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If you have sold or transferred all your shares in **Akeso, Inc.**, you should at once hand this circular with the enclosed form of proxy to the purchaser or 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 the transferee.

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Akesobio

Akeso, Inc.

康方生物科技（開曼）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9926)

**PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES;
PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
PROPOSED AMENDMENTS TO THE 2021 RSU SCHEME;
PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME;
PROPOSED RE-APPOINTMENT OF AUDITORS;
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Akeso, Inc. to be held at 6 Shennong Road, Torch Development Zone, Zhongshan, Guangdong, the People's Republic of China on Sunday, June 30, 2024 at 2:00 p.m. is set out on pages 57 to 62 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 website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the website of the Company at www.akesobio.com. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. no later than 2:00 p.m. on Friday, June 28, 2024, Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof if they so wish.

June 6, 2024

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DEFINITIONS

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

“2021 RSU Scheme”	the RSU scheme approved and adopted by the Company on December 6, 2021, as amended from time to time
“2021 RSU Scheme Adoption Date”	December 6, 2021
“Amendment Date”	the date on which the amendments of the Share Schemes are approved upon Shareholders’ approval at a general meeting
“Annual General Meeting”	the annual general meeting of the Company to be held at 6 Shennong Road, Torch Development Zone, Zhongshan, Guangdong, the People’s Republic of China on Sunday, June 30, 2024 at 2:00 p.m., or any adjournment thereof and notice of which is set out on pages 57 to 62 of this circular
“Articles of Association”	the articles of association of the Company as amended from time to time
“Associate(s)”	has the meaning as defined under the Listing Rules
“Awards”	RSUs granted by the Board pursuant to the rules of the 2021 RSU Scheme
“Award Shares”	Share(s) underlying the RSU(s) granted to the Selected Participants under the rules of the 2021 RSU Scheme
“Board”	the board of Directors, and, for the purpose of the Share Schemes, includes a duly authorised committee thereof
“Cayman Companies Act”	the Companies Act, (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“China” or “the PRC”	the People’s Republic of China excluding, for the purpose of this circular and for geographical reference only and except where the context requires otherwise, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Company”	Akeso, Inc. (康方生物科技(開曼)有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on January 30, 2019
“Connected Person(s)”	has the meaning ascribed to it in the Listing Rules

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“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	participant(s) selected by the Board for participation in the Share Option Scheme
“Employee Participant(s)”	means any employee (including employee-to-be who are granted Options or Awards under the Share Option Scheme or 2021 RSU Scheme as an inducement to enter into employment contracts with the Group), director or officer of the Company or any of its subsidiaries
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or deal with the Shares not exceeding 20% of the aggregate number of the shares of the Company in issue (excluding treasury shares) as at the date of passing of the relevant resolution granting the relevant mandate
“Latest Practicable Date”	May 30, 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	April 24, 2020, on which the Shares were listed and from which dealings therein were permitted to take place on 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)
“Memorandum” or “Memorandum of Association”	the memorandum of association of the Company as amended from time to time
“Nomination Committee”	the nomination committee of the Company

DEFINITIONS

“Options” or “Share Options”	a right to subscribe for Shares granted pursuant to the rules of the Share Option Scheme
“Pre-IPO RSU Scheme”	the restricted share unit scheme approved and adopted by the Company on August 29, 2019 as amended from time to time, for the benefit of any director, employee, adviser or consultant of the Company or any of its subsidiaries
“Remuneration Committee”	remuneration committee of the Board
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the aggregate number of the shares of the Company in issue (excluding treasury shares) as at the date of passing of the relevant resolution granting the relevant mandate
“RMB”	Renminbi, the lawful currency of the PRC
“RSUs”	restricted share unit(s) underlying the Awards granted or to be granted under the 2021 RSU Scheme
“Scheme Limit”	as defined in the section headed “6. Proposed Amendments to the Share Schemes — Adoption of the Scheme Limit and Service Provider Sublimit” of this circular
“Selected Participant(s)”	participant(s) selected by the Board for participation in the 2021 RSU Scheme
“Service Provider(s)”	subject to the rules of the Share Schemes, any advisor, consultant or any service provider (including a natural person or corporate entity) provides research, development or other technical support to the Group on a continuing or recurring basis in the ordinary and usual course of business which are in the interests of the long term growth of the Group as determined by the Board. For the avoidance of doubt, Service Providers exclude placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity
“Service Provider Sublimit”	as defined in the section headed “6. Proposed Amendments to the Share Schemes — Adoption of the Scheme Limit and Service Provider Sublimit” of this circular
“SFC”	the Securities and Futures Commission of Hong Kong

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme approved and adopted by the Company on June 28, 2022, as amended from time to time
“Share Option Scheme Adoption Date”	June 28, 2022
“Share Schemes”	collectively, the 2021 RSU Scheme and the Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a grantee may subscribe for Shares on the exercise of an Option
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC, as amended, supplemented or otherwise modified from time to time
“treasury shares”	has the meaning ascribed to it in the Listing Rules
“Trust”	the trust constituted by the Trust Deed
“Trustee”	Futu Trustee Limited, and any additional or replacement trustees, being the trustee or trustees for the time being of the trust declared in the Trust Deed
“Trust Deed”	the trust deed entered into between the Trustee and the Company for the administration of the 2021 RSU Scheme
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent

In this circular, the terms “close associate”, “core connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.



Akesobio

Akeso, Inc.

