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

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

If you have sold or transferred all your shares in **Alphamab Oncology**, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**康宁杰瑞**

ALPHAMAB ONCOLOGY

**ALPHAMAB ONCOLOGY**

**康寧傑瑞生物製藥**

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

**(Stock Code: 9966)**

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE NEW SHARES  
(INCLUDING RESELL OR TRANSFER TREASURY SHARES);**
- (2) PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS;**
- (3) PROPOSED RE-APPOINTMENT OF AUDITORS;**
- (4) PROPOSED AMENDMENTS TO THE POST-IPO  
SHARE OPTION SCHEME;**
- (5) PROPOSED AMENDMENTS TO THE RESTRICTED  
SHARE AWARD SCHEME;**
- (6) PROPOSED REFRESHMENT OF THE SCHEME  
MANDATE LIMIT;**
- AND**
- (7) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting of Alphamab Oncology to be held on Wednesday, June 12, 2024 at 9:00 a.m. at No. 175 Fangzhou Road, Suzhou Industrial Park, Suzhou, Jiangsu Province, China is set out on pages 85 to 90 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.alphamabonc.com](http://www.alphamabonc.com)) respectively.

Whether or not you intend to attend the Annual General Meeting, you are required to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than 9:00 a.m. on Monday, June 10, 2024) or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting if you so wish and in such event the form of proxy shall be deemed to be revoked.

References to dates and time in this circular are to Hong Kong dates and time. Where the context so permits or requires in this circular, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa.

May 21, 2024

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## DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at on Wednesday, June 12, 2024, at 9:00 a.m. at No. 175 Fangzhou Road, Suzhou Industrial Park, Suzhou, Jiangsu Province, China, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 85 to 90 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“Business Day”	means any day on which securities are traded on the Stock Exchange
“CCASS”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Alphamab Oncology (康寧傑瑞生物製藥), an exempted company with limited liability incorporated under the laws of the Cayman Islands on March 28, 2018, the Shares of which are listed on the main board of the Stock Exchange on December 12, 2019
“Connected Person(s)”	has the meaning ascribed thereto under the Listing Rules
“Core Connected Person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

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## DEFINITIONS

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“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal in Shares (including any sale and transfer of Shares out of treasury that are held as treasury Shares) not exceeding 20% of the total number of the issued Shares (excluding any treasury Shares) as at the date of passing of the relevant resolution granting such mandate and adding thereto any Shares representing the aggregate number of Shares repurchased by the Company pursuant to the authority granted under the Share Repurchase Mandate
“Latest Practicable Date”	May 14, 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Date”	December 12, 2019, being the date on which the Shares are first listed and from which dealings thereof are permitted to commence on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Company
“Post-IPO Share Option Scheme”	the post-IPO share option scheme of the Company adopted on May 25, 2020
“PRC” or “China”	the People’s Republic of China, but for the purpose of this circular and unless otherwise indicated, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus of the Company dated December 2, 2019
“Remuneration Committee”	the remuneration committee of the Company
“Restricted Share Award Scheme”	the restricted share award scheme of the Company adopted on March 31, 2021

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## DEFINITIONS

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“Scheme Mandate Limit”	the limit on the total number of Shares (i) available for issue upon exercise of all options to be granted under the Post-IPO Share Option Scheme; (ii) available for issue in respect of the share awards to be granted under the Restricted Share Award Scheme; and (iii) available for issue in respect of any options or awards to be granted under any other share scheme(s) of the Company, which must not exceed 10% of the issued Shares (excluding any treasury Shares) as at the date of the Shareholders’ approval of the limit
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Share(s)”	ordinary share(s) of nominal or par value of US\$0.000002 each in the issued share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the total number of the issued Shares (excluding any treasury Shares) as of the date of passing of the relevant resolution granting such mandate
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suzhou Alphamab”	Suzhou Alphamab Co., Ltd. (蘇州康寧傑瑞生物科技有限公司), a limited liability company established in the PRC on November 6, 2008 and a connected person of the Company as of the Latest Practicable Date
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-Backs issued by the Securities and Futures Commission in Hong Kong, as amended from time to time
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

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## LETTER FROM THE BOARD

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### ALPHAMAB ONCOLOGY 康寧傑瑞生物製藥

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

**(Stock Code: 9966)**

***Executive Directors:***

Dr. XU Ting (徐霆) (*Chairman of the Board and  
Chief Executive Officer*)  
Ms. LIU Yang (劉陽)

***Independent non-executive Directors:***

Dr. GUO Zijian (郭子建)  
Mr. WEI Kevin Cheng (蔚成)  
Mr. WU Dong (吳冬)

***Registered Office:***

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

***Head Office and Principal Place  
of Business in the PRC:***

No. 175 Fangzhou Road  
Suzhou Industrial Park  
Suzhou  
Jiangsu Province, China

***Principal Place of Business in  
Hong Kong:***

Room 1901, 19/F  
Lee Garden One  
33 Hysan Avenue  
Causeway Bay, Hong Kong

May 21, 2024

*To the Shareholders*

Dear Sir or Madam,

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE NEW SHARES  
(INCLUDING RESELL OR TRANSFER TREASURY SHARES);**
- (2) PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS;**
- (3) PROPOSED RE-APPOINTMENT OF AUDITORS;**
- (4) PROPOSED AMENDMENTS TO THE POST-IPO  
SHARE OPTION SCHEME;**
- (5) PROPOSED AMENDMENTS TO THE RESTRICTED  
SHARE AWARD SCHEME;**
- (6) PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT;  
AND**
- (7) NOTICE OF ANNUAL GENERAL MEETING**

#### INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and further information in relation to, amongst others, the following resolutions to be proposed at the Annual General Meeting: (i) the granting of the Share Repurchase Mandate and the Issue Mandate to the Directors; (ii) the re-election of the retiring Directors; (iii) the re-appointment of auditor; (iv) the proposed amendments to the Post-IPO Share Option Scheme; (v) the proposed amendments to the Restricted Share Award Scheme; and (vi) the proposed refreshment of the scheme mandate limit.

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## LETTER FROM THE BOARD

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### **PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES**

At the annual general meeting of the Company held on June 12, 2023, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of a general mandate to the Directors to exercise all powers of the Company to repurchase Shares not exceeding 10% of the total number of issued Shares (excluding any treasury Shares) as of the date of passing of the relevant resolution, amounting to 96,484,380 Shares, assuming that the issued share capital of the Company and the Shares in treasury remains unchanged as of the date of Annual General Meeting.

The Share Repurchase Mandate will remain in effect until the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to the applicable laws or the Articles of Association; or (iii) the date on which such an authority is varied or revoked by an ordinary resolution of the Shareholders in a general meeting of the Company.

With reference to the Share Repurchase Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares pursuant thereto.

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

### **PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE NEW SHARES (INCLUDING RESELL OR TRANSFER TREASURY SHARES)**

At the annual general meeting of the Company held on June 12, 2023, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to ensure flexibility and give discretion to the Directors in the event that it becomes desirable for the Company to issue any new Shares, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of a general mandate to the Directors to exercise all powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the total number of the issued Shares (excluding any treasury Shares) as of the date of passing of the relevant resolution, amounting to 192,968,761 Shares, assuming that the issued share capital of the Company and the Shares in treasury remains unchanged as of the date of Annual General Meeting.

In addition, an ordinary resolution to extend the Issue Mandate by adding the number of Shares repurchased by the Company pursuant to the Repurchase Mandate will also be proposed at the Annual General Meeting.

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## LETTER FROM THE BOARD

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The Issue Mandate shall only continue in force until: (i) the conclusion of the next annual general meeting of the Company unless, by ordinary resolution passed at that meeting, the Issue Mandate is renewed, either unconditionally or subject to conditions; or (ii) the date on which such the Issue Mandate is varied or revoked by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

With reference to the Issue Mandate, the Directors wish to state that they have no immediate plans to issue any new Shares pursuant thereto. References herein to an allotment, issue or dealing with securities or Shares shall include a sale or transfer of treasury Shares held under the name of the Company pursuant to the applicable requirements under the Listing Rules.

### **PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

As of the Latest Practicable Date, the Board comprises Dr. XU Ting as the chairman and executive Director and Ms. LIU Yang as executive Director, and Dr. GUO Zijian, Mr. WEI Kevin Cheng and Mr. WU Dong as independent non-executive Directors.

Pursuant to Article 84(1) of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Any Director appointed pursuant to Article 83(3) of the Articles of Association shall not be taken into account in determining which Directors or the number of Directors who are to retire by rotation. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat.

Pursuant to Article 83(3) of the Articles of Association, the Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board shall hold office until the first general meeting after his appointment and shall then be eligible for to re-election.

Accordingly, the following Directors, namely, Ms. LIU Yang and Dr. GUO Zijian shall retire at the Annual General Meeting and, being eligible, will offer themselves for re-election.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the Directors with reference to the nomination principles and criteria set out in the Company's board diversity policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee has recommended to the Board on re-election of all the above-mentioned Directors. On the re-appointment of Ms. LIU Yang and Dr. GUO Zijian, the Nomination Committee considered, and the Board shared the same views, that at all times during their period of



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## LETTER FROM THE BOARD

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directorship with the Company, they have properly discharged their duties and responsibilities and have made positive contribution to the development to the Company through independent, constructive and informed comments and participation at the business and other affairs relating to the Group. In this regard, the Board is satisfied that Ms. LIU Yang and Dr. GUO Zijian are persons of integrity and stature and believes that their re-election and continued appointment will allow the Board as well as the Company to continuously benefit from the sharing of their invaluable experience, contribution and participation.

Details of the above retiring Directors who are standing for re-election at the Annual General Meeting are set out in Appendix III to this circular in accordance with the relevant requirements of the Listing Rules.

### **PROPOSED RE-APPOINTMENT OF AUDITOR**

In accordance with Rule 13.88 of the Listing Rules, an ordinary resolution will be proposed at the Annual General Meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as the external auditor of the Company to hold office from the conclusion of the Annual General Meeting until the next annual general meeting and to authorize the Board to fix their remuneration for the year ending December 31, 2024. The re-appointment of the auditor of the Company has been reviewed by the Audit Committee which made recommendation to the Board that the re-appointment be submitted and proposed for Shareholders' approval at the Annual General Meeting. As Messrs. Deloitte Touche Tohmatsu is relatively familiar with the Group's financials and affairs, the Board considers that the audit and other related work in respect of the Group for the year ending December 31, 2024 could be performed more efficiently by Messrs. Deloitte Touche Tohmatsu, which is in the best interests of the Company and the Shareholders as a whole.

### **PROPOSED AMENDMENTS TO THE TERMS OF THE POST-IPO SHARE OPTION SCHEME AND THE RESTRICTED SHARE AWARD SCHEME**

#### **Reasons for the Proposed Amendments**

The Board proposes to amend the terms of the Post-IPO Share Option Scheme and the Restricted Share Award Scheme to conform with the amendments to the Listing Rules relating to share schemes of listed issuers, which took effect from January 1, 2023. Pursuant to the amended Listing Rules, alterations to the terms and conditions of a share scheme which are of a material nature must be approved by Shareholders in general meeting. As the proposed amendments to the Post-IPO Share Option Scheme and the Restricted Share Award Scheme are of a material nature, such proposed amendments will be subject to, among others, Shareholders' approval at the AGM.

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## LETTER FROM THE BOARD

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**(A) *Proposed Amendments to the Post-IPO Share Option Scheme***

The key changes entailed by the Proposed Scheme Amendments are set out below:

- (a) to amend the definition of “Participants” as directors and employees of the Company or any of its subsidiaries (including persons who are granted options under the scheme as an inducement to enter into employment contracts with these companies);
- (b) to refresh the Scheme Mandate Limit;
- (c) to codify the requirement of independent Shareholders’ approval for refreshment of the Scheme Mandate Limit;
- (d) to codify the requirement of approval by the Shareholders for any grant of options to an individual participant if the number of Shares issued and to be issued in respect of all awards and options granted to such person pursuant to the Post-IPO Share Option Scheme and any other share schemes adopted by the Company (excluding awards or options lapsed in accordance with relevant scheme rules) in any 12-month period exceeds 1% of the total number of issued Shares;
- (e) to codify the requirement of approval by the Shareholders for any grant of options to an independent non-executive Director or a substantial shareholder of the Company (or any of their respective associates), if the number of Shares issued and to be issued in respect of all awards and options granted to such person pursuant to the Post-IPO Share Option Scheme and any other share schemes adopted by the Company (excluding awards or options lapsed in accordance with relevant scheme rules) in any 12-month period exceeds 0.1% of the total number of issued Shares;
- (f) to elaborate on the provision for adjustment of the options granted under the Post-IPO Share Option Scheme in the event of an alteration to the capital structure of the Company;
- (g) to adopt the minimum vesting period of 12 months save where the grant of options to certain eligible persons are subject to a shorter vesting period under specific circumstances;
- (h) to codify the requirement for Shareholders’ approval for any alterations to the provisions of the Post-IPO Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules;
- (i) to include specific circumstances under which an option may lapse or be cancelled;
- (j) to codify the clawback mechanism under specific scenarios;
- (k) to include the necessary carve-outs on the transferability of the any option under the Post-IPO Share Option Scheme; and
- (l) to include house-keeping and other consequential amendments in connection with the Post-IPO Share Option Scheme.

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## LETTER FROM THE BOARD

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Details of the proposed amendments to the Post-IPO Share Option Scheme are set out in Appendix IV to this circular.

The purpose of the Post-IPO Share Option Scheme is to provide incentive or reward to participants for their contribution to, and continuing efforts to promote the interests of, the Group, and to incentivize them to remain with the Group, as well as for such other purposes as the Board may approve from time to time.

The Board is of the view that the discretion in determining the eligibility of participants, the vesting schedule, the exercise price and clawback mechanism under the Post-IPO Share Option Scheme gives the Company more flexibility to provide incentives to the participants, which is in line with the purpose of the Post-IPO Share Option Scheme.

The Board and the Remuneration Committee are of the view that the vesting period (including the circumstances under which a shorter vesting period may apply), as detailed in the Post-IPO Share Option Scheme enables the Company to offer competitive remuneration and reward packages to the participants, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules. Accordingly, the above vesting period is considered appropriate and aligns with the purpose of the Post-IPO Share Options Scheme.

### ***(B) Proposed Amendments to the Restricted Share Award Scheme***

The key changes entailed by the Proposed Scheme Amendments are set out below:

- (a) to revise the definition of “Participants” as directors and employees of the Company or any of its subsidiaries (including persons who are granted awards under the scheme as an inducement to enter into employment contracts with these companies);
- (b) to adopt the Scheme Limit;
- (c) to codify the requirement of independent Shareholders’ approval for refreshment of the Scheme Limit;
- (d) to codify the requirement of approval by the Shareholders for any grant of awards to an individual participant if the number of Shares issued and to be issued in respect of all awards and options granted to such person pursuant to the Restricted Share Award Scheme and any other share schemes adopted by the Company (excluding awards or options lapsed in accordance with relevant scheme rules) in any 12-month period exceeds 1% of the total number of issued Shares;
- (e) to codify the requirement of approval by the Shareholders for any grant of awards to Directors (other than independent non-executive Directors) and chief executive (or any of their respective associates), if the number of Shares issued and to be issued in respect of all awards granted to such person pursuant to the Restricted

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## LETTER FROM THE BOARD

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Share Award Scheme and any other share schemes adopted by the Company (excluding awards lapsed in accordance with relevant scheme rules) in any 12-month period exceeds 0.1% of the total number of issued Shares;

- (f) to codify the requirement of approval by the Shareholders for any grant of awards to an independent non-executive Director or a substantial shareholder of the Company (or any of their respective associates), if the number of Shares issued and to be issued in respect of all awards and options granted to such person pursuant to the Restricted Share Award Scheme and any other share schemes adopted by the Company (excluding awards or options lapsed in accordance with relevant scheme rules) in any 12-month period exceeds 0.1% of the total number of issued Shares;
- (g) to elaborate on the provision for adjustment of the awards granted under the Restricted Share Award Scheme in the event of an alteration in the capital structure of the Company;
- (h) to adopt the minimum vesting period of 12 months save where the grant of awards to certain eligible persons are subject to a shorter vesting period under specific circumstances;
- (i) to codify the requirement for Shareholders' approval for any alterations to the provisions of the Restricted Share Award Scheme relating to the matters set out in Rule 17.03 of the Listing Rules;
- (j) to include specific circumstances under which an Award may lapse or be cancelled;
- (k) to codify the clawback mechanism under specific scenarios;
- (l) to require the trustee holding unvested shares to abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
- (m) to include the necessary carve-outs on the transferability of the any awards under the Restricted Share Award Scheme; and
- (n) to include house-keeping and other consequential amendments in connection with the Restricted Share Award Scheme.

Details of the proposed amendments to the Restricted Share Award Scheme are set out in Appendix V to this circular.

