基本半导体
BASiC Semiconductor

BASiC Semiconductor Co., Ltd.
深圳基本半導體股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 9971)

(1) PROPOSED ADOPTION OF THE H SHARE EQUITY SHARE INCENTIVE SCHEME; AND (2) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

(I) PROPOSED ADOPTION OF THE H SHARE EQUITY SHARE INCENTIVE SCHEME

INTRODUCTION

On August 11, 2026, the Board has resolved to propose the adoption of the H Share Equity Share Incentive Scheme. The Company will convene a general meeting for the purposes of seeking approval from the Shareholders for, among other things, the adoption of the H Share Equity Share Incentive Scheme and the authorisation for the Board and/or the person(s) authorised by the Board to deal with matters in relation to the H Share Equity Share Incentive Scheme.

The H Share Equity Share Incentive Scheme does not involve the grant of new shares or share options over new shares of the Company. Nevertheless, the H Share Equity Share Incentive Scheme constitutes a share scheme involving existing shares under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. Therefore, the adoption of the H Share Equity Share Incentive Scheme is not subject to approval of the Shareholders pursuant to the Listing Rules. Nonetheless, pursuant to the Articles of Association, the H Share Equity Share Incentive Scheme and the related matters are subject to the approval of the Shareholders at the EGM.

The principal terms of the H Share Equity Share Incentive Scheme include, but are not limited to:

Purpose

The purpose of the H Share Equity Share Incentive Scheme is to provide Eligible Participants with the opportunity to acquire equity interests in the Company, and to incentivize Eligible Participants to commit to enhancing the value of the Company and its shares, thereby promoting the Group's long-term development for the benefit of the Group and all Shareholders. It is expected that the H Share Equity Share Incentive Scheme will provide the Group with a flexible means to hire, retain, motivate, reward, compensate, and/or provide benefits to Eligible Participants.

Source of Shares

The shares under the H Share Equity Share Incentive Scheme shall be held by the Trustee (acting on behalf of and for the benefit of the Eligible Participants) in accordance with the Company's instructions and the relevant provisions of the H Share Equity Share Incentive Scheme Rules, through the following methods: acquisition via on-exchange and/or over-the-counter transactions on the secondary market at prevailing market prices using scheme funds.

Eligible Participants

The Eligible Participants who are entitled to participate in the Scheme include any Employee Participant, Service Provider, and Related Entity Participant.

The Board and/or persons authorised by the Board may select any Eligible Participant as a Grantee under the H Share Equity Share Incentive Scheme in accordance with the H Share Equity Share Incentive Scheme Rules.

Scheme Limit

Unless Shareholders approve a further refreshment of the Scheme Limit or Shareholder approval is obtained in accordance with the Listing Rules, the Group shall not grant any further Awards such that the total number of awarded Shares in respect of all Awards granted by the Group after the Adoption Date under the H Share Equity Share Incentive Scheme (excluding Awards that have lapsed in accordance with the rules of the relevant schemes) would exceed the Scheme Limit as approved by the Shareholders (i.e., 10% of the total number of issued shares, excluding Treasury Shares (if any), as of the Adoption Date). As of the date of this announcement, the Company's issued share capital consisted of 304,289,725 shares with a nominal value of RMB0.20 each, comprising 287,534,442 H Shares and 16,755,283 Domestic Shares. Subject to Shareholders' approval and assuming there are no changes in the number of issued shares between the date of this announcement and the Adoption Date, the Scheme Limit will be 30,428,972 shares.

As the scope of Eligible Participants in the H Share Equity Share Incentive Scheme will be expanded to include the Service Providers, the Board considers it appropriate to establish a sublimit for Service Providers within the Scheme Limit, in accordance with Rule 17.03B(2) of the Listing Rules. Unless Shareholders approve a further refreshment in the Service Provider sublimit, or Shareholder approval is obtained in accordance with the Listing Rules, the Group shall not grant any further Awards to the Service Providers, such that the total number of Award Shares in connection with all Awards granted by the Group after the Adoption Date under the H Share Equity Share Incentive Scheme and other share schemes adopted by the Group (excluding Awards that have lapsed in accordance with the rules of the relevant schemes) would exceed 1% of the total number of issued shares (excluding Treasury Shares) as of the date on which the Shareholders approved the Service Provider Sublimit. As of the date of this announcement, the Company's issued share capital consisted of 304,289,725 shares with a nominal value of RMB0.20 each, comprising 287,534,442 H Shares and 16,755,283 Domestic Shares. Subject to Shareholders' approval and assuming there are no changes in the number of issued shares between the date of this announcement and the Adoption Date, the Service Provider Sublimit will be 3,042,897 shares.