康方生物科技（開曼）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9926)

Executive Directors:

Dr. XIA Yu (*Chairwoman, president,
and chief executive officer*)

Dr. LI Baiyong

Dr. WANG Zhongmin Maxwell

Mr. XIA Yu (Ph.D.)

Non-executive Directors:

Dr. ZHOU Yi

Mr. XIE Ronggang

Independent Non-executive Directors:

Dr. ZENG Junwen

Dr. XU Yan

Mr. TAN Bo

Registered office:

Floor 4, Willow House

Cricket Square

Grand Cayman KY1-9010

Cayman Islands

Principal place of business

in Hong Kong:

Room 1901, 19/F, Lee Garden One

33 Hysan Avenue

Causeway Bay

Hong Kong

June 6, 2024

To the Shareholders

Dear Sir or Madam

**PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SHARES;
PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
PROPOSED AMENDMENTS TO THE 2021 RSU SCHEME;
PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME;
PROPOSED RE-APPOINTMENT OF AUDITORS;
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you the notice of Annual General Meeting and further information about the following proposals to be put forward at the Annual General Meeting: (a) the grant to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; (b) the re-election of the retiring Directors; (c) the re-appointment of auditors of the Company; (d) the amendments to the 2021 RSU Scheme; and (e) the amendments to the Share Option Scheme, and to give the Shareholders notice of Annual General Meeting at which ordinary resolutions as set out in the notice of Annual General Meeting will be proposed.

LETTER FROM THE BOARD

Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules was amended to govern share schemes involving the grant of share options and share awards with effect from January 1, 2023. In light of the Consultation Conclusions, the scheme rules of the 2021 RSU Scheme and the Share Option Scheme (i.e. the “**Share Schemes**” collectively) must be amended to bring them in line with the Listing Rules by the second annual general meeting after January 1, 2023. As such, the Board has resolved to propose amendments to be made to (i) the 2021 RSU Scheme (the “**Proposed Amendments to the 2021 RSU Scheme**”); and (ii) the Share Option Scheme (the “**Proposed Amendments to the Share Option Scheme**”), details of which are set out in “6. PROPOSED AMENDMENTS TO THE SHARE SCHEMES” in this circular.

2. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on June 28, 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, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the general mandate to issue the Shares. At the Annual General Meeting, an ordinary resolution no. 4(A) will be proposed to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and deal with the additional Shares in the share capital of the Company up to 20% of the aggregate number of the Shares in issue (excluding treasury shares) as at the date of passing of the resolution in relation to the Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 865,857,176 Shares. Subject to the passing of the ordinary resolution no. 4(A) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to issue a maximum of 173,171,435 Shares under the Issue Mandate, representing 20% of the aggregate number of the Shares in issue (excluding treasury shares).

The Company does not hold any treasury shares as at the Latest Practicable Date. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Issue Mandate.

The Issue Mandate will continue to be in force from the passing of the said resolution 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 under the applicable laws or the Articles of Association; or (iii) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders of the Company in general meeting.

LETTER FROM THE BOARD

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on June 28, 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 the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase the Shares representing up to 10% of the aggregate number of the Shares in issue (excluding treasury shares) as at the date of passing of the resolution in relation to the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 865,857,176 Shares. Subject to the passing of the ordinary resolution no. 4(B) and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to buy back a maximum of 86,585,717 Shares under the Repurchase Mandate, representing 10% of the aggregate number of the Shares in issue (excluding treasury shares).

The Repurchase Mandate, if approved, will continue in force 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 under any applicable laws or the Articles of Association; or (iii) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders of the Company in general meeting.

The Company has no current intention of exercising the Repurchase Mandate.

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

4. PROPOSED GRANTING OF EXTENSION MANDATE

Subject to a separate approval of the ordinary resolution no. 4(C), the number of Shares repurchased by the Company under ordinary resolution no. 4(B) will also be added to extend the 20% limit of the Issue Mandate as mentioned in the ordinary resolution no. 4(A), provided that such additional amount shall not exceed 10% of the aggregate number of the Shares in issue (excluding treasury shares) as at the date of passing the resolutions in relation to the Issue Mandate and the Repurchase Mandate.

LETTER FROM THE BOARD

5. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with article 16.18 of the Articles of Association, at every annual general meeting of the Company, one-third of the Directors shall retire from office by rotation and subject to retirement by rotation at least once every three years, and accordingly, the Directors being Dr. XIA Yu, Dr. LI Baiyong and Dr. WANG Zhongmin Maxwell will retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

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

6. PROPOSED AMENDMENTS TO THE SHARE SCHEMES

The Company adopted the 2021 RSU Scheme on December 6, 2021 and the Share Option Scheme on June 28, 2022. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules was amended to govern share schemes involving the grant of share options and share awards with effect from January 1, 2023. In light of the Consultation Conclusions, the scheme rules of the 2021 RSU Scheme and the Share Option Scheme must be amended to bring them in line with the Listing Rules by the second annual general meeting after January 1, 2023. As such, the Board has resolved to propose amendments to be made to the 2021 RSU Scheme and the Share Option Scheme.

As disclosed in Appendices III and IV to this circular, the specific objectives of the Share Schemes are (i) to recognize the contributions to the success of the Company by certain participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

None of the Directors is a trustee of either of the Share Schemes, or has any direct or indirect interest in the trustee of either of the Share Schemes.

Key Changes Entailed by the Proposed Amendments to the 2021 RSU Scheme

The key changes entailed by the Proposed Amendments to the 2021 RSU Scheme are set out below, with further details set forth in Appendix III to this circular.