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## LETTER FROM THE BOARD

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The purpose of the Restricted Share Award Scheme is to provide participants with an opportunity to acquire a proprietary interest in the Company, to encourage and retain such individuals to work with the Group, to provide them with additional incentives to achieve performance goals, to attract suitable personnel for further development of the Group, and to motivate the participants to maximize the value of the Company for the benefits of the Participants and the Company.

The Board is of the view that the discretion in determining the eligibility of participants, the vesting schedule, the exercise price and clawback mechanism under the Restricted Share Award Scheme gives the Company more flexibility to provide incentives to the participants, which is in line with the purpose of the Restricted Share Award Scheme.

The Board and the Remuneration Committee are of the view that the vesting period (including the circumstances under which a shorter vesting period may apply), as detailed in the Restricted Share Award Scheme enables the Company to offer competitive remuneration and reward packages to the participants, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules. Accordingly, the above vesting period is considered appropriate and aligns with the purpose of the Restricted Share Award Scheme.

None of the Directors is a trustee of the amended Restricted Share Award Scheme or has any direct or indirect interest in the trustee of the amended Restricted Share Award Scheme.

The adoption of proposed amendments to the Post-IPO Share Option Scheme and the Restricted Share Award Scheme is conditional upon the fulfilment of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders at the AGM approving (i) the proposed amendments to the Post-IPO Share Option Scheme and the Restricted Share Award Scheme; and (ii) the proposed refreshment of the Scheme Mandate Limit; and
- (b) the Listing Committee of the Stock Exchange granting or confirming the approval for the listing of, and permission to deal in, all the new Shares which may be allotted and issued under the Scheme Mandate Limit.

In relation to the condition set out in (a) above, the AGM will be held for the Shareholders to consider and, if thought fit, approve, inter alia, the proposed amendments to the Post-IPO Share Option Scheme and the Restricted Share Award Scheme. No Shareholder is required to abstain from voting on the relevant resolution to approve the proposed amendments to the Post-IPO Share Option Scheme and the Restricted Share Award Scheme at the AGM. In relation to the condition set out in (b) above, an application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued under the Scheme Mandate Limit, being up to 10% of the Shares in issue (excluding any treasury Shares) as at the date of the Shareholders' approval of the Scheme Mandate Limit.

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## LETTER FROM THE BOARD

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Reference herein to new Shares or new securities include treasury Shares, and references herein to the issue of Shares or securities include the transfer of treasury Shares. The Company may use treasury Shares to fund the Post-IPO Share Option Scheme and the Restricted Share Award Scheme in accordance with the rules of the Post-IPO Share Option Scheme and the Restricted Share Award Scheme.

A copy of the rules of the Post-IPO Share Option Scheme and the Restricted Share Award Scheme will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the AGM and the rules of such scheme will be made available for inspection at the AGM.

### **PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT**

In light of the amendments to the Listing Rules relating to share schemes of listed issuers, the Board has resolved to propose the refreshment of the Scheme Mandate Limit, being a mandate granted to the Board to grant share options and/or awards over new Shares of the Company under all share schemes of the Company (including the Post-IPO Share Option Scheme and the Restricted Share Award Scheme) up to the limit of 10% of the total number of issued Shares (excluding any treasury Shares) as at the date of the Shareholders' approval of the Scheme Mandate Limit. The said Scheme Mandate Limit shall be 96,484,380 Shares, on the basis that there are a total of 964,843,807 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the number of issued Shares and Shares in treasury during the period from the Latest Practicable Date to the date of the AGM.

As of the date of this circular, there are 1,058,608 Shares issued and granted but lapsed under the original Restricted Share Award Scheme which are held by the trust without specific grantee. For the avoidance of doubt, such 1,058,608 Shares constitute part of the total Shares under the Scheme Mandate Limit and will be deducted when the Company applies for the listing of, and permission to deal in, the Shares which may fall to be issued under the Scheme Mandate Limit.

Reference herein to new Shares or new securities include treasury Shares, and references herein to the issue of Shares or securities include the transfer of treasury Shares.

### **ANNUAL GENERAL MEETING**

The notice of the Annual General Meeting is set out on pages 85 to 90 of this circular.

For determining the eligibility to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, June 6, 2024 to Wednesday, June 12, 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfer of Shares documents, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, June 5, 2024.

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## LETTER FROM THE BOARD

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### PROXY ARRANGEMENT

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.alphamabonc.com](http://www.alphamabonc.com)). Whether or not you intend to attend the Annual General Meeting, you are required to complete and sign the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. not later than 9:00 a.m. on Monday, June 10, 2024) or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting if you so wish and in such event the form of proxy shall be deemed to be revoked.

### VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any resolution put to the vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RECOMMENDATION

The Directors consider that the above proposed resolutions regarding the granting of the Share Repurchase Mandate and the Issue Mandate, the re-election of retiring Directors and the re-appointment of the auditor are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favor of all relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
By order of the Board  
**Alphamab Oncology**  
**Dr. XU Ting**  
*Chairman and Executive Director*

**RESPONSIBILITY STATEMENT**

This circular, for which the Directors of the Company 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.

**MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading positions of the Company since December 31, 2023, being the date to which the latest published audited financial statement of the Company have been made up.

**INTERESTS OF DIRECTORS**

Save as disclosed in the sections headed “Relationship with Controlling Shareholders” of the Prospectus and “Directors’ and Controlling Shareholders’ Interests in Competing Business” of the 2023 annual report, the Directors are not aware of any Director or his respective associates having, as of the Latest Practicable Date, any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group which would be required to be disclosed under the Listing Rules.

Save as disclosed in the section headed “Connected Transactions” of the Prospectus and the 2023 annual report, no Director was materially interested in any contract or arrangement subsisting at the Latest Practicable Date which was significant to the business of the Group taken as a whole.

Save as disclosed in the section headed “Connected Transactions” of the Prospectus and the 2023 annual report, none of the Directors has, or has had, any direct or indirect interest in any assets which have been acquired or disposed of by or leased to or which are proposed to be acquired, disposed of by or leased to, any member of the Group.

**GENERAL**

The Company’s share registrar in Hong Kong is Computershare Hong Kong Investor Services Limited, at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.

The English text of this circular and the accompanying form of proxy shall prevail over the Chinese text in the case of any inconsistency.



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

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 964,843,807 Shares.

Subject to the passing of the resolution granting the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, i.e. being 964,843,807 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 total of 96,484,380 Shares which represent 10% of the total number of Shares in issue as of the date of the Annual General Meeting during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held pursuant to the applicable laws or the Articles of Association; or (iii) the date on which such an authority is varied or revoked by an ordinary resolution of the Shareholders in a general meeting of the Company.

## **2. REASONS FOR SHARE REPURCHASE**

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

## **3. FUNDING OF SHARE REPURCHASE**

Share repurchase must be funded legally available for such purpose in accordance with the Articles of Association and the laws of the Cayman Islands, being profits of the Company or out of the proceeds of a fresh issue of the Shares made for the purpose of the repurchase, or, if authorized by the Articles of Association and subject to the Companies Act, out of capital of the Company, and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company before or at the time the Shares are repurchased in the manner provided for in the Companies Act.

#### **4. IMPACT OF SHARE REPURCHASE**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements for the year ended December 31, 2023 contained in the 2023 annual report of the Company) 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. EFFECT OF TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING**

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 Rule 32 of the Takeovers Code. Accordingly, if a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company, it will become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, the Directors are not aware of any consequences which would arise under the Takeover Code as a result of an exercise of the proposed Share Repurchase Mandate.

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 Stock Exchange.

#### **6. GENERAL**

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their respective close associates currently intends to sell any Shares to the Company, if the Share Repurchase Mandate is approved by the Shareholders.

The Directors confirmed that, so far as the same may be applicable, they will exercise their power to repurchase any Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and applicable laws of the Cayman Islands.

The Company may cancel such repurchased Shares or hold them as treasury Shares, subject to market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as treasury Shares.

As of the Latest Practicable Date, no Core Connected Person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the proposed Share Repurchase Mandate is approved by the Shareholders.

The Directors confirm that the explanatory statement set out in this Appendix contains the information required under Rule 10.06(1)(b) of the Listing Rules and that neither the explanatory statement nor the Repurchase Mandate has any unusual features.

## **7. SHARE REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any Shares on the Stock Exchange from the Listing Date to the Latest Practicable Date.

## **8. SHARE PRICES**

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the 12 months prior to the Latest Practicable Date were as follows:

	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2023</b>		
June	8.47	6.86
July	10.40	7.26
August	9.43	6.93
September	9.79	8.30
October	12.30	8.10
November	13.46	6.13
December	6.84	6.02
<b>2024</b>		
January	6.71	3.90
February	5.43	3.81
March	5.95	4.33
April	4.85	4.01
May (up to and including the Latest Practicable Date)	5.43	4.65

**DIRECTORS STANDING FOR RE-ELECTION**

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting:

**(1) Ms. LIU Yang*****Position, Experience and Relationship***

Ms. LIU Yang (劉陽), aged 52, was appointed as a Director on October 31, 2018 and re-designated as an executive Director on July 3, 2019. She was also appointed as the Vice President, corporate operations of the Company on October 1, 2018. Since joining our Group, Ms. Liu has participated in the daily operations of the Group and is primarily responsible for corporate operations and management, including human resources, administration and supply chain of the Group. Ms. Liu also holds several positions with other members of the Group including a vice president of Jiangsu Alphamab Biopharmaceuticals Co., Ltd. (also known as Jiangsu Alphamab Pharmaceuticals Co., Ltd. (江蘇康寧傑瑞生物製藥有限公司)) and a director of Alphamab (Australia) Co Pty Ltd.

Ms. Liu has extensive experience in the biotechnology industry and worked as a physician for four years. Prior to joining the Group, Ms. Liu served as an attending physician in internal medicine at the First People's Hospital of Lianyungang City (連雲港第一人民醫院) from July 1994 to July 1997. From March 1999 to May 2001, she worked at Ironwood Pharmaceuticals, Inc. (formerly known as Microbia, Inc.). Ms. Liu also worked at ImmunoGen, Inc. from 2003 to 2010. She also served as a vice president of Suzhou Dingfu Target Biotechnology Co., Ltd. (蘇州丁孚靶點生物技術有限公司). Ms. Liu was awarded as one of 2020 China Top 50 Women in Technology by Forbes China in July 2020.

Ms. Liu obtained her bachelor's degree in medicine from Xuzhou Medical University (徐州醫科大學) in the PRC in July 1994. Ms. Liu is the spouse of Dr. XU Ting, the chief executive officer and executive Director of the Company.

***Length of Service***

Ms. Liu has entered into a service contract with the Company for an initial term of three years commencing from December 12, 2022 and such appointment being automatically renewed for every three years, unless terminated by not less than 30 days' notice in writing served by either party on the other. She is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association.

*Disclosure of Interests*

As at the Latest Practicable Date, Ms. Liu's interests in the Shares within the meaning of Part XV of the SFO are set out below:

*(a) Long Positions in the Shares of the Company*

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding interest
Ms. LIU Yang	Founder of a discretionary trust who can influence how the trustee exercises his discretion	314,000,000 <sup>(1)</sup> (L)	32.54%
	Interest of spouse	4,552,950 <sup>(2)</sup> (L)	0.47%

*Notes:*

- (1) Ms. LIU Yang acts as the settlor and protector of Liu-1202 Family Trust. The entire share capital of Rubymab Ltd. is wholly owned by South Dakota Trust Company LLC as the trustee of Liu-1202 Family Trust. Therefore, Ms. LIU Yang is deemed to be interested in the 314,000,000 shares held by Rubymab Ltd. pursuant to the SFO.
- (2) Ms. LIU Yang is the spouse of Dr. XU Ting and therefore is deemed to be interested in the 4,552,950 Shares held by Dr. XU Ting pursuant to the SFO.
- (L) Long position.

*(b) Long Positions in the Underlying Shares of the Company*

Name of Director	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding interest
Ms. LIU Yang	Beneficial owner	2,240,000 (L)	0.23%
	Interest of spouse	16,743,500 <sup>(1)</sup> (L)	1.73%

*Notes:*

- (1) Ms. LIU Yang is the spouse of Dr. XU Ting and therefore is deemed to be interested in the underlying Shares in respect of the share options granted under the Pre-IPO Share Option Plans held by Dr. XU Ting under the SFO.
- (L) Long position.

**(2) Dr. GUO Zijian*****Position, Experience and Relationship***

Dr. GUO Zijian (郭子建), aged 62, was appointed as an independent non-executive Director on August 27, 2021. Dr. Guo is primarily responsible for supervising and providing independent judgement to the Board.

Dr. Guo has been serving as a professor of School of Chemistry and Chemical Engineering of Nanjing University (南京大學化學化工學院) since May 1999. From October 1996 to April 1999, he was a research associate at the University of Edinburgh in the United Kingdom. Dr. Guo was granted the Outstanding Achievement Award by Asian Society of Biological Inorganic Chemistry (亞洲生物無機化學會) in October 2020. He won the Luigi Sacconi Medal from the Italian Chemical Society in September 2016. Dr. Guo was awarded the First Prize of China's State Natural Science Award (國家自然科學一等獎) by Ministry of Education of the PRC (中華人民共和國教育部) in February 2016.

In November 2017, Dr. Guo was elected as a member of the Chinese Academy of Sciences. In November 2022, Dr. Guo was elected as a fellow (academician) of The World Academy of Sciences ("TWAS") during the 16th general meeting of TWAS.

Dr. Guo received his doctor degree from the University of Padova in Italy in September 1994 and worked as a postdoctoral research fellow at Birkbeck College of the University of London in the United Kingdom until June 1996.

***Length of Service***

Dr. Guo has entered into an appointment letter with the Company for an initial term of three years commencing from August 27, 2021, unless terminated by not less than three months' notice in writing served by either party on the other. He is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association.

***Disclosure of Interests***

As at the Latest Practicable Date, Dr. Guo was not interested or deemed to be interested in any Shares, underlying Shares or debenture of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

**DIRECTOR'S REMUNERATION**

The total amount of the Directors' remuneration for the year ended December 31, 2023 received by each of the retiring Directors are set out in the financial statements of the Company's 2023 annual report. The Directors' remuneration is determined by the Board based on the recommendation from the Remuneration Committee having regard to their performance, experience and responsibilities with the Company and prevailing market conditions and the Company's performance.

**DIRECTOR'S INTEREST**

Save as disclosed in this circular, to the best knowledge of the Company, each of the Directors who stand for re-election (i) does not hold other positions in the Company or other members of the Group, (ii) does not hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, (iii) does not have any relationship with any other Director, senior management, substantial shareholder or controlling shareholders of the Company, (iv) does not have any interest in the securities within the meaning of Part XV of the SFO, and (v) has no information to disclose pursuant to any of the requirements of Rule 13.51(2)(h) – 13.51(2)(v) of the Listing Rules; and there are no other matters that need to be brought to the attention of the Shareholders.

