股份有限公司

Executive Director and Chief Executive Officer

Xu Hui

Hong Kong, 14 April 2022

Notes:

1. In order to determine the list of shareholders of the Company who are entitled to attend the AGM, the register of members of the Company will be closed from Wednesday, 4 May 2022 to Tuesday, 10 May 2022, both days inclusive, during which period no transfer of shares of the Company (the “**Shares**”) will be effected. Unregistered holders of shares of the Company who wish to attend the AGM must lodge the share certificate accompanied by transfer documents with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 3 May 2022. Shareholders whose names appear on the register of members of the Company on Tuesday, 10 May 2022 are entitled to attend and vote at the AGM.
2. Shareholders who are entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a member of the Company, but must be present in person at the AGM to represent the member.

The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised attorney(s). If that instrument is signed by an attorney of the Shareholder, the power of attorney authorising that attorney to sign or other authorisation document must be notarised.

NOTICE OF ANNUAL GENERAL MEETING

In order to be valid, the proxy form together with the notarised power of attorney or other authorisation document (if any) must be deposited at the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 24 hours before the time fixed for the holding of the AGM (i.e. before 2 p.m. on Monday, 9 May 2022) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof should they so wish.

3. Pursuant to the provisions of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice of the AGM will be voted by poll.
4. The AGM is expected to last for half a day. Shareholders or their proxies shall produce their identity documents when attending the AGM (or any adjournment thereof). Shareholders or their proxies attending the AGM shall be responsible for their own travel and accommodation expenses.
5. For details of the resolutions, please refer to the circular of the Company dated 14 April 2022 (the "**Circular**") and the 2021 annual report of the Company published by the Company on the websites of the Hong Kong Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.ainnovation.com>) on 14 April 2022.
6. If the attending shareholder is a corporation, its legal representative shall produce his/her identity card, valid certificate and share certificate which can prove his/her qualification as a legal representative; if the proxy attends the meeting, the proxy shall produce his/her identity card and the written power of attorney duly issued by the relevant shareholder.
7. References to time and dates in this notice are to Hong Kong time and dates.

Precautionary measures for the Annual General Meeting

Taking into account the recent developments of COVID-19, the Company will implement the following prevention and control measures at the Annual General Meeting to safeguard the health and safety of the Shareholders attending the Annual General Meeting:

1. Compulsory body temperature check will be conducted for every Shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the venue.
2. Every Shareholder or proxy is required to wear a surgical face mask throughout the meeting.
3. Every Shareholder or proxy is required to complete a health declaration form before entering the venue.
4. No entry to the venue is allowed for any person who has shown any symptom of COVID-19 or is subject to quarantine order.
5. As a precautionary safety measure, appropriate distancing and spacing will be observed and as such, the Company reserves the right to limit the number of the attendees at the Annual General Meeting as may be necessary to reduce interaction between participants.
6. No refreshments will be served and no corporate gifts will be distributed.

Shareholders, particularly those who are subject to quarantine in relation to COVID-19, are reminded that they may appoint any person or the chair of the Annual General Meeting as a proxy to attend and vote at the Annual General Meeting, instead of attending and voting in person.