- (a) to revise the definition and scope of Selected Participants, covering Employee Participants and Service Providers, and codify the factors of determining the eligibility of Service Providers;
- (b) to adopt the Scheme Limit and the Service Provider Sublimit;
- (c) to codify the requirement of independent Shareholders' approval for refreshment of the Scheme Limit and Service Provider Sublimit;

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- (d) to codify the requirement of approval by the Shareholders for any grant of Awards to a Selected Participant if the number of Shares issued and to be issued in respect of all Awards and any other awards granted and to be granted (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 from time to time (excluding any treasury 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 (excluding awards lapsed in accordance with relevant scheme rules) in any 12-month period exceeds 0.1% of the total number of issued Shares (excluding any treasury 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 (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 (excluding any treasury shares);
- (g) to elaborate on the provision for adjustment of the Awards granted under the 2021 RSU Scheme in the event of a capitalization, rights issue, subdivision or reduction of share capital;
- (h) to adopt the minimum vesting period of 12 months save where the grant of Awards to Employee Participants are subject to a shorter vesting period under specific circumstances;
- (i) to codify the requirement for Shareholders' approval for any alterations to the provisions of the 2021 RSU Scheme relating to the matters set out in Rule 17.03 of the Listing Rules;
- (j) to codify the clawback mechanism under specific scenarios;
- (k) to elaborate on the scope of criteria for performance targets attached to the awards granted; and
- (l) to include other amendments for house-keeping purposes and to better align the wording with that of the Listing Rules.

Key Changes Entailed by the Proposed Amendments to the Share Option Scheme

The key changes entailed by the Proposed Amendments to the Share Option Scheme are set out below, with further details set forth in Appendix IV to this circular.

LETTER FROM THE BOARD

- (a) to revise the definition and scope of Eligible Participants, covering Employee Participants and Service Providers;
- (b) to adopt the Scheme Limit and the Service Provider Sublimit;
- (c) to codify the requirement of independent Shareholders' approval for refreshment of the Scheme Limit and Service Provider Sublimit;
- (d) to adopt the minimum vesting period of 12 months save where the grant of Options to Employee Participants are subject to a shorter vesting period under specific circumstances;
- (e) to codify the requirement for Shareholders' approval for any alterations to the provisions of the Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules; and
- (f) to include other amendments for house-keeping purposes and to better align the wording with that of the Listing Rules.

Basis of Eligibility of the Participants under the Share Schemes

Participants under the Share Schemes, as amended, include: (i) the Employee Participants; and (ii) the Service Providers. The basis of eligibility of any of the above classes of Participants to the grant of any Awards under the 2021 RSU Scheme and the grant of Options under the Share Option Scheme shall be determined by the Board from time to time based on the criteria set out below.

Employee Participants and Basis of Eligibility

Employee Participants include any employee (including employee-to-be who are granted Awards or Options as an inducement to enter into employment contracts with the Group), director or officer of the Company or any of its subsidiaries. In determining the criteria for the eligibility of the Employee Participants under the Share Schemes, the Board will assess their potential and/or actual contribution to the Group. For the basis of determining the eligibility of Directors, the Board will consider period of employment, responsibilities, time commitment, knowledge in the industry and prevailing market practice. For the basis of determining the eligibility of senior management and other employee, the Board will consider individual performance, time commitment, responsibilities, work experience, professional qualifications and knowledge in the industry.

Service Providers and Basis of Eligibility

Service Providers include any advisor, consultant or any service provider (including a natural person or corporate entity) providing research, development or other technical support to the Group on a continuing or recurring basis in the ordinary and usual course of business which are in the interests of the long term growth of the Group as determined by the Board. For the avoidance of doubt, Service Providers exclude placing agents or

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financial advisers providing advisory services for fundraising, mergers or acquisitions, professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity.

Based on such criteria, the Board has categorized the Service Providers to include the Group's:

- (a) **Consultants and advisors.** Those that (a) provide professional consultancy services material and relevant to the Group's operations (including but not limited to services in market advisory services, strategic/commercial planning on corporate image and investor relations in investment environment of the Company); (b) engage with the Group on a regular or recurring basis; and have specialties or expertise in areas that supplement the Group or with which the Group would consider important to maintain a close business relationship on an ongoing basis;
- (b) **Suppliers.** Those that supply the Group with goods on a regular or recurring basis, with which the Group would consider important to maintain a close business relationship on an ongoing basis, and in turn, it would be beneficial to the Group's business relationship to grant such supplier with proprietary ownership in the Company and to encourage the supplier to have a vested shareholding interest in the Group and in the Group's future development; and
- (c) **Agents and contractors.** Those that provide important services to the Group which are fundamental or material to the business operations or development of the Group and akin to those of employees (such as services in research and clinical development, manufacturing and commercialization of products and other technical support services) on a regular or recurring basis with which the Group would consider important to maintain a close collaborative relationship on an ongoing basis, that in turn, it would be beneficial to the collaboration between the Group and the agents and/or contractors to grant such agents and/or contractors proprietary ownership in the Company and to encourage the agents and/or contractors to have a vested shareholding interest in the Group and the Group's future development and future prospects in terms of the profits and/or income attributable to the Service Provider's collaboration with the Group.