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**RULES OF THE POST-IPO SHARE OPTION SCHEME**

*(Adopted on May 25, 2020, and amended on [DATE])*

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## 1. DEFINITIONS AND INTERPRETATION

1.1 In the Scheme, each of the following words and expressions shall, unless the context requires otherwise, have the following meaning:

“ <b>Adoption Date</b> ”	means May 25, 2020 (being the date on which the Scheme was adopted by ordinary resolution of the Shareholders in general meeting);
“ <b>Amendment Date</b> ”	<u>the date on which amendment to this Scheme is duly approved and adopted by the Shareholders of the Company;</u>
“ <b>Articles</b> ”	means the articles of association of the Company, as may be amended, supplemented or otherwise modified from time to time;
“ <b>associate(s)</b> ”	has the meaning ascribed thereto under the Listing Rules;
“ <b>Auditors</b> ”	means the auditors of the Company;
“ <b>Board</b> ”	means the board of Directors or a duly authorized committee of the board of Directors;
“ <b>Business Day</b> ”	means any day on which securities are traded on the Stock Exchange;
“ <b>Company</b> ”	means Alphamab Oncology, a limited liability company incorporated in the Cayman Islands whose Shares are listed on the Stock Exchange;
“ <del>C</del> <b>connected P</b> erson(s)”	has the meaning ascribed thereto under the Listing Rules;
“ <del>Core Connected Person(s)</del> ”	<del>has the meaning ascribed thereto under the Listing Rules;</del>

<b>“Director”</b>	means any director (including executive director, non-executive director and independent non-executive director) of the Company;
<b>“Eligible Person(s)”</b>	include:  (a) <del>any employee (whether full-time or part-time) of the Company or any of its subsidiaries;</del>  (b) <del>any director (including executive, non-executive and independent non-executive directors) of the Group;</del>  (c) <del>any member of the scientific advisory board of the Company.</del>  The basis of eligibility of any of the above classes of Eligible Persons to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.
<b>“Existing Schemes”</b>	has the meaning ascribed to it under paragraph 8.2;
<b>“Grantee”</b>	means any <del>Eligible Person</del> <u>Participant</u> who accepts an Offer in accordance with the terms of the Scheme;
<b>“Group”</b>	means the Company and its Subsidiaries;
<b>“HK\$”</b>	means Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	means the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Listed Connected Person”</b>	means <del>any director, the chief executive or any substantial shareholder of the Company, or any of their respective associates;</del>

“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
<del>“New Scheme”</del>	<del>has the meaning ascribed to it under paragraph 8.2;</del>
“Offer”	means an offer of the grant of an Option made in accordance with paragraph 4;
“Offer Date”	means the date on which an Offer is made to an <del>Eligible Person</del> <u>Participant</u> , which must be a Business Day;
“Offer Letter”	has the meaning ascribed to it under paragraph 4.2;
“Option”	means a right to subscribe for Shares pursuant to the Scheme and the Offer Letter (as defined in paragraph 4.2) hereof;
“Option Period”	means a period to be determined and notified by the Board to the Grantee during which the Option may be exercised, which period shall expire in any event not later than the last day of the 10-year period after the date of grant of the Option (subject to the provisions for early termination contained in paragraph 7);
<u>“Participants”</u>	<u>directors and employees of the Company or any of its Subsidiaries (including persons who are granted Options under the Scheme as an inducement to enter into employment contracts with these companies);</u>
<u>“Remuneration Committee”</u>	<u>the remuneration committee of the Board;</u>
<del>“Relevant Eligible Person”</del>	<del>has the meaning ascribed to it under paragraph 4.5;</del>
“Scheme”	means this share option scheme in its present or any amended form;

“Scheme Mandate Limit”	has the meaning ascribed to it under paragraph 8.28.1;
“Scheme Rules”	the rules set out herein relating to the Scheme as amended from time to time;
“Shareholders”	means the shareholders of the Company;
“Shares”	means ordinary shares of US\$0.000002 each in the capital of the Company (or, if there has been a sub-division, consolidation, reduction, re-classification or reconstruction of the share capital of the Company, ordinary shares forming part of the equity share capital of the Company of such revised amount as shall result from such sub-division, consolidation, reduction, re-classification or reconstruction of such ordinary shares from time to time);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Subscription Price”	means the price at which each Share subject to an Option may be subscribed for on the exercise of that Option, subject to paragraph 5 and paragraph 9;
“Subsidiary”	means a subsidiary (within the meaning of <del>Section 2 of the Companies Ordinance, Chapter 32 of the Laws of Hong Kong</del> <u>the Listing Rules</u> ) of the Company from time to time;
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
<u>“Treasury Shares”</u>	<u>has the meaning ascribed to it under the Listing Rules;</u>
“%”	means per cent.

1.2 In the Scheme, unless the context otherwise requires:

1.2.1 paragraph headings are inserted for convenience only and do not affect its interpretation;

1.2.2 words in the singular include the plural and vice versa;

1.2.3 words denoting the masculine gender include the feminine gender; ~~and~~

1.2.4 a reference to any enactment shall be construed as a reference to that enactment as from time to time amended, extended or re-enacted-; and

1.2.5 a reference to new Shares or new securities include Treasury Shares, and references to the issue of Shares or securities include the transfer of Treasury Shares.

## **2. CONDITIONS**

2.1 The Scheme is conditional on:

2.1.1 the passing of the ordinary resolution by the Shareholders to approve and adopt the Scheme and to authorize the Board to grant Options under the Scheme and to allot and issue Shares pursuant to the exercise of any Options; and

2.1.2 the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any Options.

## **3. PURPOSE, DURATION AND ADMINISTRATION**

3.1 The purpose of the Scheme is to provide incentive or reward to ~~Eligible Persons~~Participants for their contribution to, and continuing efforts to promote the interests of, the Group, and to incentivize them to remain with the Group, as well as for such other purposes as the Board may approve from time to time.

3.2 Subject to the fulfilment of conditions in paragraph 2 and the termination provisions in paragraph ~~14~~12.2, the Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options shall be granted. Subject to the above, in all other respects, in particular, in respect of Options remaining outstanding on the expiration of the 10 year period referred to in this paragraph, the provisions of the Scheme shall remain in full force and effect.

- 3.3 The Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) shall be final and binding on all parties and shall be administered in accordance with the Scheme Rules. The Board may by resolution authorize a committee comprising of any three Directors or any person(s) as deemed appropriate at the sole discretion of the Board, provided that nothing in paragraph 3.3 shall prejudice the Board's power to revoke such delegation at any time or derogate from the discretion rested with the Board, to exercise any or all of its powers in administration of the Scheme.

#### 4. GRANT OF OPTIONS

- 4.1 Subject to the terms of the Scheme, the Board shall be entitled but shall not be bound at any time within the period of 10 years after the Adoption Date to make an Offer to any ~~Eligible Person~~Participant, taking into account such factors as the Board may at its discretion consider appropriate, which will entitle the relevant ~~Eligible Person~~Participant to subscribe for such number of Shares as the Board may in its absolute discretion determine, being a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof, ~~subject to paragraphs 4.4, 4.5, 4.6 and 8,~~ at the Subscription Price as the Board may determine. The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to an ~~Eligible Person~~Participant (including, without limitation, as to performance criteria which must be satisfied by the ~~Eligible Person~~Participant and/or the Company and/or its Subsidiaries, before an Option may be exercised), provided that such conditions shall not be inconsistent with any other terms and conditions of the Scheme and the Listing Rules.
- 4.2 Each Offer shall be in writing made to an ~~Eligible Person~~Participant by letter in such form as the Board may from time to time determine at its discretion (the "**Offer Letter**") and shall:
- 4.2.1 state the name, address and position of the Grantee;
  - 4.2.2 state the Offer Date;
  - 4.2.3 specify a date, being a date not later than 14 days after (i) the Offer Date, or (ii) the date on which the conditions for the Offer are satisfied, if any, whichever is earlier, by which the ~~Eligible Person~~Participant must accept the Offer or be deemed to have declined it;
  - 4.2.4 state the method and procedures for accepting the Offer;
  - 4.2.5 specify the number of Shares to which the Offer relates;

- 4.2.6 specify the Subscription Price and the manner of payment of the Subscription Price for the Shares on and in consequence of the exercise of the Option;
- 4.2.7 specify the Option Period, and the date or dates during the Option Period upon which the Option shall become exercisable;
- 4.2.8 specify any other conditions which must be satisfied before the Option may be exercised, including without limitation such performance targets (if any) and minimum periods for which an Option must be held before it can be exercised, and any other terms in relation to the exercise of the Option, including without limitation such percentages of the Options that can be exercised during a certain period of time, as the Board may determine from time to time;
- 4.2.9 require the ~~Eligible Person~~Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Scheme; and
- 4.2.10 subject to the above, be made in such form as the Board may from time to time prescribe.
- 4.3 The Board may in respect of each Option and subject to all applicable laws, rules and regulations determine such performance targets or other criteria or conditions for vesting of Options in its sole and absolute discretion. Any such performance targets, criteria or conditions shall be set out in the Offer Letter. For the avoidance of doubt, an Option shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Offer Letter. No general requirements for any performance target has to be achieved before the vesting of the Options unless under specific circumstances as otherwise determined by the Board.
- 4.4 The Board has the sole discretion to determine the vesting schedule and vesting conditions for any Options to any Grantee, which may also be adjusted and re-determined by the Board from time to time provided that the vesting period for the Options shall not be less than 12 months unless under specific circumstances as otherwise determined by the Board, including but not limited to such specific circumstances as permitted under applicable guidance and the Listing Rules such as:
- 4.4.1 grants of “make-whole” Options to a Participant (who is a new joiner) to replace the awards or options he forfeited when leaving his previous employer(s). In such case, the vesting period may be shorter to reflect the remaining vesting period in respect of the forfeited awards or options;

- 4.4.2 grants of “make-whole” Options to a Participant who is an existing key personnel of a newly acquired Subsidiary of the Company to replace the awards or options he forfeited upon the acquisition of the Subsidiary by the Company. In such case, the vesting period may be shorter to reflect the remaining vesting period in respect of the forfeited awards or options;
- 4.4.3 grants to a Participant whose employment is terminated due to retirement, death, disability, or reasons other than resignation or cause. In such circumstance(s), the vesting of an Option may accelerate;
- 4.4.4 grants of Options which are subject to the fulfilment of performance targets pursuant to paragraph 4.3;
- 4.4.5 grants of Options the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Participant, in which case the vesting date may be adjusted to take account of the time from which the Options would have been granted if not for such administrative or compliance requirements;
- 4.4.6 grants of Options with a mixed or accelerated vesting schedule such as where such Options may vest evenly over a period of 12 months; or
- 4.4.7 grants of Options with a total vesting and holding period of more than 12 months.
- 4.5 The Board may determine at its absolute discretion the amount (if any) payable on application or acceptance of the Options and the period within which any such payments must be made, which amounts (if any) and periods shall be set out in the Offer Letter.
- 4.3 In respect of an Option, the Offer Date shall be deemed as the date of grant of such
- 4.6 Option.
- 4.7 No grant shall be made:
- 4.4 ~~No Offer shall be made~~ after inside information (as defined under Part XIVA
- 4.7.1 of the SFO) has come to the knowledge of the Company, ~~until such~~(and including) the trading day after such inside information has been announced in accordance with the Listing Rules and the SFO. In particular, no grant may be made during the period commencing ~~one month~~ 30 days immediately before the earlier of:
- (i) the date of the Board meeting of the Board (as such date is first notified by the Company to the Stock Exchange under the Listing Rules) for approving the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and



(ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of ~~actual publication of the results announcement, no Option may be granted.~~ The period during which no Option may be granted ~~will~~shall cover any period of delay in ~~the publication of~~publishing a results announcement~~;~~;

4.7.2 where the grant of such Option would result in breach of the Scheme Mandate Limit or other rules of this Scheme;

4.7.3 where such grant is prohibited under the Listing Rules or other applicable laws, regulations or regulatory rules, guidance, codes, decisions or guidelines from time to time;

4.7.4 where the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of such Options, unless the Board determines otherwise; or

4.7.5 in any other circumstances where the requisite approval from any applicable regulatory authorities has not been granted.

~~4.3 Subject to paragraph 4.6, no Option shall be granted to any Eligible Person (the “**Relevant Eligible Person**”) if, at the relevant time of grant, the number of Relevant Shares (as defined in paragraph 4.10) would exceed 1% of the total number of Shares in issue at such time within any 12-month period, unless:~~

~~4.3.1 such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules in force from time to time, by ordinary resolution of the Shareholders in general meeting, at which the Relevant Eligible Person and his close associates (or his associates if the Relevant Eligible Person is a Connected Person) abstained from voting;~~

~~4.3.2 a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time. In accordance with the current Listing Rules, the circular must disclose the identity of the participant, the number and terms of the Options to be granted (and Options previously granted to such participant), the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules; and~~

- 4.8 The aggregate number of Shares issued and to be issued in respect of all options and awards granted to a Grantee (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) shall not exceed 1% of the total number of the issued Shares for any 12-month period, unless (a) a grant to that effect has been separately approved by the Shareholders in general meeting, with such Grantee and his/her close associates (or associates if the Grantee is a connected person) abstaining from voting; (b) the Company must send a circular to the Shareholders containing such relevant information as required by the Listing Rules in relation to any such proposed grant to such Grantee; and (c) the terms of the Options and the number of Options to be granted to such Grantee must be fixed before the Shareholders' approval.
- 4.9 Where any grant of Options to an independent non-executive Director or a Substantial Shareholder, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options under any other share scheme of the Company or any of its subsidiaries and Options granted (excluding any options and awards lapsed in accordance with the terms of the scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Hong Kong Stock Exchange) of the Shares in issue, such further grant of Options must be approved by the Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.
- ~~4.5.3 the number and terms (including the Subscription Price) of such Options are fixed before the general meeting of the Company at which the same are approved and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.~~
- ~~4.6 Where an Option is to be granted to a Listed Connected Person, the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is also a proposed Grantee of the Option.~~
- ~~4.7 Where an Option is to be granted to a Substantial Shareholder or an independent non-executive Director (or any of their respective associates), and the grant will, in the 12-month period up to and including the date of such grant, result in the number and value of the Relevant Shares (as defined in paragraph 4.10) exceeding the following:~~
- ~~4.7.1 0.1% of the total number of Shares in issue at the relevant time of grant; and~~

~~4.7.2 an aggregate value (based on the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of each grant) in excess of HK\$5 million or such other sum as may be from time to time provided under the Listing Rules;~~

~~such grant shall not be valid unless:~~

~~(A) a circular containing the details of the grant has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time. In accordance with the current Listing Rules, the circular must contain (a) details of the number and terms of the Options (including the Subscription Price and other information required under Rules 17.03(5) to 17.03(10)) to be granted to each participant, which must be fixed before the Shareholders' meeting, and the date of board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the Subscription Price; (b) a recommendation from the independent non-executive Directors of the Company (excluding independent non-executive Director who is also a proposed Grantee of the Options) to the independent Shareholders as to voting; (c) the information required under Rules 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4); and (d) the information required under Rule 2.17; and~~

~~(B) the grant has been approved by the Shareholders in general meeting (taken on a poll), at which the proposed Grantee, his associate, and all Core Connected Persons abstained from voting in favour.~~

~~4.8 For the purpose of calculating the limit in paragraphs 4.5 and 4.7, Options that have already lapsed in accordance with paragraph 7 shall not be counted.~~

~~4.9 Any change in the terms of any Option granted to a Substantial Shareholder or an independent non-executive Director (or any of their respective associates) which would result in the number and value of the Relevant Shares exceeding that set out in paragraph 4.7 shall not be valid unless:~~

~~4.9.1 a circular regarding the change has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules; and~~

~~4.9.2 the change has been approved by the Shareholders in general meeting (taken on a poll), at which the proposed Grantee, his associate, and all Core Connected Persons of the Company abstained from voting in favour.~~

~~4.10~~ For the purposes of paragraphs 4.5 and 4.7, “Relevant Shares” shall mean Shares issued and to be issued upon exercise of all Options (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the Relevant Eligible Person referred to in paragraph 4.5 or 4.7 (as the case may be) in the 12-month period up to and including the date of grant of the relevant Option referred to in paragraph 4.5 or 4.7 (as the case may be).

~~4.11~~ Any Offer may be accepted in respect of all or any portion of the Shares underlying 4.10 the Option so offered provided that the number so accepted is a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. To the extent that an Offer is not accepted within the time stated in the Offer for that purpose, it will be deemed to have been irrevocably declined.

## 5. SUBSCRIPTION PRICE

5.1 Subject to paragraphs 5.2 and 9, the Subscription Price shall be a price solely determined by the Board and notified to an ~~Eligible Person~~Participant and shall be at least the highest of:

5.1.1 the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Offer Date, which must be a Business Day;

5.1.2 the average of the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five Business Days immediately preceding the Offer Date; and

5.1.3 the nominal value of the Shares.

5.2 Where a relevant Option is to be granted under paragraph ~~4.5 or 4.7~~8 or 4.9, for the purposes of paragraphs 5.1.1 and 5.1.2, the date of the Board meeting at which the grant was proposed shall be taken to be the Offer Date for such relevant Option, and the provisions of paragraph 5.1 shall apply *mutatis mutandis*.

## 6. EXERCISE OF OPTION

6.1 ~~An Options~~ shall be personal to the Grantee to whom they are made and shall not be assignable nor transferable, and ~~no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option~~except for the transmission of Options on the death or permanent disability of the Grantee to his/her legal personal representative(s) according to the terms of this Scheme or in circumstances where the written consent of the Company has been obtained and a waiver has been granted by the Stock Exchange for such transfer in compliance with the requirements of the Listing Rules and provided that any such transferee shall be bound by the rules of

this Scheme as if the transferee were the Grantee. Any breach of the foregoing this paragraph shall entitle the Board Company to cancel any the applicable outstanding Options or any part thereof granted to such Grantee. For this purpose, a determination by the Board to the effect that a breach of this paragraph has occurred shall be final and conclusive. The Company will apply for a waiver from the Stock Exchange, if required under the Listing Rules, in the event of transferal of any Options.