Granting and Vesting of Award Shares

Subject to the terms and conditions of the H Share Equity Share Incentive Scheme, the Board and/or a person authorised by the Board may, in their sole discretion and on such terms and conditions as it deems appropriate, grant Award Shares to any Eligible Participant at a Purchase Price determined by the Board and/or a person authorised by the Board and set forth in the Award Letter. Any grant of Award Shares to a Director or senior management of the Company shall be approved in advance by the Remuneration and Appraisal Committee and the Board. In addition, any grant of Award Shares to any Director, chief executive officer, or substantial Shareholder of the Company (or their respective associates) shall be approved in advance by the Company's independent non-executive Directors. Upon a decision by the Board and/or a person authorised by the Board to grant Award Shares to any Grantee, the Company shall issue an Award Letter to such Grantee setting forth the details of the grant, including but not limited to the name and identification of the Grantee, the number of Award Shares granted, the vesting criteria and conditions, the vesting commencement date, the vesting date, the Purchase Price, the lapse and clawback mechanism (if any) of Award Shares, and such other terms and conditions as determined by the Board and/or a person authorised by the Board that do not conflict with the H Share Equity Share Incentive Scheme.

Subject to compliance with all applicable laws, rules or regulations, the Board and/or a person authorised by the Board may determine the vesting criteria, conditions, and vesting period for the Award Shares granted to each Grantee under the H Share Equity Share Incentive Scheme. Unless otherwise resolved by the Board, the vesting period for any Award Shares granted shall not be less than twelve months from the date of grant (inclusive).

Term and Termination of the Scheme

Provided that the Board has resolved against early termination pursuant to the H Share Equity Share Incentive Scheme Rules, the H Share Equity Share Incentive Scheme shall remain in full force and effect for the scheme period (i.e., ten (10) years from the Adoption Date), and no additional Award Shares shall be granted upon the expiry of the scheme period. If, upon the expiration of the H Share Equity Share Incentive Scheme, there are still granted but unvested Award Shares, the H Share Equity Share Incentive Scheme shall be extended until such Award Shares have fully vested.

(II) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

On August 11, 2026, the Board resolved and approved (inter alia): (i) the proposed amendments to the Articles of Association; and (ii) the proposal on the authorisation from the general meeting to the Board, and further authorisation from the Board to the Chairman of the Company or other persons authorised by the Chairman, to handle matters related to the amendments to the Articles of Association, including but not limited to industrial and commercial change registration and filing (the"Authorisation").

Reference is made to the announcement of the Company dated July 7, 2026 in relation to the final offer price and allotment results in respect of the total issued share capital of 304,289,725 shares, comprising 287,534,442 H Shares and 16,755,283 unlisted shares (Domestic Shares). As a result, the registered capital and total number of Shares of the Company have been changed to RMB60,857,945 and 304,289,725 shares, respectively. The Board proposes to implement the corresponding amendments to the Articles of Association as set out below:

Article Number in the Articles of Association	Before Amendments	After Amendments
Article 4	Upon filing with the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") on November 26, 2025 and approval by the Stock Exchange of Hong Kong Limited (hereinafter referred to as Hong Kong Stock Exchange) on [•], the Company conducted its initial public offering of [•] overseas listed foreign shares (H Shares), which were listed on the Main Board of the Hong Kong Stock Exchange on [•].	Upon filing with the China Securities Regulatory Commission (hereinafter referred to as the "CSRC") on November 26, 2025 and approval by ~~t~~**T**he Stock Exchange of Hong Kong Limited (hereinafter referred to as Hong Kong Stock Exchange) on ~~[•]~~ **July 7, 2026**, the Company conducted its initial public offering of ~~[•]~~ **27,386,200** overseas listed foreign shares (H Shares)**. At the same time, 260,148,242 unlisted Domestic Shares were converted into H Shares by way of full circulation. The aforementioned H Shares**, which were listed on the Main Board of the Hong Kong Stock Exchange on ~~[•]~~**July 8, 2026**.
Article 7	The registered capital of the Company is RMB[•].	The registered capital of the Company is RMB~~[•]~~**60,857,945**.
Article 22	The Company has issued [•] shares, all of which are ordinary shares.	The Company has issued ~~[•]~~ **304,289,725** shares, all of which are ordinary shares.

Save as otherwise amended herein, all other provisions of the Articles of Association shall remain unchanged. The proposed amendments to the Articles of Association were prepared in Chinese. In the event of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

The proposed amendments to the Articles of Association are subject to approval by way of special resolution to be passed by the Shareholders at the EGM.

EGM

The Company will convene an EGM for the purpose of considering and, if thought fit, approving (inter alia): (i) the proposed adoption of the H Share Equity Share Incentive Scheme; and (ii) the proposed amendments to the Articles of Association.

A circular containing (inter alia) details on (i) the proposed adoption of the H Share Equity Share Incentive Scheme; (ii) the proposed amendments to the Articles of Association; and (iii) the notice of convening the extraordinary general meeting will be published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.basicsemi.com and be despatched to the Shareholders (at the request of the Shareholders) in due course.