In determining a Service Provider's eligibility under the Share Schemes, assessing factors include, among others, (a) the scale of their business dealings with the Group, the length of business relationships between them and the Group, the positive impacts (in terms of, including without limitation, proactively promoting/catalysing the continuing development and growth of the Group, and bringing innovation, new talents and expertise to the Group), potential and/or actual contribution on the Group's business development, the future plans in relation to further business collaboration and generally the significance to the Group of building long-term business relationships with them; (b) whether such Service Provider has a proven track record of timely delivery of services, the quality of services delivered, the scale of their business dealings with the Group, the ease of replacing such service provider(s) with another Service Provider which could offer similar

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quality and consistency in the provision of services; (c) the potential and/or actual degree of involvement in and/or cooperation with the Group with regard to the number, scale and nature of projects, and the period of engagement/cooperation/business relationship with the Group; (d) whether the Service Provider is regarded as a valuable human resource of the Group based on the person's work experience, professional qualifications, knowledge in the industry or other relevant factors (including without limitation technical knowhow, market competitiveness, synergy between him/her and the Group, external business connections, strategic value, and repute and credibility); and/or (e) the usual fees chargeable by other Service Provider in the market and the contribution of the advisors and consultants in considering whether to grant Awards to them.

The Board believes that the grant of Awards or Options would not only align the interest of the Group with these grantees but also provide incentive and reward for (i) their participation and involvement in promotion the business of the Group, (ii) their joint and collaborate efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Awards or Options, such eligible persons will have a common goal as the Group in the growth and development of the Group's business and therefore aligns with the purpose of the Share Schemes.

View of Independent Non-executive Directors on Inclusion of Service Providers as Participants

The Directors (including the independent non-executive Directors) considered that it is beneficial to include the Service Providers since a sustainable and stable relationship with them is helpful to the business development of the Group and that the grant of Options or Awards to these Service Providers will align their interests with the Group's, incentivize them to provide better services to the Group and/or contribute to the success of the Group in the long run.

The Board (including independent non-executive Directors) considered that the proposed scope of the Service Providers and the inclusion of them as eligible participants serves the purpose of maintaining or enhancing the competitiveness of the Group, considering that it is in line with (i) the Company's business needs, i.e. despite that Service Providers may not be directly appointed or employed by the members of the Group (who would otherwise be categorized as Employee Participants), they are nonetheless potential valuable human resources to the Group, given their extensive connections in the market, knowledge and expertise of the industry, as well as close corporate and collaborative relationships with the Group, and (ii) the industry norm, and it enables the Company to preserve flexibility using share incentives to encourage the Service Providers to contribute to the Group and align the mutual interests.

Despite of the inclusion of Service Providers, the Board will take into various factors, especially the contribution to the Group, when assessing whether to make grants to any Service Providers. It is expected that such grants will be strictly confined to the extent necessary, and be companioned with certain contribution targets as the vesting conditions where necessary.

LETTER FROM THE BOARD

Accordingly, the Board (including the independent non-executive Directors) consider the inclusion of Service Providers as participants under the Share Schemes fits the purpose of the Share Schemes and is in the interests of the Company and its Shareholders.

Grant Consideration of Awards under the 2021 RSU Scheme and Exercise Price of Options under the Share Option Scheme

Grant Consideration of Awards under the 2021 RSU Scheme

In determining the grant consideration of Awards (if any) under the 2021 RSU Scheme, the Board shall take into account considerations such as the prevailing closing price of the Shares, the purpose of the Awards and the contribution of the participant.

The purpose of the above pricing method is to ensure the effectiveness of the 2021 RSU Scheme, further stabilize and motivate the participant, and provide a mechanism for securing talent for the long-term and stable development of the Company. The grant consideration of Awards (if any) will be determined with due consideration to the effectiveness of the 2021 RSU Scheme and the impact of the Company's expenses, and will not have a negative impact on the Company's operation, reflecting the actual incentive needs of the Company and is reasonable. Except for such grant consideration which shall be paid in such manner and on or before such deadline(s) as prescribed in the relevant grant notice, no other purchase price shall be paid for the Awards. The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then serve as a more meaningful reward for the selected participants' contribution or potential contribution. Further, by allowing the Company to grant Awards under the 2021 RSU Scheme at a grant consideration (if any) on a case by case basis, the Company may be in a better position to retain such participants to continue serving the Group whilst at the same time providing these participants further incentive in achieving the goals of the Group. Some room for discretion provides the Board with flexibility to stipulate, if necessary, grant consideration for the Awards, while balancing the purpose of the Awards and interests of Shareholders. Therefore, the aforesaid term regarding the grant consideration of Awards aligns with the purpose of the 2021 RSU Scheme.

Subscription Price of Options under the Share Option Scheme

Grantees to whom Options shall be granted are entitled to subscribe for the number of Shares at the subscription price as determined on the date of grant. The basis for determining the subscription price is also specified precisely in the Share Option Scheme, which is summarized under the paragraph headed "5. Subscription Price" in Appendix IV to this circular. As the subscription price must be not less than the price stipulated in the Listing Rules, it is expected that grantees will endeavour to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalize on the benefits of the Options, which in turn is expected to benefit the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Vesting period

To ensure the practicability in fully attaining the purpose of the Share Schemes, the Board is of the view that:

- (a) there are certain instances where a strict 12-month vesting requirement would not work or would not be fair to the holders of the Awards (as those set out in the paragraph headed “9. Vesting and Lapse” in Appendix III to this circular and “6. Vesting of Options” in Appendix IV to this circular);
- (b) there is a need for the Company to retain flexibility in certain cases to (i) reward a participant based on the past performance as appraised by the human resources department of the Company or the executives as designated by the Board, and (ii) provide a competitive remuneration package to attract and retain individuals to provide services to the Group, to provide for succession planning and the effective transition of employee responsibility, and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified;
- (c) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time based vesting criteria depending on individual circumstances; and
- (d) such vesting period is in line with the requirements under the Listing Rules and customary market practice.