- 6.2 An Option may be exercised according to the terms of the Scheme and the relevant Offer Letter in whole or in part by the Grantee (or his legal personal representatives) before its expiry by giving notice in writing to the Company stating that the Option is to be exercised and the number of Shares in respect of which it is exercised, provided that the number of Shares shall be equal to the size of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. Such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given. Within 28 days after receipt of the notice and the remittance and (where appropriate) receipt of the Auditor's or the independent financial adviser's certificate under paragraph 9, the Company shall allot and issue the relevant Shares to the Grantee (or his legal personal representatives) credited as fully paid and issue to the Grantee (or his legal personal representatives) a share certificate in respect of the Shares so allotted.
- 6.3 ~~Unless otherwise determined by the Board and specified in the Offer Letter (as defined in sub-paragraph 4.2 hereof) at the time of the Offer Date, the Grantee is not required to achieve any performance targets. Subject to terms of the Offer Letter (as defined in sub-paragraph 4.2 hereof) under which the Option is offered, an Option may be exercised by the Grantee (or his legal personal representatives) at any time during the Option Period.~~

Provided that:

- 6.3.1 where the Grantee is a director or an employee of the Group and his/her employment ceases for any reason other than death or becoming permanently disabled as described in paragraph 6.3.3 below, the Option may not be exercised after the date of such cessation, which date shall be his last actual working day with the Company or any Subsidiary whether salary is paid in lieu of notice or not;
- 6.3.2 where the Grantee is a director or an employee of the Group and the Board at its absolute discretion determines that he is unable to pay or to have no reasonable prospect of being able to pay his debts, or has become insolvent, or has made any arrangements or composition with his creditors generally or on which he has been convicted of any criminal offence involving his integrity or honesty, the Option granted to such Grantee may not be exercised on or after the date on which the Board has so determined;

- 6.3.3 where the Grantee of an outstanding Option dies or becomes permanently disabled before exercising the Option in full or at all, the Option may not be exercised after the date of his death or permanent disability. However, if the Board, upon receiving the written notice from such Grantee's legal personal representatives within 60 days after the date of such Grantee's death or permanent disability, issues a written consent to his legal personal representatives, only the vested Option may be transferred to the legal personal representative as soon as practicable. For the avoidance of doubt, all vesting conditions previously imposed on such Option shall still apply;
- ~~6.3.4 if the Board at its absolute discretion determines that the Grantee (other than an employee of the Group) or his associate has committed any breach of any contract entered into between the Grantee or his associate on one part and the Group on the other part or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally, the Option granted to such Grantee may not be exercised on or after the date on which the Board has so determined;~~
- ~~6.3.5~~ if a general offer (whether by way of a take-over, share repurchase offer, ~~6.3.4~~ scheme of arrangement or otherwise in like manner) is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, all the Grantees and any Grantee (or his legal personal representatives) may by notice in writing to the Company within 21 days after such offer becoming or being declared unconditional exercise the Option to its full extent or to the extent specified in such notice;
- ~~6.3.6~~ other than a general offer or a scheme of arrangement contemplated in ~~6.3.5~~ 6.3.4, if a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it despatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his legal personal representatives) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of 2 months thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his Options in full or in part,

but the aforesaid exercise of an Option shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all outstanding Options shall lapse except insofar as previously exercised under the Scheme. The Company may require the Grantee (or his legal personal representatives) to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and

6.3.7 in the event a notice is given by the Company to its Shareholders to convene  
6.3.6 a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee (or his legal personal representatives) shall be entitled to exercise all or any of his Options at any time not later than four Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than one Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

6.4 The Shares to be allotted and issued upon the exercise of an Option shall be subject to the Articles and the laws of the Cayman Islands for the time being in force and shall rank *pari passu* in all respects with other fully-paid Shares in issue as at the date of allotment and will entitle the holders to the same rights of the holders of other fully-paid Shares in issue, including voting, dividend, transfer and any other rights. In particular, the Shares to be allotted and issued upon the exercise of an Option will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the date of allotment and issue. The Option itself (before exercise) will not entitle the grantee to any of the aforementioned Shareholder's rights.



**7. LAPSE OF OPTION**

7.1 ~~The right to exercise an~~An unvested Option (to the extent not already exercised) ~~shall terminate immediately~~become lapsed automatically upon the earliest of:

7.1.1 the expiry of the Option Period;

7.1.2 the date referred to in paragraph 6.3.1;

7.1.3 the date referred to in paragraph 6.3.2;

7.1.4 the expiry of the 60-day period referred to in paragraph 6.3.3;

~~7.1.5 the date referred to in paragraph 6.3.4;~~

~~7.1.6 the expiry of the period referred to in paragraph 6.3.5~~6.3.4;

7.1.5

~~7.1.7 subject to the compromise or arrangement becoming effective, the expiry of the~~  
7.1.6 period referred to in paragraph ~~6.3.6~~6.3.5;

~~7.1.8 subject to paragraph 6.3.7~~6.3.6, the date of the commencement of the  
7.1.7 winding-up of the Company;

~~7.1.9 the non-fulfillment of any condition referred to in paragraph 2 on or before the~~  
7.1.8 date stated therein;

7.1.9 the date the vesting conditions are not satisfied as determined by the Board at its absolute discretion; and

7.1.10 the date on which it is no longer possible to satisfy any outstanding conditions to vesting.

The Board shall have the power to decide whether an Option shall lapse and its decision shall be binding and conclusive on all parties. The Company shall owe no liability to any Grantee for the lapse of any Options under this paragraph 7.



**8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION**

- 8.1 ~~The maximum aggregate number of Shares which may be issued upon exercise in respect of all outstanding Options granted and yet awards to be exercised granted under the this Scheme and any other share option schemes of the Company, must not, in aggregate, (including options or awards have been cancelled but excluding those lapsed in accordance with the terms of the respective share schemes) shall not exceed 310% of the total number of Shares in issue from time to time. No options may be granted under the Scheme and any other share option schemes of the Company if this will result in such limit being exceeded on Amendment Date (“Scheme Mandate Limit”).~~
- 8.2 ~~Subject to paragraphs 8.1, 8.4 and 8.5, at the time of adoption by the Company of the Scheme or any new share option scheme (the “New Scheme”), the aggregate number of Shares which may be issued upon exercise of all Options to be granted under the Scheme, the New Scheme and all schemes existing at such time (the “Existing Schemes”) of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the date of adoption pursuant to options or awards which have lapsed in accordance with the terms of the Scheme Rules (or the New Scheme (as the case may be) (the “terms of any other share schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit”).~~
- 8.3 ~~For the purposes of calculating the Scheme Mandate Limit under paragraph 8.2, Shares which are the subject matter of any Options that have already lapsed in accordance with the terms of the relevant Existing Scheme(s) shall not be counted.~~
- 8.4 ~~The Company may refresh the Scheme Mandate Limit may be refreshed by ordinary resolution of the Shareholders in general meeting, provided that:~~
- 8.4.1 ~~the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of Shareholders’ approval of the refreshing of the Scheme Mandate Limit;~~
- 8.3.1 ~~from the later of three years after the Amendment Date or three years after the date of the previous shareholder approval for refreshment of the Scheme Mandate Limit pursuant to this Rule with the prior approval of Shareholders in general meeting by way of ordinary resolution; or~~
- 8.3.2 ~~at any time, with the prior approval of the Shareholders in general meeting and subject to compliance with any additional requirements set out in the Listing Rules.~~

~~Options previously already granted under the Scheme and any Existing other share Schemes of the Company (including Optionst hose outstanding, cancelled, or lapsed in accordance with the Scheme Rules its terms or exercised options) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed; and.~~

~~8.4.3 a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time. In accordance with the current Listing Rules, the circular must contain the information which comply with the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.~~

8.4 The total number of Shares which may be issued in respect of all awards and options to be granted under this Scheme and all other schemes of the Company under the Scheme Mandate Limit as refreshed pursuant to paragraph 8.3 shall not exceed 10% of the Shares in issue as at the date of the aforesaid approval to refresh the Scheme Mandate Limit by the Shareholders in general meeting.

8.5 The Company may seek separate approval from of the Shareholders in the general meeting for to granting Options which will result in beyond the Scheme Mandate Limit being exceeded, provided that to Participants specifically identified by the Company, subject to compliance with the requirements set out in the Listing Rules.

~~8.5.1 the grant is to Eligible Persons specifically identified by the Company before the approval is sought; and~~

~~8.5.2 a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time. In accordance with the current Listing Rules, the circular must contain a generic description of the specified participants who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting Options to the specified participants with an explanation as to how the terms of the Options serve such purpose and the other information which comply with the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.~~

**9. EFFECT OF ALTERATIONS TO SHARE CAPITAL**

- 9.1 In the event of any alteration to the capital structure of the Company whilst any Options remains exercisable, arising from capitalization issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company in accordance with the legal requirements or requirements of the Stock Exchange, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, adjustment (if any) shall be made to:
- 9.1.1 the number of Shares subject to the Option so far as unexercised; and/or
- 9.1.2 the Subscription Price for the Shares subject to the Option so far as unexercised; and/or
- 9.1.3 any combination thereof.
- 9.2 In the event of any adjustment as described in paragraph 9.1, the Auditors or the independent financial adviser to the Company (acting as expert not arbitrator) shall at the request of the Company certify in writing to the Board either generally or as regards any particular Grantee that the adjustments are in compliance with the requirements under the note to Rules 17.03(13) of the Listing Rules.
- 9.3 Any such adjustments must give a Grantee the same proportion of the equity capital of the Company, all rounded to the nearest whole share, as to which that Grantee was previously entitled, and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange (~~including, without limitation, the “Supplemental Guidance on Main Board Listing Rule 17.03(13) and the Notice immediately after the Rule” attached to the letter of the Stock Exchange dated September 5, 2005 to all issuers relating to share option scheme~~) but no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the Auditors or the independent financial adviser to the Company in this paragraph 9 is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the Auditors or the independent financial adviser to the Company shall be borne by the Company. Notice of such adjustment shall be given to the Grantees by the Company.

The default method of adjustment for various alternations in share capital events are set out below:

Capitalization issue

Adjustment of number of Options

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

Where:  $Q_0$  represents the number of outstanding Options prior to adjustment;  $n$  represents the rate of increase per Share resulting from the capitalization issue;  $Q$  represents the number of outstanding Options after adjustment.

Adjustment of Subscription Price of outstanding Options

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

Where:  $P_0$  represents the Subscription Price before the adjustment;  $n$  represents the rate of increase per Share resulting from the capitalization issue;  $P$  represents the Subscription Price after the adjustment.

Rights issue

Adjustment of number of Options

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

Where:  $Q_0$  represents the number of outstanding Options prior to adjustment;  $P_1$  represents the closing price of Shares on the record date;  $P_2$  represents the subscription price of the rights issue of Shares;  $n$  represents the ratio of the rights issue allotment;  $Q$  represents the number of outstanding Options after adjustment.

Adjustment of Subscription Price of outstanding Options

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

Where:  $P_0$  represents the Subscription Price before the adjustment;  $P_1$  represents the closing price as at the record date;  $P_2$  represents the subscription price of the rights issue of Shares;  $n$  represents the ratio of allotment;  $P$  represents the Subscription Price after the adjustment.

Share consolidation, share  
subdivision or reduction of  
share capital

Adjustment of number of Options

$$Q = Q_0 \times n$$

Where:  $Q_0$  represents the number of  
outstanding Options prior to adjustment;  $n$   
represents the ratio of share consolidation,  
share subdivision or reduction of share capital;  
 $Q$  represents the number of outstanding  
Options after adjustment.

Adjustment of Subscription Price of  
outstanding Options

$$P = P_0 \div n$$

Where:  $P_0$  represents the Subscription Price  
before the adjustment;  $n$  represents the ratio of  
share consolidation, share subdivision or  
reduction of share capital;  $P$  represents the  
Subscription Price after the adjustment.

## 10. SHARE CAPITAL

The exercise of any Options shall be subject to the Shareholders in general meeting approving any necessary increase in the authorized share capital of the Company. Subject to such approval, the Board shall make available sufficient authorized but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

## 11. DISPUTES

Any dispute arising in connection with the Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price, or otherwise) shall be referred to the decision of the Auditors or the independent financial adviser to the Company who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final and binding. The costs of the Auditors or the independent financial adviser to the Company shall be borne equally by the Company and the relevant Grantee.

**12. ALTERATION OF THE SCHEME**AMENDMENT AND TERMINATION

~~12.1 Subject to paragraphs 12.2, 12.3 and 12.4, the Scheme may be altered in any respect by resolution of the Board except that the provisions of the Scheme as to:~~

~~12.1.1 the definitions of “Eligible Person” and “Grantee” in paragraph 1.1; and~~

~~12.1.2 the provisions relating to the matters set out in Rule 17.03 of the Listing Rules, including paragraphs 3, 4.1, 4.3, 4.4, 4.5, 4.6, 4.7, 4.8, 4.9, 4.10, 5, 6, 7, 8, 9, 12, 13 and 14,~~

~~shall not be altered to the advantage of Grantees except with the prior approval of the Shareholders in general meeting (with participants and their respective associates abstaining from voting). No such alterations shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alterations except with the consent or sanction in writing of such majority of the Grantees as would be required of the Shareholders under the Articles for the time being of the Company for a variation of the rights attached to the Shares.~~

~~12.2 Any change to the authority of the Board in relation to any alterations to the terms of the Scheme must be approved by the Shareholders in general meeting.~~

**12.1 Amendment**

12.1.1 Subject to the provisions of this paragraph 12.1, the Board may amend any of the provisions of this Scheme or any Options granted under this Scheme at any time and in any respect, provided that the terms of this Scheme or Options so altered must comply with the relevant requirements of Chapter 17 of the Listing Rules.

12.1.2 No amendment or alteration shall be made to any provisions of this Scheme or any Options granted under this Scheme to the extent that such amendment or alteration has a material adverse effect on any subsisting rights of any Grantee at that date in respect of Options already granted to that Grantee and to the extent that such Options have not vested or lapsed or been forfeited, without such Grantee’s consent, provided that no such consent shall be required if the Board determines in its sole discretion that such amendment or alteration either:

- (a) is necessary or advisable in order for the Company, this Scheme or the Option to satisfy any applicable law or Listing Rules or to meet the requirements of, or avoid adverse consequences under, any accounting standard; or

(b) is not reasonably likely to diminish materially the benefits provided under such Option, or that any such diminishment has been adequately compensated.

12.1.3 The approval of the Shareholders in general meeting is required for any amendment or alteration to the terms of this Scheme which are of a material nature or to those provisions of this Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the extent that such alteration or amendment operates to the advantage of Participants.

12.1.4 Any amendment or alteration to the terms of any Options the grant of which was subject to the approval of a particular body (such as the Board or any committee thereof, the independent non-executive Directors, or the Shareholders in general meeting) shall be subject to approval by that same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of this Scheme. Without limiting the generality of the foregoing, any change in the terms of Options granted to any Grantee who is a Director, chief executive or Substantial Shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in general meeting in the manner required in the Listing Rules if the initial grant of the Options requires such approval (except where the changes take effect automatically under the rules of this Scheme).

## 12.2 Termination

12.2.1 This Scheme shall commence on the Adoption Date and shall remain valid and effective for a period of 10 years from the Adoption Date. Notwithstanding anything contained to the contrary in this Scheme and without prejudice to any subsisting rights of any Grantee and subject to the requirements under the Listing Rules, this Scheme can be terminated by a resolution of the Board.

~~12.3 Any alterations to Options complying with the provisions of the Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders in general meeting except where the alterations take effect automatically under the existing provisions Chapter 17 of the Listing Rules which are granted during the life of the Scheme and remaining unexercised and unexpired immediately prior to the termination of the operation of the Scheme shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Scheme.~~

~~12.4 The amended terms of the Scheme or the Options must comply with Chapter 17 of the Listing Rules.~~

12.2.3 Upon termination, no further Options shall be granted.

**13. CANCELLATION OF OPTIONS GRANTED**

13.1 The Board may cancel an Option granted but not exercised with the approval of the Grantee of such Option. For the avoidance of doubt, such approval is not required in the event any Option is cancelled pursuant to paragraph 6.1 above.

~~13.2 No~~ Where the Company cancels any Options ~~may be granted to an Eligible Person in place of his cancelled Options unless there are available unissued Options (excluding the cancelled Options) within a~~ Grantee and makes a new grant (whether under this Scheme or any other share scheme(s)) to the same Grantee, such new grant may only be made within the available Scheme Mandate Limit approved by the Shareholders. The Options cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit ~~from time to time~~.

**14. TERMINATION CLAWBACK**

~~The Company, by resolution in general meeting, or the Board may at any time terminate the operation of the Scheme and in such event no further Option will be offered but the provisions of the Scheme shall remain in full force and effect in all other respects and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Scheme.~~

14.1 In the event that the Grantee has:

14.1.1 been terminated by the Company or any Subsidiary for cause. For the purposes of this paragraph and all other relevant provisions hereunder (if any) relating to termination for cause, cause shall mean:

- (a) dishonesty or serious misconduct, whether or not in connection with his employment; willful disobedience or non-compliance with the terms of his employment, agency or consultancy contract with the Company or any Subsidiary or any lawful orders or instructions given by the Company or any Subsidiary as the case may be;
- (b) incompetence or negligence in the performance of his duties; or
- (c) doing anything in the conclusive opinion of the Company or any Subsidiary that adversely affects his ability to perform his duties properly, causes substantial loss to the Company or brings the Company or any Subsidiary into disrepute;

14.1.2 lost, whether partially or fully, his ability to perform the duties assigned by the Company for reasons other than work injury;



- 14.1.3 been pronounced death during his employment with the Company;
- 14.1.4 been in breach of any agreements with the Company during his employment with the Company, including but not limited to his employment agreement, confidentiality agreement and non-competition agreement, the Company's internal rules, any term of this Scheme Rules, and his professional ethics;
- 14.1.5 been summarily dismissed by the Company or any Subsidiary in so far as such Grantee is an Employee;
- 14.1.6 become bankrupt or failed to pay his debts within a reasonable time after they become due or has made any arrangement or composition with his creditors generally;
- 14.1.7 been in employment relationship with any person other than the Company without the Company's consent causing adverse effect to the Company's business and failing to rectify such behaviour despite the Company's request;
- 14.1.8 been convicted for any criminal offense involving his integrity or honesty;
- 14.1.9 been charged, convicted or held liable for any breach of the relevant securities laws or regulations in Hong Kong or any other equivalent laws or regulations in another jurisdiction in force from time to time; or
- 14.1.10 been under other circumstances where the Board considers that such Grantee is no longer suitable to be entitled to the Options or hold the Shares.

the Board may make a determination at its absolute discretion that the unvested Options shall lapse forthwith and the Grantee shall have no claims against the Company.