DEFINITIONS

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

"Adoption Date"	the date on which the H Share Equity Share Incentive Scheme is adopted by the Company, being the date on which the special resolution(s) approving and adopting the H Share Equity Share Incentive Scheme is passed by the Shareholders at the EGM
"Articles" or "Articles of Association"	the articles of association of our Company, as amended from time to time
"Award(s)"	award(s) granted by the Board and/or its authorised person(s) to a Grantee under the H Share Equity Share Incentive Scheme, which may vest in the form of Award Shares or the actual selling price of the Award Shares in cash in accordance with the terms of the H Share Equity Share Incentive Scheme
"Award Letter"	a letter issued by the Company to each Grantee, in such form as the Board and/or its authorised person(s) may determine from time to time, setting forth the details of the grant, including but not limited to the name and identification of the Grantee, the number of Award Shares granted, the vesting criteria and conditions, the vesting commencement date, the vesting date, the Purchase Price, the lapse and clawback mechanism (if any) of Award Shares, and such other terms and conditions as determined by the Board and/or persons authorised by the Board that do not conflict with the H Share Equity Share Incentive Scheme

"Award Share(s)"	the H Shares granted in an Award pursuant to the H Share Equity Share Incentive Scheme
"Board" or "Board of Directors"	the board of Directors of the Company
"China" or "PRC"	the People's Republic of China, except where the content or context otherwise requires and only for the purpose of this announcement, excludes the Taiwan Region of the People's Republic of China, and the Hong Kong and Macao Special Administrative Regions
"Company", "our Company" or "the Company"	BASiC Semiconductor Co., Ltd. (深圳基本半導體股份有限公司), a joint stock limited liability company incorporated in the PRC, and the H Shares of which are listed on the Stock Exchange (stock code: 9971)
"Director(s)"	the director(s) of the Company
"Domestic Shares"	domestic unlisted shares in the share capital of the Company with a nominal value of RMB0.20 each
"EGM"	the 2026 first extraordinary general meeting of the Company scheduled to be held at the meeting room of 12/F, Building 1, Bronze Technology Tower, No. 6 Guangke 1st Road, Laokeng Community, Longtian Subdistrict, Pingshan District, Shenzhen, the PRC, at 2:30 p.m. on Friday, August 28, 2026 or any adjournment thereof
"Eligible Participant(s)"	with respect to H Share Equity Share Incentive Scheme, any individual, or a corporate entity (as the case may be), being any of (i) an Employee Participant, (ii) a Related Entity Participant, and (iii) a Service Provider
"Employee Participant(s)"	director(s), supervisor(s) and employee(s) (whether full time or part time employees) of the Company and/or of any of its subsidiaries (including persons who are granted Awards under H Share Equity Share Incentive Scheme as an inducement to enter into employment contracts with these companies)
"Grantee"	an eligible participant who accepts the grant of Award in accordance with the terms of the H Share Equity Share Incentive Scheme
"Group"	the Company and its subsidiaries
"H Share Equity Share Incentive Scheme"	the H Share Equity Share Incentive Scheme proposed to be adopted by the Company which is subject to the approval by the Shareholders at the EGM
"H Share Equity Share Incentive Scheme Rules"	the rules of the H Share Equity Share Incentive Scheme (in its present or any amended form)
"H Share(s)"	overseas listed shares in the share capital of the Company with nominal value of RMB0.20 each, listed and traded on the Stock Exchange

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time
"Purchase Price"	the purchase price of each H Share in relation to Award Shares to be determined by the Board and/or its authorised person when granting Award Shares
"Related Entity(ies)"	the holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company
"Related Entity Participant(s)"	director(s), supervisor(s) and employee(s) (whether full time or part time employees) of the Related Entities
"RMB" or "Renminbi"	the lawful currency of the PRC
"Scheme Limit(s)"	the limit on grant(s) of award(s) under all share schemes of the Company to be approved by its Shareholders, which must not exceed 10% of the total number of issued Shares (excluding Treasury Shares, if any) as at the date of Shareholders' approval of the Scheme Limit
"Service Provider(s)"	any person (whether an individual or a corporate entity) who provides services to the Group on a continuing and recurring basis in the ordinary and usual course of business which are in the interests of the long-term growth of the Group
"Shareholder(s)"	holder(s) of the share(s), including holder(s) of Domestic Shares and H Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Treasury Share(s)"	has the meaning ascribed to it under the Listing Rules
"Trust"	the trust constituted under the Trust Deed
"Trust Deed"	the trust deed to be entered into between the Company and the Trustee pursuant to the H Share Equity Share Incentive Scheme
"Trustee"	the trustee to be appointed by the Company for the purpose of the Trust
"%"	per cent

By order of the Board
BASiC Semiconductor Co., Ltd.
Dr. Wang Zhihan
Chairman

Shenzhen, China, August 11, 2026

As of the date of this announcement, the Board of the Company comprises: (i) Dr. Wang Zhihan, Dr. He Weiwei, Mr. Fu Junyin and Ms. Yan Rui as executive Directors; and (ii) Mr. Li Juping, Mr. Ye Xiang and Mr. Wang Susheng as independent non-executive Directors.