Hence, the Board is of the view that the vesting period of the Share Schemes is in line with the market practice and is appropriate and aligns with the purpose of the Share Schemes.

Performance Targets and Clawback Mechanism

Vesting of Awards and Options shall be subject to performance targets, if any, to be satisfied by the relevant grantees as determined by the Board from time to time. The performance targets may comprise a mixture of attaining a satisfactory key performance indicators components (such as the business performance and financial performance of the Group or departmental and individual performance based on the annual performance assessment results) which may vary among the grantees. For the avoidance of doubt, the performance targets are not applicable to independent non-executive Directors.

To the extent where Awards or Options are offered without any performance objectives attached, the Board considered that such incentive could still serve a long-term incentive purpose because, each such grant, on its own, represents a means of direct encouragement and forms part of the remuneration package. In addition, the intrinsic value of the Awards and the Options will be linked to the Share price of the Company at the time of vesting (in the case of Awards) and exercise (in the case of Options), which in

LETTER FROM THE BOARD

turn depends upon the future performance of the Company. The time-based nature of the Awards and Options (for example, a minimum vesting period) will ensure that the long-term interests of the grantees and the Group are aligned. Based on the foregoing, in the event that no performance objectives are attached to grants made under the Share Schemes, the Company considered that the Selected Participants will nevertheless be motivated to contribute towards the development of the Group and thus such arrangement will be conducive to providing incentive and reward for participation, involvement and promotion the business of the Group, and therefore aligns with the purpose of the Share Schemes.

For details of the clawback mechanism of the 2021 RSU Scheme and the Share Option Scheme, please refer to the paragraph headed “10. Cancellation and Claw Back” in Appendix III to this circular and “4. Eligibility and Grant of Options” in the Appendices IV to this circular.

The Board is of the view that such clawback mechanism provides an option for the Company to clawback the equity incentives granted to grantees culpable of misconduct and is in line with the purpose of the Share Schemes and the interests of Shareholders.

Conditions for the Proposed Amendments to the Share Schemes

Ordinary resolutions will be proposed at the AGM for the Shareholders to consider and, if thought fit, approve, *inter alia*, the Proposed Amendments to the 2021 RSU Scheme, the Proposed Amendments to the Share Option Scheme, and the Scheme Limit and the Service Provider Sublimit under the 2021 RSU Scheme and the Share Option Scheme, respectively. Save as disclosed in this circular, no Shareholder is required to abstain from voting on the relevant resolutions at the AGM to approve the Proposed Amendments to the 2021 RSU Scheme, the Proposed Amendments to the Share Option Scheme, and the Scheme Limit and the Service Provider Sublimit under the 2021 RSU Scheme and the Share Option Scheme, respectively.

A summary of the principal terms each of the 2021 RSU Scheme and the Share Option Scheme to be approved at the AGM is set out in Appendices III and IV to this circular respectively.

Details of the outstanding Options and Awards under the Share Schemes

As of the Latest Practicable Date, a total of 110,000 Awards and 450,000 Options, representing 110,000 and 450,000 underlying Shares, were granted and outstanding under the 2021 RSU Scheme and the Share Option Scheme, respectively. Such outstanding Awards and Options granted shall continue to be valid after the amendment of the Share Schemes taking effect in accordance with the existing terms of the Share Scheme.

As of the Latest Practicable Date, (i) no new Shares had been allotted and issued under the 2021 RSU Scheme and the Share Option Scheme; and (ii) 2,401,000 Shares were held by the Trustee which were purchased by the Trustee on the market for the purpose of satisfying the Awards granted under the 2021 RSU Scheme.

LETTER FROM THE BOARD

The Pre-IPO RSU Scheme

As (i) the Company intends to amend each of the Share Schemes to comply with the Listing Rules at the Annual General Meeting in light of the amendments to Chapter 17 of the Listing Rules which took effect from January 1, 2023 and the Consultation Conclusion; (ii) the Company does not intend to grant any further awards under the Pre-IPO RSU Scheme upon the adoption of the amendments to the Share Schemes, the Company intends to terminate the Pre-IPO RSU Scheme, subject to the Shareholders' approval of the proposed amendments to the Share Schemes at the Annual General Meeting.

The Pre-IPO RSU Scheme was approved and adopted by the Company on August 29, 2019. According to the terms of the Pre-IPO RSU Scheme, the scheme may be early terminated as determined by the Board, and in such event no further restricted share unit(s) will be offered but in all other respects the provisions of the Pre-IPO RSU Scheme shall remain in full force and effect in respect of restricted share unit(s) which are granted during the life of the Pre-IPO RSU Scheme and which remain unvested immediately prior to the termination of the operation of the Pre-IPO RSU Scheme. Hence, after the termination of the Pre-IPO RSU Scheme, no further awards may be granted thereunder, while the awards already granted before the termination shall remain valid and continue to vest in accordance with the rules of the Pre-IPO RSU Scheme.