## 15. DISCLOSURE IN ANNUAL AND INTERIM REPORTS

The Company will disclose details of the Scheme in its annual and interim reports including, among others, the number of options, date of grant, exercise price, exercise period, vesting period and (if appropriate) a valuation of options granted during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

**16. MISCELLANEOUS**

16.1 Notwithstanding any provision of any other paragraph of the Scheme:

16.1.1 the Scheme shall not form part of any contract of employment between the Company or any Subsidiary (as appropriate) and any ~~Eligible Person~~Participant and the rights and obligations of any ~~Eligible Person~~Participant under the terms of his office or employment shall not be affected by his participation in the Scheme or any right which he may have to participate in it and the Scheme shall afford such an ~~Eligible Person~~Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason; and

16.1.2 the Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.

16.2 The Company shall bear the costs of establishing and administering the Scheme.

16.3 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to the Shareholders.

16.4 Any notice or other communication between the Company and a Grantee shall be addressed to the recipient and sent by personal delivery or by prepaid post or by fax to, in the case of the Company, XU Ting or any other person designated by XU Ting for this purpose with the contact information as set out below or as otherwise notified to the Grantee from time to time and, in the case of the Grantee, his residential address as notified to the Company from time to time.

The Company : Alhamab Oncology

Attention : XU Ting

Address : Room 7-801, Moon Bay Meisong Garden  
No. 99, Bada Street, Suzhou Industrial Park  
Suzhou Jiangsu Province, PRC

Fax : 86-512-6595-1825

- 16.5 Any notice or other communication between the Company and a Grantee shall be deemed to have been received:–
- 16.5.1 in the case of delivery by hand, when delivered;
- 16.5.2 in the case of prepaid post, on the second day following the day of posting; or
- 16.5.3 in the case of a fax, on the date of transmission provided that the sender has a transmission report indicating that the fax was duly transmitted and received.
- 16.6 In the case of a notice served by the Company by post, in proving service it shall be sufficient to prove that the envelope containing the notice was properly addressed and stamped and was deposited in a post box or at the post office.
- 16.7 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of an Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in the Scheme. The Company shall not be responsible for the lapse of any Options granted to any ~~Eligible Person~~Participant by reason of the lapse of the Options granted as referred to in paragraph 7.1.
- 16.8 The Scheme and all Options granted under the Scheme shall be governed by and construed in accordance with the laws of Hong Kong.

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**RULES OF RESTRICTED SHARE AWARD SCHEME**

*(Adopted on March 23, 2021, and amended on [DATE])*

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**1. DEFINITIONS AND INTERPRETATION**

1.1 In this Scheme, the following words and expressions shall, unless the context otherwise requires, have the following respective meanings:

<b>“Acceptance Period”</b>	has the meaning ascribed to such term in Clause 3.2.4;
<b>“Administration Committee”</b>	a sub-committee of the Board, members of which shall be determined by the chairman of the Board from time to time, with consultation with the chairman of the remuneration committee of the Board, delegated with the power and authority by the Board to administer this Scheme;
<b>“Adoption Date”</b>	March 23, 2021, being the date on which this Scheme is adopted by the Board;
<b><u>“Amendment Date”</u></b>	<u>the date on which amendment to this Scheme is duly approved and adopted by the Shareholders of the Company;</u>
<b>“Articles”</b>	the articles of association of the Company adopted on November 24, 2019 which became effective from the listing date of December 12, 2019, as amended from time to time;
<b>“Associate”</b>	has the meaning set out in Chapter 1 of the Listing Rules;
<b>“Award-Shares”</b>	<u>Sharesan award granted pursuant to Clause 3.1.1 and subject to Clause 3.6 and the vesting of which shall be subject to Clause 3.4by the Administration Committee to a Selected Participant of a conditional right for such Selected Participant to receive such number of Award Shares, subject to the satisfaction of vesting conditions and such other terms and conditions, as the Administration Committee may in its absolute discretion determine;</u>

<b><u>“Award Shares”</u></b>	<u>in respect of a Grantee, such number of Share(s) underlying the Award(s) as determined by the Administration Committee, and as may be issued as new Shares or acquired through on-market purchases of Shares, in accordance with the terms of this Scheme;</u>
<b>“Board”</b>	the board of Directors;
<b>“Business Day”</b>	a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays, Sundays and public holidays);
<b>“change in control”</b>	the situation as set out in Clause 3.4.2;
<b>“Company”</b>	Alphamab Oncology (康寧傑瑞生物製藥), an exempted company incorporated in the Cayman Islands with limited liability;
<b>“Confirmation Letter”</b>	has the meaning ascribed to such term in Clause <del>3.4.3(e)</del> <u>3.4.3(e)</u> ;
<b>“Directors”</b>	the directors of the Company; and <b>“Director”</b> means any one of them;
<b>“Employee”</b>	an employee of the Company or any Subsidiary;
<b>“Excluded Employee”</b>	any employee who resides in any country or jurisdiction where the grant of any Award Shares or making of any payment to him or transfer of any Award Shares vested in him to the Nominee Account under this Scheme would not be permitted under the laws and regulations of such country or jurisdictions or would be subject to such requirements under those laws and regulations compliance with which would, in the sole view of the Board, be unduly burdensome or impractical and the Board, in its sole and absolute discretion, considers it necessary or expedient to exclude such employee from the benefit of such act;

<b>“Exercise Price”</b>	has the meaning ascribed to such term in Clause 3.2.1;
<b>“Grant”</b>	individually or collectively, a grant of Award Shares under this Scheme;
<b>“Grantee”</b>	<u>any Selected Participant who has accepted the offer of the grant of an Award in accordance with the terms of this Scheme or, where the context so permits, any person entitled to any such Award in consequence of the death or incapacitation of the original Grantee or the legal personal representative of such person;</u>
<b>“Grant Date”</b>	in relation to any Award Share, the date on which the Award Share is, was or is to be granted;
<b>“Grant Letter”</b>	has the meaning ascribed to such term in Clause 3.2.3;
<b>“Group”</b>	the Company and the Subsidiaries from time to time;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Hong Kong Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time;
<b>“Monetary Amount”</b>	has the meaning ascribed to such term in Clause 3.3.1;
<b>“Nominee Account”</b>	has the meaning ascribed to such term in Clause 3.4.3(b);

<b><u>“Participants” or “Employee Participant”</u></b>	<u>any individual being a chief executive, a directors (including executive and non-executive director), and employees, officer, agent or consultant of the Company or any of its Subsidiaries (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with these companies);</u>
<b>“Prescribed Instruction”</b>	has the meaning ascribed to such term in Clause 3.3.1;
<b><u>“Purchase Price”</u></b>	<u>has the meaning ascribed to such term in Clause 3.2.1;</u>
<b><u>“Remuneration Committee”</u></b>	<u>the remuneration committee of the Board;</u>
<b>“Scheme”</b>	this restricted share award scheme in its present or any amended form;
<b><u>“Scheme Mandate Limit”</u></b>	<u>has the meaning ascribed to such term in Clause 6.1;</u>
<b><u>“Scheme Shares”</u></b>	<u>any and all of the Shares held by the Trustee (directly or indirectly, provided that it is contemplated that the Trustee will hold the Scheme Shares through a wholly-owned company) under the terms of the Trust for purposes of the Scheme;</u>
<b>“Selected Participant”</b>	any Participant selected by the Administration Committee in accordance with the terms of, and entitled to receive a <u>Grantan Award</u> under, this Scheme;
<b>“SFO”</b>	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended from time to time;
<b>“Shares”</b>	ordinary share(s) with nominal value of US\$0.000002 each (or such other nominal amount as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of the Company;
<b><u>“Shareholders”</u></b>	<u>holders of the Shares;</u>



“Subsidiary”	a company which is for the time being and from time to time a subsidiary of the Company, as determined by reference to the definitions in the Companies Ordinance (Cap. 622) as amended from time to time;
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time;
“Treasury Shares”	<u>has the meaning ascribed to it under the Listing Rules;</u>
“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time);
“Trustee”	trustee(s) to be appointed by the Company for administration of the Scheme or any additional or replacement trustee;
“Unaccepted Shares”	such Shares pursuant to a Grant which are not accepted by the <del>Selected Participants</del> <u>Grantees</u> within the Acceptance Period and have been or will be dealt with in accordance with Clause 4;
“Unvested Shares”	such Shares which do not vest in the <del>Selected Participants</del> <u>Grantees</u> and in respect of which the Grant has lapsed in accordance with <del>Clauses 3.4.1(a) to 3.4.1(d), 3.4.3(e),</del> <u>the Scheme Rules</u> or otherwise;
“US\$”	United States dollars, the lawful currency of the United States of America;
“Vesting Date”	has the meaning ascribed to such term in Clause 3.4.3(a); and
“Vesting Notice”	has the meaning ascribed to such term in Clause 3.4.3(b).

1.2 In this Scheme, any references, express or implied, to statutes, statutory provisions or the Listing Rules shall be construed as references to those statutes, provisions or rules as respectively amended, extended, consolidated or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date hereof) and shall include any statutes, provisions and rules of which they are re-enacted (whether with or without modification) and shall include any subsidiary legislation enacted under the relevant statute, provision or rule.

1.3 In this Scheme, any references to new Shares or new securities include Treasury Shares, and references to the issue of Shares or securities include the transfer of Treasury Shares.

~~1.3~~ Except insofar as the context otherwise requires:

1.4

- (a) words denoting the singular shall include the plural and *vice versa*;
- (b) words denoting the masculine gender shall include the feminine gender; and
- (c) paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme. References to paragraph or sub-paragraphs are to paragraphs or sub-paragraphs of this Scheme.

~~1.4~~ In construing this Scheme:

1.5

- (a) the rule known as the *ejusdem generis* rule shall not apply and, accordingly, general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
- (b) general words shall not be given a restrictive meaning by reason of that fact that they are followed by particular examples intended to be embraced by the general words.

## **2. PURPOSES, DURATION AND ADMINISTRATION**

### 2.1 Purposes

2.1.1 The purposes of this Scheme are:

- (a) to provide the Selected Participants with an opportunity to acquire a proprietary interest in the Company;
- (b) to encourage and retain such individuals to work with the Group;

- (c) to provide additional incentive for them to achieve performance goals;
- (d) to attract suitable personnel for further development of the Group; and
- (e) to motivate the Selected Participants to maximize the value of the Company for the benefits of both the Selected Participants and the Company, with a view to achieving the objectives of increasing the value of the Company and aligning the interests of the Selected Participants directly with the ~~s~~Shareholders of the Company through ownership of Shares.

2.1.2 This Scheme sets out the terms and conditions upon which the incentive arrangement for the Selected Participants shall operate.

## 2.2 Duration

Without prejudicing the subsisting rights of any Selected Participant, subject to any extension or early termination as may be determined by the Board pursuant to Clause ~~8.29.2~~, this Scheme shall be valid and effective for a period of 10 years from the Adoption Date, after which no further Award shall be granted or accepted, but the provisions of the rules herein shall remain in full force and effect in order to give effect to the vesting and exercise of Awards granted and accepted prior to the expiration of this Scheme.

## 2.3 Administration and Trust

2.3.1 This Scheme shall be subject to the administration of the Board, the Administration Committee and the Trustee in accordance with the rules of this Scheme. The Board may delegate the authority to administer this Scheme to the Administration Committee or appoint one or more persons, entities or contractors (including without limitation the Trustee) to assist in the administration of this Scheme and delegate such powers and/or functions relating to the administration of this Scheme as the Board thinks fit. The Board may also, in its absolute discretion, appoint any Trustee to assist with the administration and vesting of the Award Shares granted pursuant to this Scheme. Subject to complying with the Listing Rules, the Administration Committee shall have the sole and absolute discretion to (i) interpret and construe the provisions of this Scheme, (ii) determine the persons who will be granted the Award Shares under this Scheme, the terms and conditions on which the Award Shares are granted and under what conditions will the Award Shares granted pursuant to this Scheme vest, (iii) make such appropriate and equitable adjustments to the terms of the Award Shares granted under the Scheme as it deems necessary and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of this Scheme. The decision of the Administration Committee on all matters (save for those specifically reserved for determination by the Shareholders in accordance with the Listing Rules) arising in relation to this Scheme or its interpretation or effect shall be final, conclusive and binding on all relevant parties.

2.3.2 The Trustee shall hold the Award Shares, the Unaccepted Shares, the Unvested Shares and other cash and non-cash income derived therefrom UPON TRUST exclusively for all or such one or more of the ~~Selected Participants~~Grantees subject to the terms and conditions set out herein and in the Trust Deed and such further terms and conditions as the Administration Committee may stipulate at the time of selecting any person as a Selected Participant hereunder.

2.3.3 Without prejudice to Clause ~~8.1.19.1.1~~, the Administration Committee shall have the power from time to time to make or vary regulations for the administration and operation of this Scheme, provided that the same are not inconsistent with the provisions of this Scheme, the Articles, the Listing Rules and any applicable laws, rules and regulations.

2.3.4 To satisfy the Awards after vesting, the Company may, as determined by the Administration Committee in its absolute discretion:

(a) allot and issue new Shares to the Grantee directly; and/or

(b) allot and issue new Shares to the Trustee, and/or instruct the Trustee to acquire existing Shares through on-market purchases in accordance with the Company's instructions and subject to the terms and conditions of the Trust Deed (if any), such new and/or existing Shares to be held by the Trustee on trust for the Grantee and to be transferred to the Grantee after vesting,

provided that (i) the Trustee holding Scheme Shares under this Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner's direction and such a direction is given; and (ii) to the extent any new Shares will be allotted and issued by the Company to satisfy any Award after vesting, such allotment and issue shall be subject to and conditional upon the granting of approval by the listing committee of the Hong Kong Stock Exchange for the listing of, and permission to deal in, such number of new Shares which may fall to be allotted and issued.

### 3. OPERATION OF THIS SCHEME

#### 3.1 Grant of Awards~~Shares~~

3.1.1 Subject to provisions of the rules herein, the Administration Committee may, from time to time in its sole and absolute discretion, select any Participant to be a Selected Participant and make a Grant to such Selected Participant on and subject to any terms and conditions that the Administration Committee may impose pursuant to Clause 2.3.1.

3.1.2 Notwithstanding the provision in Clause 3.1.1, no Grant shall be made to any Selected Participant:

- ~~(a) where the Company has information that must be disclosed under Rule 13.09 of the Listing Rules or where the Company reasonably believes there is inside information which must be disclosed under Part XIVA of the SFO (as may be amended from time to time), until such price sensitive/inside information has been published on the websites of the Hong Kong Stock Exchange and the Company;~~
- ~~(b) (i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to (and including) the publication date of the results; and (ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to (and including) the publication date of the results;~~
- (a) after inside information (as defined under Part XIVA of the SFO) has come to the knowledge of the Company until (and including) the trading day after such inside information has been announced in accordance with the Listing Rules and the SFO. In particular, no Award may be made during the period commencing 30 days immediately before the earlier of:
  - (i) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. The period during which no Award may be made shall cover any period of delay in publishing a results announcement;
- (b) where the grant of such Award would result in breach of the Scheme Mandate Limit or other rules of this Scheme;
- (c) where such Grant is prohibited under the Listing Rules or other applicable laws, regulations or regulatory rules, guidance, codes, decisions or guidelines from time to time; or

(d) where the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of such Award, unless the Administration Committee determines otherwise; or

~~(d)~~ in any other circumstances where the requisite approval from any

(e) applicable regulatory authorities has not been granted.

### 3.2 Criteria for Determining Selected Participants, Number of Award Shares and Vesting Conditions

3.2.1 In determining the Selected Participants (excluding any Excluded Employee), the number of Award Shares to be granted, the vesting conditions, the ~~exercisePurchase p~~Price (if any) to be paid by the Selected Participants (the “~~ExercisePurchase~~ Price”) for each Award Share, the manner of payment of the ~~ExercisePurchase~~ Price and the other terms and conditions of the Grants, the Administration Committee shall take into consideration any matter which it considers relevant.

3.2.2 The ~~ExercisePurchase~~ Price (if any) shall be determined by the Administration Committee, in its sole and absolute discretion and taking into account factors including but not limited to the contemporaneous valuation of the Company.