As of the Latest Practicable Date, there were 23,737,691 Shares which were held under the relevant ESOP trust of the Pre-IPO RSU Scheme with no corresponding grant of awards (the “**Outstanding Issued Shares**”). The Outstanding Issued Shares have been issued and allotted to the trustee of the ESOP trust before the listing of the Company's Shares and were funded by new Shares. The Company intends to utilize the Outstanding Issued Shares for satisfying the Awards granted under the 2021 RSU Scheme as amended. For the avoidance of doubt, (i) in respect of any future grant of Awards pursuant to the 2021 RSU Scheme as amended which are funded by such Outstanding Issued Shares, the Company will comply with the applicable requirements under Chapter 17, including but not limited to publication of announcement pursuant to Rule 17.06A of the Listing Rules, as if such grant of Awards were funded by new Shares of the Company; and (ii) such number of Outstanding Issued Shares will be excluded from the application to be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Shares to be allotted and issued by the Company for the purposes of the Share Schemes pursuant to the Scheme Limit, on the Stock Exchange.

Intention to use treasury shares as for the Share Schemes

In the event that the Company has treasury shares available, the Company may, after taking into account of relevant circumstances, use treasury shares to fund the Awards and Options to be granted under the Share Schemes.

LETTER FROM THE BOARD

Adoption of the Scheme Limit and Service Provider Sublimit

The Company shall not grant any further Option or Award which will result in the aggregate number of Shares to be issued by the Company in respect of all grants of options and awards made after the Amendment Date pursuant to the 2021 RSU Scheme, the Share Option Scheme and any other schemes adopted by the Company (excluding options and/or awards lapsed in accordance with relevant scheme rules) to exceed such number of Shares representing 10% of the total issued and outstanding Shares (excluding any treasury shares) as at the Amendment Date (the “**Scheme Limit**”), unless Shareholders approve a further refreshment of the Scheme Limit or Shareholders’ approval is obtained in compliance with the Listing Rules. As at the Latest Practicable Date, the Company has 865,857,176 issued Shares, subject to Shareholder’s approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Scheme Limit will be 86,585,717 Shares.

As the scope of the Selected Participants under the Share Schemes shall include Service Providers, the Board considers that it is appropriate to adopt a Service Provider Sublimit within the Scheme Limit in accordance with Rule 17.03A(1) of the Listing Rules.

The Company shall not grant any further Option or Award to Service Providers which will result in the aggregate number of Shares to be issued by the Company in respect of all grants of options and awards made after the Amendment Date pursuant to the 2021 RSU Scheme, the Share Option Scheme and any other schemes adopted by the Company (excluding options or awards lapsed in accordance with relevant scheme rules) to exceed such number of Shares representing 1% of the total issued and outstanding Shares (excluding any treasury shares) as at the Amendment Date (the “**Service Provider Sublimit**”), unless the Shareholders approve a further refreshment of the Service Provider Sublimit or Shareholders’ approval is obtained in compliance with the Listing Rules. As at the Latest Practicable Date, the Company has 865,857,176 issued Shares, subject to Shareholder’s approval and assuming that there is no change in the issued Shares during the period from the Latest Practicable Date to the Amendment Date, the Service Provider Sublimit will be 8,658,571 Shares.

Taking into account (i) the hiring practice, organizational structures and business models of the Group; (ii) the benefit to and needs of the Group to provide long-term equity incentives to maintain the recurring and continuing contributions of the Service Providers in relation to day-to-day operations and core business functions of the Group; (iii) the minimal potential dilution to the shareholding of public Shareholders following the exercise of the options and/or vesting of awards to be granted to Service Providers under the Service Provider Sublimit; and (iv) the fact that the individual limit under Rule 17.03D(1) of the Listing Rules is also 1%, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable. The Service Provider Sublimit is subject to separate approval by the Shareholders at the AGM.

LETTER FROM THE BOARD

Others

A copy of the 2021 RSU Scheme and the Share Option Scheme will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.akesobio.com for display for a period of not less than 14 days before the date of the AGM and will be made available for inspection at the AGM.

7. PROPOSED RE-APPOINTMENT OF AUDITORS

The financial statements of the Group for the year ended December 31, 2023 were audited by Ernst & Young whose term of office will expire upon the conclusion of the Annual General Meeting.

The Board proposed to re-appoint Ernst & Young as the auditors of the Company and to hold office until the conclusion of the next annual general meeting.

8. NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 57 to 62 of this circular is the notice of the Annual General Meeting containing, inter alia, ordinary resolutions in relation to granting the Directors the Issue Mandate, the Repurchase Mandate and the Extension Mandate, approving the re-election of the retiring Directors, approving the proposed amendments to Share Schemes; and proposed adoption of the Scheme Limit and the Service Provider Sublimit, and approving the proposed re-appointment of auditors.

9. CLOSURE OF REGISTER OF MEMBERS

The transfer books and register of members of the Company will be closed from Tuesday, June 25, 2024 to Sunday, June 30, 2024, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, June 24, 2024.

10. FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.akesobio.com. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. no later than 2:00 p.m. on Friday, June 28, 2024, Hong Kong time) or at any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof if they so wish.

LETTER FROM THE BOARD

11. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting (save for certain procedural or administrative matters) must be taken by poll. The Chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting be taken by way of poll pursuant to article 13.5 of the Articles of Association. Separately, holders of treasury shares (if any) shall abstain from voting on matters that require shareholders' approval at the Company's general meetings.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote on a poll needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

12. RECOMMENDATION

The Directors consider that the proposed resolutions for the granting to the Directors of the Issue Mandate, the Repurchase Mandate, the Extension Mandate, approving the re-election of the retiring Directors, approving the proposed amendments to Share Schemes; and proposed adoption of the Scheme Limit and the Service Provider Sublimit, and approving the proposed re-appointment of auditors are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Except for Zedra Trust Company (Cayman) Limited and Futu Trustee Limited, the trustees holding unvested Shares of the pre-IPO RSU scheme and 2021 RSU scheme of the Company, which are required to abstain from voting on matters that require Shareholders' approval under Rule 17.05A of the Listing Rules, no other Shareholder is required to abstain from voting in respect of any of the resolutions to be proposed at the Annual General Meeting.

13. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors confirm, having made all reasonable enquiries, 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 matters or other material facts not contained in this circular, the omission of which would make any statement in this circular misleading.

LETTER FROM THE BOARD

14. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully

By order of the Board

Akeso, Inc.

Dr. XIA Yu

Chairwoman and executive director

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

1. EXECUTIVE DIRECTORS

Dr. XIA Yu

Dr. XIA Yu (夏瑜), the key founder of our Group, aged 57, was appointed as the chairwoman, president and CEO of our Group since its inception on March 19, 2012, and she was re-designated as the executive Director and appointed as the chairwoman, president and CEO of our Company on November 16, 2019. In these roles, Dr. XIA has been mainly responsible for the overall strategic and operational management of the Company. Dr. XIA also holds the following positions with the other members of our Group and has been primarily responsible for these companies' decision-making:

- director, president, CEO and chairwoman of Akeso Biopharma (since March 2012);
- director of Akeso Tiancheng (since May 2016);
- director and general manager of Akeso R&D Institute (since July 2016);
- director and general manager of AD Pharma (since February 2017);
- director, general manager (since August 2017) and chairwoman (since November 2018) of Akeso Pharma;
- executive director and general manager of AD Pharma Guangzhou (since March 2018);
- chairwoman and general manager of Zhong Kang Tai He (since September 2018); and
- general manager of CTTQ-Akeso (since August 2019).

Dr. XIA has over 30 years of experience in the pharmaceutical industry and academic research. Prior to founding our Group, Dr. XIA held senior leadership roles (with a position as senior vice president) from April 2008 to March 2012 at Crown Bioscience Inc., where she played a decisive role in constructing Crown Bioscience's platform, building its team, setting and implementing its strategies, and forging its joint venture with Pfizer (the Pfizer-Crown Asian Cancer Research Centre). From July 2006 to March 2008, Dr. XIA served as a senior scientist and group leader at PDL BioPharma, Inc. (later acquired by AbbVie). From January 2006 to June 2006, Dr. XIA served as a senior process development scientist at Bayer Corporation in the U.S.. At both PDL BioPharma and Bayer, Dr. Xia oversaw CMC, process development and manufacturing of therapeutic protein and antibody drugs. Dr. XIA began her pharmaceutical career at Axys Pharmaceuticals, Inc. (later acquired by Celera Genomics), where she held both scientific

and managerial roles in drug discovery programs from December 2000 to December 2005, overseeing a broad range of activities from target validation through IND-enabling studies.

Dr. XIA received her bachelor's degree in biochemistry from Sun Yat-sen University (中山大學) in the PRC in 1988. She earned her Ph.D. degree in molecular biology and microbiology from Newcastle University in the U.K. in 1994. Dr. XIA completed her postdoctoral research training at the University of Glasgow in the U.K. from 1993 to 1996, and she also conducted the cancer immune therapy research at the University of Louisville School of Medicine in the U.S. from 1996 to 2000. Dr. XIA has published numerous articles in peer-reviewed journals. Dr. XIA is also the grantee of 16 issued patents and pending patent applications.

Over the years, Dr. XIA has served important roles in numerous influential organizations, including a member of the Special Committee for Monoclonal Antibody of the China Medicinal Biotech Association, a committee member of the Special Committee for Science and Technology Innovation of China Overseas Returnee Entrepreneur Investment Association, an advisory committee member of the Chinese Antibody Society, and a director of Tongxieyi Antibody Talent Club. Dr. XIA has also received numerous awards and recognitions for her contributions to both the pharmaceutical industry and commercial enterprises, such as “The Seventh National Overseas Returnee Contributions Award” in June 2018, and the Innovative and Entrepreneurial Talent awarded by the Ministry of Science and Technology of the PRC in March 2014. In July 2015, Dr. XIA and her team were awarded the “Top Chinese Overseas Returnee Star-up Company” by the Overseas Chinese Affairs Office of the State Council, and Dr. XIA was also recognized for her role as the team leader of selected innovation and entrepreneurial team winners of the Pearl River Talents Scheme of Guangdong Province in April 2018.

Mr. XIA Yu (Ph.D.) (夏羽) is the brother of Dr. XIA (夏瑜).

Dr. XIA has entered into a service contract with the Company for a term of 3 years with effect from the Listing Date, which shall be renewed automatically for 3 years unless being terminated and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the service contract, Dr. XIA is entitled to a director's remuneration of RMB4,374,000 and a discretionary bonus.

As at the Latest Practicable Date, Dr. XIA was deemed to be interested in 236,485,453 Shares within the meaning of Part XV of the SFO.

Dr. LI Baiyong

Dr. LI Baiyong (李百勇), a co-founder of our Group, aged 55, was appointed as the vice president and chief scientific officer of our Group since its inception in March 2012. Dr. Li was re-designated as an executive Director and was appointed as the senior vice president and chief scientific officer of our Company on November 16, 2019. Dr. Li has been the executive vice president and chief scientific office of our Company since 2021. Dr. Li has been mainly responsible for leading scientific direction, drug discovery and

development, and participating in overall strategic planning and business direction. Dr. Li has over 24 years of experience in the therapeutics biologics industry. Dr. Li also holds the following positions with other members of our Group:

- director (since March 2012), vice president and the chief scientific officer (since April 2012) of Akeso Biopharma;
- director, the vice president and the chief scientific officer of AD Pharma (since February 2017);
- director and deputy general manager of Akeso Pharma (since November 2018); and
- director of Zhong Kang Tai He (since September 2018).