3.2.3 After the Administration Committee has determined a Selected Participant, the number of the Award Shares to be granted, the ~~ExercisePurchase~~ Price (if any) and other terms and conditions of the Grant, it shall notify the Trustee and the Selected Participant on the Grant Date in writing (which may also be made through the designated online portal facilities) (the “Grant Letter”) substantially in the form as determined by the Administration Committee. The Grant Letter shall address, among other things, the following matters:

(a) the Selected Participant’s name and address and the category of participant;

(b) the Grant Date;

(c) the period for acceptance by the Selected Participant of the offer of the Award Shares;

(d) the number of Award Shares offered ~~and the Vesting Date(s);~~

(e) the vesting conditions (if any) and the vesting schedule;

(e) the ~~ExercisePurchase~~ Price payable on acceptance of the Award (if any)

(f) and the manner of payment of the ~~Exercise PricePurchase~~ Price and the period within which payment of the Purchase Price must be made; and

(f) such other terms and conditions relating to the offer of the Award Shares

(g) which in the opinion of the Administration Committee are fair and reasonable and are not inconsistent with this Scheme.

3.2.4 Upon receipt of the Grant Letter, the Selected Participant is required to confirm his/her acceptance of the Grant by (i) returning to the Company a notice of acceptance duly executed by him/her substantially in the form as determined by the Administration Committee; and (ii) completing any other required steps as specified by the Administration Committee to confirm his/her acceptance of the Grant, within 5 Business Days after the Grant Date or a period specified in the Grant Letter (the “**Acceptance Period**”).

3.2.5 The Award shall be subject to the terms as specified in the rules of this Scheme, the Grant Letter and/or any such document in such form as the Administration Committee may from time to time determine. The Selected Participant shall undertake to be bound by the provisions of the Scheme and any terms or conditions attached to the Award.

~~3.2.5~~ If any Selected Participant fails to return the notice of acceptance or complete 3.2.6 the required steps to confirm his/her acceptance of the Grant at the stipulated time pursuant to Clause 3.2.4 above to the Company, the Grant shall automatically lapse forthwith and the Shares pursuant to the Grant shall become Unaccepted Shares which shall be dealt with in accordance with Clause 4.

### 3.3 Dealing in Shares by the Trustee

3.3.1 Subject to Clause 3.7.2, the Administration Committee shall at any time and/or from time to time in its sole and absolute discretion, cause to be paid to the Trustee any monetary amount (the “**Monetary Amount**”) for the purchase of any Shares to be granted from the resources of the Company and, to the extent not prohibited by the Listing Rules and applicable laws, any Subsidiary. The Administration Committee may, in its sole and absolute discretion, at any time deliver to the Trustee a written instruction (the “**Prescribed Instruction**”) substantially in the form as determined by the Administration Committee, to instruct the Trustee to make purchases on the Hong Kong Stock Exchange according to the terms set out therein. The Prescribed Instruction may specify, among others, (i) the period within which purchases shall be made; (ii) the number of Shares to be purchased; (iii) the maximum Monetary Amount to be used for the relevant purchase; (iv) the maximum price at which the Shares shall be purchased; and/or (v) any other matter which the Administration Committee considers appropriate.

3.3.2 Subject to Clause 3.3.1, within the period specified in the Prescribed Instruction (or such longer period as the Trustee and the Administration Committee may otherwise agree in writing), the Trustee shall apply the relevant Monetary Amount towards the purchase of the Shares on the Hong Kong Stock Exchange. Save as being instructed by the Administration

Committee, the Trustee shall not purchase any Shares on the Stock Exchange on its own discretion, but the Trustee is allowed to exercise its own discretion in making actual Share purchases within the ambit of the instructions set out in the Prescribed Instruction. Once purchased, the Trustee shall hold the Shares so purchased in accordance with the terms hereof and the provisions of the Trust Deed. As soon as the Trustee completes the purchase, the Trustee shall inform the Administration Committee of the number of Shares purchased and the price at which those Shares have been purchased. Upon expiry of the purchase period specified in a Prescribed Instruction, any balance of the Monetary Amount which has not been utilized shall under no circumstances form part of the fund of the Trust. The Administration Committee may, from time to time in its sole and absolute discretion, direct and procure the Trustee to return any balance of the Monetary Amount to the Company after completion of the relevant purchase.

3.3.3 The Trustee shall not sell or otherwise dispose of the Shares purchased on the Hong Kong Stock Exchange pursuant to this Scheme until the termination of this Scheme unless otherwise instructed by the Administration Committee. For the avoidance of doubt, the Trustee shall not transfer any Shares to the Company at any time until the termination of this Scheme.

3.3.4 Without prejudice to the above paragraphs in this Clause 3.3, the Trustee may, subject to the instructions of the Administration Committee, acquire such number of new or existing Shares or, and to the extent permitted by applicable laws, regulations or regulatory rules, subscribe for and/or acquire such number of new and/or existing Shares or to sell such Shares on the market in the case of termination of the Scheme in accordance with Clause 9.2, for the purposes of the Scheme and the Trust. Notwithstanding the above, the Trustee shall not deal in Shares at any time if the Trustee has received notice in writing from the Company that any such dealing at that time would cause the Trustee, the Company or any Subsidiary, or a director, officer or employee of the Company or any Subsidiary to be in breach of the provisions of any applicable laws, rules or regulations (including the Listing Rules).

### 3.4 Vesting of Award Shares

#### 3.4.1 Vesting Conditions

(a) The Administration Committee has the sole discretion to determine the vesting schedule and vesting conditions for any Award to any Grantee, which may also be adjusted and re-determined by the Administration Committee from time to time provided that the vesting period for the Award Shares shall not be less than twelve (12) months unless under



specific circumstances as otherwise determined by the Administration Committee, including but not limited to such specific circumstances as permitted under applicable guidance and the Listing Rules, including:

- (i) grants of “make-whole” Awards to a Participant who is a new joiner to replace the share awards he forfeited when leaving his previous employer(s). In such cases, the vesting period may be shorter to reflect the remaining vesting period in respect of the forfeited share awards;
  - (ii) grants of “make-whole” Awards to a Participant who is an existing key personnel of a newly acquired Subsidiary of the Company to replace the awards or options he forfeited upon the acquisition of the Subsidiary by the Company. In such case, the vesting period may be shorter to reflect the remaining vesting period in respect of the forfeited awards or options;
  - (iii) Grants of Awards to a Selected Participant whose employment is terminated due to retirement, death, disability, or reasons other than resignation or cause. In such circumstance(s), the vesting of an Award may accelerate;
  - (iv) grants of Awards which are subject to the fulfilment of performance targets pursuant to this Clause 3.4.1;
  - (v) grants of Awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee Participant, in which case the Vesting Date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;
  - (vi) grants of Awards with a mixed or accelerated vesting schedule such as that the Awards vest evenly over a period of 12 months; or
  - (vii) grants of Awards with a total vesting and holding period of more than 12 months.
- (b) The Administration Committee may in respect of each Award and subject to all applicable laws, rules and regulations determine such performance targets or other criteria or conditions for vesting of Awards in its sole and absolute discretion. Any such performance targets, criteria or conditions shall be set out in the Grant Letter. For the avoidance of doubt, an Award shall not be subject to any performance targets, criteria or conditions if

none are set out in the relevant Grant Letter. No general requirements for any performance target has to be achieved before the vesting of the Award Shares unless under specific circumstances as otherwise determined by the Administration Committee.

- (a) Save and except as otherwise provided in Clause 3.4.1, the vesting of the
- (c) Award Shares is subject to the ~~Selected Participant~~ Grantee remaining at all times after the Grant Date and on the Vesting Date (as the case may be, on each relevant Vesting Date) a Participant and receipt of the full amount of the ~~Exercise~~ Purchase Price (if any) in respect of such Award Shares.
- (b) The Award Shares shall not vest under any of the following
- (d) circumstances:
- (i) the Grantee is found to be an Excluded Employee;
- (i) in the event of any failure of ~~Selected Participants~~ Grantees to
- (ii) remain as Participants (other than by reason of death or retirement as specified in Clause ~~3.4.1(g)~~ 3.4.1(i)) prior to Vesting Date pursuant to Clauses ~~3.4.1(a)~~ 3.4.1(c) to ~~3.4.1(e)~~ 3.4.1(e);
- (ii) in the event of any failure of ~~Selected Participants~~ Grantees to pass
- (iii) the specified performance review, if any; and
- (iii) other circumstances as specified by the Board or the Administration
- (iv) Committee in its sole and absolute discretion.
- (e) A ~~Selected Participant~~ Grantee shall be deemed not a Participant for the
- (e) purpose of Clause 3.4.1 ~~(b)~~ (c) if the ~~Selected Participant~~ Grantee has:
- (i) been terminated by the Company or any Subsidiary for cause. For the purposes of this paragraph and all other relevant provisions hereunder (if any) relating to termination for cause, cause shall mean:
- (aa) dishonesty or serious misconduct, whether or not in connection with his employment; willful disobedience or non-compliance with the terms of his employment, agency or consultancy contract with the Company or any Subsidiary or any lawful orders or instructions given by the Company or any Subsidiary as the case may be;

- (bb) incompetence or negligence in the performance of his duties;  
or
- (cc) doing anything in the conclusive opinion of the Company or any Subsidiary that adversely affects his ability to perform his duties properly, causes substantial loss to the Company or brings the Company or any Subsidiary into disrepute;
- (ii) lost, whether partially or fully, his ability to perform the duties assigned by the Company for reasons other than work injury;
- (iii) been pronounced death during his employment with the Company;
- (iv) been in breach of any agreements with the Company during his employment with the Company, including but not limited to his employment agreement, confidentiality agreement and non-competition agreement, the Company's internal rules, any clause of this Scheme Rules, and his professional ethics;
- ~~(ii)~~ been summarily dismissed by the Company or any Subsidiary in so  
~~(v)~~ far as such ~~Selected Participant~~Grantee is an Employee;
- ~~(iii)~~ become bankrupt or failed to pay his debts within a reasonable time  
~~(vi)~~ after they become due or has made any arrangement or composition with his creditors generally;
- ~~(vii)~~ been in employment relationship with any person other than the Company without the Company's consent causing adverse effect to the Company's business and failing to rectify such behavior despite the Company's request;
- ~~(iv)~~ been convicted for any criminal offense involving his integrity or  
~~(viii)~~ honesty; or
- ~~(v)~~ been charged, convicted or held liable for any ~~offense under~~breach  
~~(ix)~~ of the relevant securities laws or regulations in Hong Kong or any other equivalent laws or regulations in another jurisdiction in force from time to time; or
- ~~(x)~~ been under other circumstances where the Administration Committee considers that such Grantee is no longer suitable to be entitled to the Award Shares or hold the Shares.

- ~~(d)~~ For the avoidance of doubt, in the event that a ~~Selected Participant~~ Grantee ceases to be a Participant by reason of (i) if he is an Employee, redundancy, severance or dismissal or because he has tendered his resignation; (ii) the Subsidiary by which such ~~Selected Participant~~ Grantee is employed or contracted with (as the case may be) ceases to be a Subsidiary; and (iii) an order for the winding up of the Company is made or a resolution is passed for the voluntary winding up of the Company, then such person will (subject to sub-paragraph ~~(f)~~(h) below) have ceased to be a Selected Participant for the purposes of this Scheme and the condition referred to in Clause ~~3.4.1(a)~~3.4.1(c) shall fail to have been satisfied.
- ~~(a)~~ In the event that the Award Shares do not vest in accordance with ~~Clause~~ paragraphs (a) to ~~(d)~~(f) above, the Grant shall automatically lapse forthwith and all the Award Shares shall not vest on the Vesting Date and the ~~Selected Participant~~ Grantee shall have no claims against the Company or the Trustee. Such Award Shares shall become Unvested Shares and be dealt with in accordance with Clause 4.
- ~~(b)~~ For the purpose of Clause 3.4.1~~(a)~~, a ~~Selected Participant~~ (c), a Grantee shall be regarded as remaining as a ~~Selected Participant~~ notwithstanding that he ceases to hold a position of employment or office with, ~~or be an agent or consultant of,~~ the Company or a Subsidiary, if at the same time he takes up a different position of employment and/or office with, ~~or continues to be an agent or consultant of,~~ another Subsidiary as the case may be.
- ~~(e)~~ Notwithstanding anything contained in Clause 3.4.1, in the event of a ~~Selected Participant~~ Grantee ceasing to be a Participant by reason of retirement or death or disability or incapacitation, such ~~Selected Participant~~ Grantee (or his/her legal representative or lawful successor as the case may be) shall still be entitled to receive those Award Shares which are referable to the date of cessation, subject to the fulfilment of the vesting conditions as set out in the Grant Letter by such ~~Selected Participant~~ Grantee at any time prior and up to the date of cessation. If such Award Shares do not vest and the Grant has lapsed, ~~it~~they shall become Unvested Shares and shall be dealt with in accordance with Clause 4.
- ~~(h)~~ Notwithstanding any other provisions of this Scheme (but subject to any applicable laws and regulations), the Administration Committee shall be at liberty to waive or alter the vesting conditions referred to in this Clause 3.4 as it considers to be appropriate.

## 3.4.2 Vesting Upon Change in Control

- (a) If an offer by way of general offer, takeover, merger, scheme of arrangement, share repurchase, voluntary winding-up or otherwise is made to all the holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror) resulting in a change in control of the Company, and such offer is (i) approved by the necessary number of Shareholders at the requisite meeting or (ii) becomes or is declared unconditional (i.e. all conditions to which such transaction is subject have been satisfied) prior to the vesting of Shares in the ~~Selected Participant~~ Grantee, then notwithstanding the time required to vest the Shares referred to in Clause 3.4.3, such Shares shall immediately so vest.
- (b) Upon occurrence of the event in Clause 3.4.2(a), the Trustee shall, upon receiving the instruction of the Administration Committee and subject to the same procedures as set out in Clauses 3.4.3–3.4.3(b) to 3.4.3(e), proceed to transfer the vested Shares to the Nominee Account or pay in cash the amount of equivalent value of such Award Shares to the relevant ~~Selected Participant~~ Grantee, provided that none of the events set out in Clauses 3.4.1(b) or 3.4.1(e)3.4.1(d) or 3.4.1(e) has occurred prior to vesting under this Clause 3.4.2.
- (c) For the purpose of this Clause 3.4.2, “control” shall have the meaning as specified in the Takeovers Code.

## 3.4.3 Vesting of Award Shares

- (a) Subject to the vesting provisions set out in Clause 3.4.1 or otherwise in Clause 3.4.2, any Award Share granted to a ~~Selected Participant~~ Grantee pursuant to the provisions hereof shall vest in such ~~Selected Participant~~ Grantee in accordance with the vesting conditions (including receipt of the full amount of the ~~Exercise~~ Purchase Price, if any) and the vesting schedule as set out in the Grant Letter (for this purpose, the date or each such date on which the Award Shares actually vest is referred to as a “**Vesting Date**”). The Administration Committee shall have the sole and absolute discretion in determining whether the vesting conditions of any ~~Selected Participant~~ Grantee have been fulfilled.
- (b) If the Administration Committee is satisfied that a ~~Selected Participant~~ Grantee has satisfied the vesting conditions (save for the receipt of the ~~Exercise~~ Purchase Price, if any), the Administration Committee shall send to the ~~Selected Participant~~ Grantee (or his/her legal representative or lawful successor as the case may be) a vesting notice

(which may also be made through the designated online portal facilities) (the “**Vesting Notice**”), substantially in the form as determined by the Administration Committee, at least 10 Business Days before the Vesting Date notifying the ~~Selected Participant~~ Grantee of the intended vesting of the Award Shares subject to fulfilment of the requirements set out in ~~Clause 3.4.3(e)~~ paragraph (d) below. The Administration Committee shall have the sole and absolute discretion in determining whether the Award Shares shall be satisfied by Shares or cash of the equivalent value of such Award Shares at the Vesting Date. in the following manners:

- (i) If the Administration Committee determines that the Award Shares shall be satisfied by Shares, after withholding or deducting the amount in accordance with Clause ~~6.17.1~~ (if any), actual Award Shares will be transferred to an account operated by the Trustee or any other online portal facilities operated by an administrator designated by the Administration Committee in its sole and absolute discretion (the “**Nominee Account**”) in which the vested Award Shares are held on behalf of the ~~Selected Participant~~ Grantee. For the avoidance of doubt, unless otherwise determined by the Administration Committee, the Award Shares shall not be registered under the name of the ~~Selected Participant~~ Grantee or transferred to any account other than the Nominee Account and shall be subject to any restrictions as set out in the Vesting Notice.
- (ii) If the Administration Committee determines that the Award Shares shall be satisfied by cash of the equivalent value of such Award Shares, after withholding or deducting the amount in accordance with Clause 7.1 (if any), such amount will be transferred to the account of the respective Grantee notified by the Grantee to the Board or the Administration Committee in writing before the respective Vesting Date.

Notwithstanding the above, the Administration Committee shall have the sole and absolute discretion in determining and varying how the Award Shares shall be satisfied by Shares.

- (c) In the event that the Grantee ceases to be an Participant by reason of death or incapacitation (PROVIDED THAT none of the events which would be a ground for termination of his or her employment under Clause 3.4.1(e) arises prior to his or her death or incapacitation), the legal personal representative(s) of this Grantee shall deliver a written notice to the Company within a period of one month from the date of death or incapacitation (or such longer period as the Board may determine) to request a Vesting Notice and shall be entitled to exercise the Awards in

whole or in part (to the extent which have become vested and exercisable and not already exercised prior to such date of death or incapacitation) within such one-month period. The Trustee will not hold the Shares underlying the Awards vested for the Grantee after this one-month period. If the notice is not served during this one-month period or the Shares underlying the Awards exercised cannot be transferred to the Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) due to the Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) not being able to provide sufficient information to effect the transfer, the Awards vested or exercised (as the case may be) shall lapse unless otherwise agreed by the Board at its absolute discretion.

- (e) Upon receipt of the Vesting Notice, the ~~Selected Participant~~ Grantee (or
- (d) his or her legal personal representative(s) in the case of death or incapacitation) is required to return to the Company a reply slip duly executed by him/her substantially in the form as determined by the Administration Committee at least 5 Business Days before the Vesting Date. If the Administration Committee specifies in the Vesting Notice that actual Award Shares will be transferred to the Nominee Account upon vesting, the ~~Selected Participant~~ Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) shall complete the payment of the ~~Exercise~~ Purchase Price (if any) together with the Withheld Amount (if any) as defined in Clause 7.1 below within the specified period set out in the Vesting Notice. If any ~~Selected Participant~~ Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) fails to (i) return the reply slip at the stipulated time above to the Company, or (ii) complete the payment of the ~~Exercise~~ Purchase Price or the Withheld Amount in accordance with the requirements set out in the Vesting Notice, unless otherwise determined by the Administration Committee, the Grant shall automatically lapse forthwith and the Award Shares shall become ~~Unvested Shares~~ lapsed which shall be dealt with in accordance with Clause 4.
- (d) As soon as practicable after the Award Shares have vested in a ~~Selected~~
- (e) ~~Participant~~ Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) in accordance with the rules of this Scheme, the Administration Committee shall issue to the Trustee a confirmation letter (substantially in the form attached as determined by the Administration Committee) that the vesting conditions have been fulfilled (which may also be evidenced by confirmed data file made through the designated online portal facilities) (the “**Confirmation Letter**”) to effect the transfer of the relevant vested Award Shares to the Nominee Account or, if so determined and instructed by the

Administration Committee, direct and procure the Trustee to pay to the ~~Selected Participant~~ Grantee in cash the amount of equivalent value of such Award Shares after deducting the ~~Exercise~~ Purchase Price thereof and/or the amount to be withheld or deducted in accordance with Clause ~~6.4~~ 7.1 (if any). Without prejudice to any restrictions set out in the Vesting Notice which shall continue to be in force after vesting of the Award Shares, once the vested Award Shares are transferred to the Nominee Account, they shall no longer be subject to any restrictions and limitations under Clause 3.6 and shall rank *pari passu* ~~with other~~ in all respects with, and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company, as existing fully paid Shares in issue.

### 3.5 Cash and Non-Cash Income

3.5.1 All cash, non-cash income or sale proceeds of non-cash and non-scrip distributions declared in respect of a Share (whether held as ~~Grant~~ Award Share, Unaccepted Share, or Unvested Share) shall form part of the trust fund of the Trust.

3.5.2 The Trustee shall apply the trust fund in Clause 3.5.1:

- (a) initially to defray the fees, costs and expenses of the Trust, including without limitation all of the Trustee's fees incurred and any excluded expenses pursuant to Clause ~~9.4~~ 11.1; and
- (b) to purchase such number of board lots of Shares as the Administration Committee instructs from time to time in accordance with Clause 3.3.

### 3.6 Restrictions and Limitations

~~3.6.1 Any Grant made herein shall be personal to the Selected Participant to whom it is made and shall not be assignable other than for the purpose of vesting in his/her lawful successor. No Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Award Shares under this Scheme.~~



3.6.1 A ~~Selected Participant~~Grantee shall not have any contingent interest in the Award Shares which are referable to him and shall not exercise any voting right in respect of the Award Shares until such Award Shares have been vested as Shares in accordance with the provisions set out in Clause 3.4.3. No Grantee shall enjoy any of the rights of a Shareholder in respect of the Award Shares (including, without limitation, the voting, dividend, transfer and other rights (including those arising on a liquidation of the Company attaching to the Award Shares)) pursuant to this Scheme, unless and until such Award Shares are actually transferred to the Grantee upon the vesting of the Award Shares.

3.6.3 A ~~Selected Participant~~Grantee shall have no rights in (a) any cash and non-cash 3.6.2 income in respect of a Share prior to vesting; and (b) any cash remaining in the trust fund of the Trust in respect of a Share.

3.6.4 The Trustee shall not exercise any voting rights in respect of any Shares held 3.6.3 under the Trust (including but not limited to the Award Shares, the Unaccepted Shares, the Unvested Shares, and any bonus Shares and scrip Shares);, whether directly or indirectly, on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote and instructions from the Board or the Administration Committee are given to the Trustee.

3.6.5 No instructions may be given by a ~~Selected Participant~~Grantee to the Trustee 3.6.4 in respect of the Award Shares prior to vesting of the same.

3.6.6 The Trustee may not subscribe for any new Shares pertaining to either (a) an 3.6.5 open offer of new securities or a rights issue; or (b) bonus warrants issued in respect of any Shares held by the Trustee. In the event of a rights issue, the Trustee shall sell any nil-paid rights allotted to it. In the event of the issue of a bonus warrant, the Trustee shall sell the bonus warrants granted to it. The net proceeds from the sale of such rights shall be held as cash income of the trust fund of the Trust and shall be applied in accordance with Clause 3.5.

3.6.7 The Trustee shall, after taking into consideration any recommendations of the 3.6.6 Administration Committee, decide whether to elect to receive scrip dividend or cash dividend.

### 3.7 Compliance

3.7.1 In respect of the administration of this Scheme, the Company shall comply with all applicable disclosure regulations including, without limitation, those imposed by the Listing Rules from time to time.

3.7.2 No payment shall be made to the Trustee and no instructions to purchase Shares shall be given to the Trustee and no purchase of Shares shall be made by the Trustee pursuant to this Clause 3.7.2:

- ~~(a) where the Company has information that must be disclosed under Rule 13.09 of the Listing Rules or where the Company reasonably believes there is inside information which must be disclosed under Part XIVA of the SFO (as may be amended from time to time), until such price sensitive/inside information has been published on the websites of the Hong Kong Stock Exchange and the Company;~~
- (a) after inside information (as defined under Part XIVA of the SFO) has come to the knowledge of the Company until (and including) the trading day after such inside information has been announced in accordance with the Listing Rules and the SFO;
- (b) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to (and including) the publication date of the results; and (ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to (and including) the publication date of the results;
- (c) where such payment or purchase is prohibited under the Listing Rules or other applicable laws, regulations or regulatory rules, guidance, codes, decisions or guidelines from time to time; or
- (d) in any other circumstances where the requisite approval from any applicable regulatory authorities has not been granted.

### 3.8 Cancellation of Awards

3.8.1 The Administration Committee may at its sole discretion cancel any Award that has not vested or has lapsed.

3.8.2 Where the Company cancels any Award granted to a Grantee and makes a new grant (whether under this Scheme or any other share scheme(s)) to the same Grantee, such new grant may only be made within the available Scheme Mandate Limit approved by the Shareholders. The Award cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

### 3.9 Reorganization of Capital Structure

3.9.1 In the event of any alteration in the capital structure of the Company by way of capitalization issue, rights issue, subdivision or consolidation of Shares or reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the Amendment Date, the Administration Committee shall make such corresponding adjustments, if any, as the Administration Committee in its discretion may deem appropriate to reflect such change with respect to:

- (a) the number of Shares comprising the Scheme Mandate Limit provided that in the event of any Share subdivision or consolidation the Scheme Mandate Limit as a percentage of the total issued Shares of the Company at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision;
- (b) the number of Shares comprised in each Award to the extent any Award has not been exercised;
- (c) the Purchase Price of any Share Award,

or any combination thereof, as the auditors or a financial advisor engaged by the Company for such purpose have certified satisfy the relevant requirements of the Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular Grantee, provided always that (i) any such adjustments should give each Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Grantee was previously entitled prior to such adjustments, and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. The capacity of the auditors or financial advisor (as the case may be) in this Clause is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees.

The default method of adjustment for various alternations in share capital events are set out below:

Capitalization issue

Adjustment of number of Award Shares underlying outstanding Awards

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

Where:  $Q_0$  represents the number of outstanding Award Shares prior to adjustment;  $n$  represents the rate of increase per Share resulting from the capitalization issue;  $Q$  represents the number of outstanding Award Shares after adjustment.

Adjustment of Purchase Price of outstanding Awards

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

Where:  $P_0$  represents the Purchase Price before the adjustment;  $n$  represents the rate of increase per Share resulting from the capitalization issue;  $P$  represents the Purchase Price after the adjustment.

Rights issue

Adjustment of number of Award Shares underlying outstanding Awards

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

Where:  $Q_0$  represents the number of outstanding Award Shares prior to adjustment;  $P_1$  represents the closing price of Shares on the record date;  $P_2$  represents the subscription price of the rights issue of Shares;  $n$  represents the ratio of the rights issue allotment;  $Q$  represents the number of outstanding Award Shares after adjustment.

Adjustment of Purchase Price of outstanding Awards

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

Where:  $P_0$  represents the Purchase Price before the adjustment;  $P_1$  represents the closing price as at the record date;  $P_2$  represents the subscription price of the rights issue of Shares;  $n$  represents the ratio of allotment;  $P$  represents the Purchase Price after the adjustment.

Share consolidation, share  
subdivision or reduction of  
share capital

Adjustment of number of Award Shares  
underlying outstanding Awards

$$Q = Q_0 \times n$$

Where:  $Q_0$  represents the number of outstanding Award Shares prior to adjustment;  $n$  represents the ratio of share consolidation, share subdivision or reduction of share capital;  $Q$  represents the number of outstanding Award Shares after adjustment.

Adjustment of Purchase Price of outstanding  
Awards

$$P = P_0 \div n$$

Where:  $P_0$  represents the Purchase Price before the adjustment;  $n$  represents the ratio of share consolidation, share subdivision or reduction of share capital;  $P$  represents the Purchase Price after the adjustment.

3.10 Limits on Grants to Directors, the Senior Management and Substantial Shareholders

3.10.1 Any grant of Award to a Selected Participant who is a Director, chief executive or substantial Shareholder (as defined in the Listing Rules) of the Company or any of their respective associates under this Scheme shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Award) and shall otherwise be subject to compliance with the requirements of the Listing Rules. Any grant of Award to a Selected Participant who is a Director, the chief executive or a senior management of the Company or any of their respective associates (as defined in the Listing Rules) under this Scheme shall be subject to the approval of the Remuneration Committee.

3.10.2 Where any grant of Award to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all Award Shares and other awards under any other share scheme of the Company or any of its subsidiaries granted (excluding any Award Shares or awards lapsed in accordance with the terms of the scheme) to such person in the 12-month period up to and including the date of such grant, representing in

aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Hong Kong Stock Exchange) of the Shares in issue at the relevant time, such further grant of Award Shares must be approved by the Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

3.10.3 Where any grant of Award to an independent non-executive Director or a substantial Shareholder, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options under any other share scheme of the Company or any of its subsidiaries and Award Shares granted (excluding any options and Award Shares lapsed in accordance with the terms of the scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Hong Kong Stock Exchange) of the Shares in issue, such further grant of Award Shares must be approved by the Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

#### **4. ~~UNACCEPTED AND UNVESTED SHARES~~LAPSE OF AWARDS**

4.1 Where ~~Shares~~any Award, referable to a Selected Participant,

- (a) ~~are~~is not accepted by such Selected Participant within the stipulated time in accordance with Clause 3.2.4 and become ~~Unaccepted Shares~~lapsed in accordance with Clause 3.2.6; or
- (b) ~~does~~do not vest in accordance with the relevant provisions herein (including failure to fulfil the vesting conditions as set out in the Grant Letter as determined by the Administration Committee) and become ~~Unvested Shares~~lapsed,

the Trustee shall, after having taken into account the recommendations of the Administration Committee, (i) hold such Unaccepted Shares or Unvested Shares and all income derived therefrom for the benefit of the Scheme, as the Company in its sole and absolute discretion shall at any time re-grant; or (ii) provided that there shall be any Unaccepted Shares and Unvested Shares in any given year during the life of the Scheme and the Trustee has been notified by the Company that the Company does not have any plan to re-grant such Unaccepted Shares and Unvested Shares to any Selected Participant and the Scheme shall be terminated, the Trustee shall act in accordance with Clause ~~8.2.39~~2.4.

- 4.2 Unvested Award Shares shall become lapsed automatically upon the earliest of:
- (a) the date on which the Grantee gives or is given notice terminating her or her office or directorship with the Company or any of its Subsidiaries for any reason, as the case may be;
  - (b) the date the vesting conditions are not satisfied as determined by the Administration Committee at its absolute discretion;
  - (c) the date on which the offer (or, as the case may be, revised offer) referred to in Clause 3.4.2(a) closes;
  - (d) the record date for determining entitlements under the scheme of arrangement referred to in Clause 3.4.2(a);
  - (e) the date of the commencement of the winding-up of the Company;
  - (f) the date on which the Grantee commits a breach of Clause 5.1; or
  - (g) the date on which it is no longer possible to satisfy any outstanding conditions to vesting.
- 4.3 The Administration Committee shall have the power to decide whether an Award shall lapse and its decision shall be binding and conclusive on all parties. The Company shall not owe any liability to any Grantee for the lapse of any Award under this Rule.
- 4.4 All lapsed Award Shares shall be returned to the trust fund of the Trust and be held by the Trustee as Scheme Shares in accordance with the rules of this Scheme.

## **5. TRANSFERABILITY**

- 5.1 Awards shall be personal to the Grantee to whom they are made and shall not be assignable or transferable, except for the transmission of Awards on the death or incapacitation of the Grantee to his/her legal personal representative(s) according to the terms of this Scheme or in circumstances where the written consent of the Company has been obtained and a waiver has been granted by the Stock Exchange for such transfer in compliance with the requirements of the Listing Rules and provided that any such transferee shall be bound by the rules of this Scheme as if the transferee were the Grantee. The Company will apply for a waiver from the Stock Exchange, if required under the Listing Rules, in the event of transferal of any Awards.

5.2 Any breach of Clause 5.1 shall entitle the Company to cancel the applicable outstanding Award. For this purpose, a determination by the Board to the effect that a breach of Clause 5.1 has occurred shall be final and conclusive.

#### **5.6. SCHEME LIMITS AND SUBLIMIT**

~~5.1 No Shares shall be purchased pursuant to this Scheme if as a result of such purchase, the number of Shares administered under this Scheme shall reach 1.5% or more of the issued share capital of the Company at the Adoption Date or such other limit as determined by the Administration Committee in its sole and absolute discretion provided always that it is in compliance with the Listing Rules.~~

6.1 The Shares which may be issued in respect of all options and awards to be granted under this Scheme and other share schemes of the Company (including options or awards have been cancelled but excluding those lapsed in accordance with the terms of the respective share schemes) shall not exceed 10% of the number of Shares in issue on Amendment Date (“Scheme Mandate Limit”).

~~5.2 The maximum number of Award Shares which may be granted to a Selected~~

~~6.2 Participant at any one time or in aggregate may not exceed 1% of the issued issued pursuant to options or awards which have lapsed in accordance with the terms of the Scheme Rules (or the terms of any other share capital schemes of the Company at the Adoption Date) shall not be counted for the purpose of calculating the Scheme Mandate Limit.~~

6.3 The aggregate number of Shares issued and to be issued in respect of all options and awards granted to a Grantee (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) shall not exceed 1% of the total number of the issued Shares for any 12-month period, unless (a) a grant to that effect has been separately approved by the Shareholders in general meeting, with such Grantee and his/her close associates (or associates if the Grantee is a connected person) abstaining from voting; (b) the Company must send a circular to the Shareholders containing such relevant information as required by the Listing Rules in relation to any such proposed grant to such Grantee; and (c) the terms of the Award and the number of Award Shares to be granted to such Grantee must be fixed before the Shareholders’ approval.

6.4 The Company may refresh the Scheme Mandate Limit:

(a) from the later of three years after the Amendment Date or three years after the date of the previous shareholder approval for refreshment of the Scheme Mandate Limit pursuant to this Rule with the prior approval of Shareholders in general meeting by way of ordinary resolution; or



(b) at any time, with the prior approval of the Shareholders in general meeting and subject to compliance with any additional requirements set out in the Listing Rules.

Awards already granted under the Scheme and any other share schemes of the Company (including those outstanding, cancelled or lapsed in accordance with its terms or exercised) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed.

6.5 The total number of Shares which may be issued in respect of all awards and options to be granted under this Scheme and all other schemes of the Company under the Scheme Mandate Limit as refreshed pursuant to Clause 6.4 shall not exceed 10% of the Shares in issue as at the date of the aforesaid approval to refresh the Scheme Mandate Limit by the Shareholders in general meeting.

6.6 The Company may seek separate approval of the Shareholders in general meeting to grant Awards beyond the Scheme Mandate Limit to Participants specifically identified by the Company, subject to compliance with the requirements set out in the Listing Rules.

#### **6.7. WITHHOLDING**

~~6.1~~ 7.1 The Company or any Subsidiary shall be entitled to withhold, and any ~~Selected Participant~~ Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) shall be obliged to pay, the amount of any tax and/or social security contributions attributable to or payable in connection with the ~~Grant Award~~ or vesting of the Award Shares and any excluded expenses pursuant to Clause ~~9.11.1~~ 11.1 (the “**Withheld Amount**”) by withholding or deducting the Withheld Amount or, in accordance with applicable tax rate, corresponding proportion of Shares or cash from the Award Shares or cash of equivalent value of such Award Shares to be transferred at the time of vesting or as otherwise determined by the Administration Committee in its sole and absolute discretion.

~~6.2~~ 7.2 Without prejudice to Clause ~~6.17.1~~ 7.1, the Administration Committee may establish appropriate procedures to provide for any such payment so as to ensure that the Company or any Subsidiary receives advice concerning the occurrence of any event which may create, or affect the timing or amount of any obligation to pay or withhold any such taxes or social security contributions, or which may make available to the Company or such Subsidiary any tax deduction resulting from the occurrence of such event.

- ~~6.3~~ Without prejudice to Clause ~~6.4~~7.1, the Company or any Subsidiary may, by notice
- ~~7.3~~ to the ~~Selected Participant~~Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) and subject to any rules as the Administration Committee may adopt, require that the ~~Selected Participant~~Grantee (or his or her legal personal representative(s) in the case of death or incapacitation) pay at the time of the ~~Grant~~Award an amount estimated by the Company or any Subsidiary in order to cover all or a portion of the tax and/or social security contributions attributable to or payable in connection with the ~~Grant~~Award.

## **7.8. DISPUTES**

Any dispute arising in connection with this Scheme shall be referred to the Board for determination, which shall be final, conclusive and binding on all relevant parties.

## **8.9. AMENDMENT AND TERMINATION**

### **8.39.1 Amendment**

~~8.3.1~~ This Scheme may be amended in any respect by a resolution of the Board provided that no such amendment which, in the reasonable opinion of the Administration Committee, materially affects the Trustee's rights and obligations under the Trust Deed shall be made without the prior consent of the Trustee; and provided that no amendment which, in the reasonable opinion of the Administration Committee, operates to affect materially and adversely any subsisting rights of any Selected Participant hereunder shall be made without consent in writing of the Selected Participants amounting to three-fourths in nominal value of all Shares so held by the Trustee on the date of such resolution of the Board (save as may be required to comply with the applicable laws, rules or regulations).

~~8.3.2~~ Written notice of any amendment to this Scheme shall be given to all Selected Participants.

9.1.1 Subject to the provisions of this Clause 9.1, the Board or the Administration Committee may amend any of the provisions of this Scheme or any Awards granted under this Scheme at any time and in any respect, provided that the terms of this Scheme or Awards so altered must comply with the relevant requirements of Chapter 17 of the Listing Rules.

9.1.2 No amendment or alteration shall be made to any provisions of this Scheme or any Awards granted under this Scheme to the extent that such amendment or alteration has a material adverse effect on any subsisting rights of any Grantee at that date in respect of Awards already granted to that Grantee and to the extent that such Awards have not vested or lapsed or been forfeited, without

such Grantee's consent, provided that no such consent shall be required if the Administration Committee determines in its sole discretion that such amendment or alteration either:

- (a) is necessary or advisable in order for the Company, this Scheme or the Award to satisfy any applicable law or Listing Rules or to meet the requirements of, or avoid adverse consequences under, any accounting standard; or
- (b) is not reasonably likely to diminish materially the benefits provided under such Award, or that any such diminishment has been adequately compensated.

9.1.3 The approval of the Shareholders in general meeting is required for any amendment or alteration to the terms of this Scheme which are of a material nature or to those provisions of this Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the extent that such alteration or amendment operates to the advantage of Participants.

9.1.4 Any amendment or alteration to the terms of any Award the grant of which was subject to the approval of a particular body (such as the Board or any committee thereof, the independent non-executive Directors, or the Shareholders in general meeting) shall be subject to approval by that same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of this Scheme. Without limiting the generality of the foregoing, any change in the terms of Awards granted to any Grantee who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in general meeting in the manner required in the Listing Rules if the initial grant of the Awards requires such approval (except where the changes take effect automatically under the rules of this Scheme).

#### 8.29.2 Termination

~~8.2.1~~ This Scheme shall commence on the Adoption Date and shall remain valid and 9.2.1 effective for a period of 10 years from the Adoption Date. Notwithstanding anything contained to the contrary in this Scheme and without prejudice to any subsisting rights of any ~~Selected Participant~~ Grantee and subject to the requirements under the Listing Rules, this Scheme can be terminated ~~or extended~~ by a resolution of the Board.

9.2.2 Awards complying with the provisions of Chapter 17 of the Listing Rules which are granted during the life of the Scheme and remaining unexercised and unexpired immediately prior to the termination of the operation of the Scheme in accordance with Clause 9.2.1 shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Scheme.

8.2.2 Upon termination, no further Awards ~~Shares~~ shall be granted. The Company  
9.2.3 shall notify the Trustee of such termination.

8.2.3 Upon receipt of the notification of termination from the Company in writing,  
9.2.4 the Trustee shall within 5 Business Days of receiving such notice of termination, or such longer time as the Trustee and the Administration Committee may agree from time to time, vest in the ~~Selected Participants~~ Grantees all Award Shares referable to the date of termination which are not vested by transferring the same held by and in the trust fund of the Trust to the relevant Nominee Accounts in which the vested Award Shares are held on behalf of the Grantees; and (i) sell all Unaccepted Shares, Unvested Shares, and non-cash income remaining in the Trust, if any, and remit the proceeds of sale of the same together with any residual cash accrued in the Trust net of all appropriate expenses in connection with such sale in accordance with the Trust Deed, to the Company forthwith after the sale; or (ii) handle such Shares and non-cash income in such other manner in accordance with the instructions of the Board.

## **10. CONFIDENTIALITY**

10.1.1 All information pertaining to the Awards to the Grantees must be kept confidential by the Grantees. Grantees must not make any copies of the Scheme documents or show any such documents to any other person (other than such Grantee's legal, tax or investor advisor) without written authorization from the Company.

10.1.2 The Company and the Trustee may hold certain personal information about Grantees, including but not limited to name, home address and telephone number, date of birth, identity card number, passport number, salary, nationality, job title, any shares of stock or directorships held in the Company and details of documentation relating to the Awards, each for the purposes of implementing, administering and managing the Scheme (collectively, "Data"). As a condition of the Awards, Grantees consent to the collection, use, retention and transfer of personal Data.

10.1.3 The Trustee and the Company may transfer Data among themselves for the purposes of implementing, administering and managing the Scheme and as may be necessary to comply with any relevant securities, tax, stock exchange or other law or requirement. The Trustee and the Company may each further transfer Data to any third parties assisting the Company and the Trustee in the implementation, administration, and management of the Scheme, and who have a duty of

confidentiality to the Company and the Trustee. By participating in the Scheme, the Grantees authorize such parties to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Scheme.

#### 9.11. MISCELLANEOUS

~~9.1~~ The Company shall be responsible for the costs of establishing and administering 11.1 this Scheme. All other expenses including but not limited to transaction levy, brokerage, stamp duty, tax and expenses of whatsoever nature payable on the part of any ~~Selected Participant~~ Grantee or the Trustee in respect of any sale, vesting or transfer of Shares pursuant to this Scheme (“**excluded expenses**”) shall be borne by the ~~Selected Participant~~ Grantee.

~~9.2~~ This Scheme shall not form part of any contract of employment or contract for 11.2 service (as the case may be) between the Company or any Subsidiary and any Participant, and the rights and obligations of any Participant under the terms of his or her office or employment shall not be affected by his or her participation in this Scheme or any right which he or she may have to participate in it and this Scheme shall afford such Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

~~9.3~~ Notwithstanding Clause ~~9.2~~11.2 and for the avoidance of doubt, any Grant to a chief 11.3 executive or a director of the Company or any Subsidiary shall, for the purpose of the Listing Rules, form part of the remuneration package under their respective service contracts with the Company or a Subsidiary (as the case may be).

~~9.4~~ Save as specifically provided herein, this Scheme shall not confer on any person any 11.4 legal or equitable rights (other than those constituting and attaching to the Award Shares themselves) against the Company directly or indirectly or give rise to any cause of action at law, in equity or otherwise against the Company.

~~9.5~~ Any notice to be given to the Company may be given by sending the same by 11.5 prepaid post or by personal delivery to the Company at its principal place of business in Hong Kong or as notified to the Trustee or Participants or ~~Selected Participants~~ Grantees from time to time and shall be effected upon receipt.

~~9.1~~ Any notice or other communication served by post:

11.6

- (a) by the Company or the Trustee shall be deemed to have been served 24 hours after the same was put in the post; and
- (b) by a Participant or ~~Selected Participant~~ Grantee shall not be deemed to have been received until the same shall have been received by the Company.

~~9.7~~ Any notice (including the Vesting Notice) or other communication from the ~~11.7~~ Company to any Participant or ~~Selected Participant~~ Grantee may be given by any electronic means, as the Board or the Administration Committee considers appropriate. Any notice or other communication served by electronic means shall be deemed to have been received 24 hours after the time it was sent.

~~9.8~~ The Company shall not be responsible for any failure by any Participant to obtain 11.8 any consent or approval required for such Participant to participate in this Scheme or for any tax, duty, expenses, fees or any other liability to which he/she may become subject as a result of his or her participation in this Scheme.

#### **10.12. GOVERNING LAW**

~~10.7~~ This Scheme shall operate subject to the Articles and any applicable laws and 12.1 regulations to which the Company is subject.

~~10.8~~ This Scheme and the Shares granted under this Scheme shall be governed by and 12.2 construed in accordance with the laws of Hong Kong.

For and on behalf  
**Alphamab Oncology**

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Name: Xu Ting  
Title: Director

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## NOTICE OF ANNUAL GENERAL MEETING

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### ALPHAMAB ONCOLOGY

### 康寧傑瑞生物製藥

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

**(Stock Code: 9966)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “**Annual General Meeting**”) of Alphamab Oncology (the “**Company**”) will be held at No. 175 Fangzhou Road, Suzhou Industrial Park, Suzhou, Jiangsu Province, China, on Wednesday, June 12, 2024 at 9:00 a.m. physically for the following purposes:

#### ORDINARY RESOLUTIONS

1. To consider and receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of Directors (the “**Directors**”) of the Company and the auditors of the Company for the year ended December 31, 2023.
2. To consider as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

**“THAT:**

- (i) subject to paragraph (ii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange in accordance with all applicable laws including The Codes on Takeovers and Mergers and Share Buy-backs and The Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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(ii) the aggregate number of shares, which may be repurchased pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed 10% of the total number of the issued share capital of the Company (excluding any Shares that are held as treasury Shares) as of the date of passing of this resolution, and the said approval shall be limited accordingly; and

(iii) for the purpose of this Resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

3. To consider as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

“**THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and otherwise deal with Shares (including any sale and transfer of Shares out of treasury that are held as treasury Shares) (which shall have the meaning ascribed to it under the Rules Governing the Listing of Securities on The Stock Exchange of the Hong Kong Limited coming into effect on June 11, 2024) in the capital of the Company, or options, warrants or similar rights to subscribe for Shares or other securities convertible into Shares and to make or grant offers, agreements and/or options (including bonds, warrants and debentures exchangeable for or convertible into Shares) and rights of exchange or conversion which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options (including bonds, warrants and debentures exchangeable or convertible into Shares) and rights of exchange or conversion which may require the exercise of such power after the end of the Relevant Period;



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## NOTICE OF ANNUAL GENERAL MEETING

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(iii) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors during the Relevant Period pursuant to paragraph (i) or (ii) of this resolution above, otherwise than pursuant to:

- (a) a Rights Issue (as hereinafter defined);
- (b) the grant or exercise of any option under any share option scheme of the Company (if applicable) or any other option scheme or similar arrangements for the time being adopted for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for Shares or rights to acquire Shares;
- (c) any scrip dividend scheme or similar arrangement providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company; or
- (d) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into Shares,

shall not exceed 20% of the total number of the issued share capital of the Company (excluding any Shares that are held as treasury Shares) as of the date of passing this resolution and the approval shall be limited accordingly; and

(iv) for the purpose of this resolution:

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

- (1) the conclusion of the next annual general meeting of the Company unless, by ordinary resolution passed at that meeting, the authority given under this resolution is renewed, either unconditionally or subject to conditions; or
- (2) the date on which such authority given under this resolution is varied or revoked by an ordinary resolution of the Shareholders in a general meeting of the Company.

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## NOTICE OF ANNUAL GENERAL MEETING

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“**Rights Issue**” means an offer of Shares, or an offer or issue of warrants, options or other securities which carry a right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members on a fixed record date in proportion to their holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognized regulatory body or any stock exchange applicable to the Company).”

4. To consider as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

“**THAT** conditional upon the passing of the resolutions 2 and 3, the general mandate referred to in the resolution 3 be and is hereby extended by the addition to the aggregate number of Shares which may be allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with by the Directors pursuant to such general mandate of an amount representing the aggregate number of Shares repurchased by the Company pursuant to the general mandate pursuant to resolution 2, provided that such extended amount shall not exceed 10% of the total number of the issued share capital of the Company (excluding any Shares that are held as treasury Shares) as of the date of passing this resolution.”

5. To re-elect the following Directors:
- (i) To re-elect Ms. LIU Yang as an executive Director; and
  - (ii) To re-elect Dr. GUO Zijian as an independent non-executive Director.
6. To authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of the Directors.
7. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company and authorize the Board to fix their remuneration.
8. To consider as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

“**THAT**

- (i) the proposed amendments to the post-IPO share option scheme of the Company adopted on May 25, 2020 (the “**Proposed SOS Amendments**”), the amended terms of which are set out in appendix IV to the circular of the Company dated May 21, 2024, be and are hereby approved, confirmed and adopted; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the Directors be and is/are hereby authorized to execute all such documents and do all such other acts and things as he/she/they may, in his/her/their absolute discretion, consider necessary, desirable or expedient to effect the Proposed SOS Amendments and any of the foregoing.”
9. To consider as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

**“THAT**

- (i) the proposed amendments to the restricted share award scheme of the Company adopted on March 31, 2021 (the “**Proposed SAS Amendments**”), the amended terms of which are set out in appendix V to the circular of the Company dated May 21, 2024, be and are hereby approved, confirmed and adopted; and
  - (ii) the Directors be and is/are hereby authorized to execute all such documents and do all such other acts and things as he/she/they may, in his/her/their absolute discretion, consider necessary, desirable or expedient to effect the Proposed SAS Amendments and any of the foregoing.”
10. To consider as special business and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

**“THAT**

- (i) the proposed refreshment of the Scheme Mandate Limit (as defined in the circular of the Company dated May 21, 2024), be and are hereby approved and confirmed; and
- (ii) the Directors be and is/are hereby authorized to execute all such documents and do all such other acts and things as he/she/they may, in his/her/their absolute discretion, consider necessary, desirable or expedient to effect the Scheme Mandate Limit and any of the foregoing.”

By order of the Board  
**Alphamab Oncology**  
**Dr. XU Ting**  
*Chairman and Executive Director*

Hong Kong, May 21, 2024

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

- (i) For the purpose of determining the identity of the shareholders of the Company (“**Shareholders**”) entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, June 6, 2024 to Wednesday, June 12, 2024, both dates inclusive, during which period no transfer of shares will be effected. All transfers accompanied by the relevant certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, June 5, 2024.
- (ii) A Shareholder of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or, if he/she is the holder of two or more Shares, more proxies to attend and vote instead of him. A proxy need not be a Shareholder of the Company.
- (iii) In the case of joint holders of any Share, any one of such persons may vote at the Annual General Meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto. However, if more than one of such joint holders be present at the Annual General Meeting personally or by proxy, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Hong Kong share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the Annual General Meeting (i.e. not later than 9:00 a.m. on Monday, June 10, 2024). The completion and delivery of the form of proxy shall not preclude the Shareholders from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) if they so wish and in such event, the form of proxy shall be deemed to be revoked.
- (v) All resolutions at the Annual General Meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
- (vi) In respect of the ordinary resolutions 2, 3 and 4, the Directors wish to state that they have no immediate plans to repurchase any existing Shares or issue any new Shares.
- (vii) Shareholders attending the Annual General Meeting in person or by proxy shall bear their own transportation and accommodation expenses, and shall produce their identity documents.
- (viii) References to dates and time in this notice are to Hong Kong dates and time.
- (ix) References herein to an allotment, issue or dealing with securities or Shares shall include a sale or transfer of treasury Shares held under the name of the Company pursuant to the applicable requirements under the Listing Rules.