Prior to the establishment of our Group, Dr. Li worked at Pfizer Inc in the US from 1999 to late 2011, where he led drug discovery work on a series of cancer immune therapy new drug projects. His last position at Pfizer was associate director, focusing on oncology research and leading a series of key innovative immuno-oncology therapy projects.

Prior to joining Pfizer, Dr. Li was a post-doctoral research fellow with Dr. Richard Flavell, a world-renowned immunologist, the department head of the Immunology department at Yale University and a member of the US National Academy of Science, with the focus of his studies in the field of T cell immunology.

Dr. Li obtained his bachelor's degree in biochemistry from Nankai University (南開大學) in the PRC, in 1991. He subsequently obtained his Ph.D. degree in molecular and cell biology from the Pennsylvania State University in the U.S. in 1996.

Dr. Li was recognized as a Level 5 talent of the Shortage of High Level Talents of Zhongshan (中山市第五層次緊缺適用高層次人才) in December 2014, and was selected in the Pearl River Talents Scheme (珠江人才計劃) in April 2017. In May 2019, Dr. Li was an awardee in the Zhongshan Top Talents Programme (中山市拔尖人才).

Dr. LI has entered into a service contract with the Company for a term of 3 years with effect from the Listing Date, which shall be renewed automatically for 3 years unless being terminated and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the service contract, Dr. LI is entitled to a director's remuneration of RMB3,464,000 and a discretionary bonus.

As at the Latest Practicable Date, Dr. LI was deemed to be interested in 53,673,194 Shares within the meaning of Part XV of the SFO.

Dr. WANG Zhongmin Maxwell

Dr. WANG Zhongmin Maxwell (王忠民), a co-founder of our Group, aged 55, was appointed as the vice president of our Group since its inception in March 2012 and he was re-designated as an executive Director and was appointed as the senior vice president of our Company on November 16, 2019. Dr. Wang has been mainly responsible for clinical operations, sourcing and legal affairs. Dr. Wang has served as a director of Akeso Biopharma since March 2012, a vice president of AD Pharma since February 2017, and a director of Akeso Pharma since November 2018.

Prior to the establishment of our Group, Dr. Wang had extensive experience for over 23 years in the therapeutics biologics industry. He served as the senior research scientist from June 2002 and as a consultant starting from January 2006 at New Century Pharmaceuticals Inc. in the U.S., and was responsible for advising on structure determination and modelling of drug targets. Dr. Wang joined Trimeris Inc. as a senior consultant in February 2006 and later, he also served an executive consultant at Ardea Biosciences Inc. from February 2007 to October 2008, mainly responsible for structure based drug development with Kinases. After returning to China, he joined Crown Bioscience Inc. (中美冠科生物技術有限公司) in January 2009 as senior director, and was responsible for the management of the structural biology group and for the business development of protein science department. From January 2011 to May 2012, Dr. Wang served as the deputy general manager of Taicang CrownBio Analytical and Testing Company Limited (中美冠科生物技術(太倉)有限公司).

Dr. Wang obtained his bachelor's degree in physics from University of Science and Technology of China (中國科學技術大學), China in July 1991. He subsequently pursued his master's degree in physics at Northeastern University in the U.S. Dr. Wang obtained his Ph. D. degree in structural & computational biology and molecular biophysics from Baylor College of Medicine in the U.S., in May 1998. He had published eight scientific papers in international peer-reviewed journals and is the inventor of five patents during his stay in the U.S.

Dr. Wang was recipient of the Pearl River Talents Scheme (珠江人才計劃) in April 2017. He has also been recognized as a Level 3 talent of Shortage of High Level Talents of Zhongshan (中山市第三層次緊缺適用高層次人才) in December 2017. In May 2019, Dr. Wang was an awardee in the Zhongshan Top Talents Program (中山市拔尖人才).

Dr. WANG has entered into a service contract with the Company for a term of 3 years with effect from the Listing Date, which shall be renewed automatically for 3 years unless being terminated and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Pursuant to the service contract, Dr. WANG is entitled to a director's remuneration of RMB2,769,000 and a discretionary bonus.

As at the Latest Practicable Date, Dr. WANG was deemed to be interested in 45,199,323 Shares within the meaning of Part XV of the SFO.

Save as disclosed above, none of the Directors has or is proposed to have entered into any service agreement or letter of appointment with any member of the Group (excluding agreements expiring or determinable by any member of the Group within one year without payment of compensation other than statutory compensation).

Save as disclosed above and immediately preceding the Latest Practicable Date, each of the above Directors has not held any directorships in other listed public companies during the past three years, does not hold any other position with the Company or other members of the Group and does not have any other relationships with any of the other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there are no other matters concerning each of the Directors that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The following is an explanatory statement required by the Stock Exchange to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

1. LISTING RULES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

- (i) the shares to be repurchased by a company must be fully paid-up;
- (ii) the company has previously sent to its shareholders an explanatory statement complying with the Listing Rules; and
- (iii) all on market repurchase of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a specific approval in relation to specific transactions or by a general mandate to the directors of the company to make such repurchase, and a copy of such resolution together with the necessary documentation have been delivered to the Stock Exchange in accordance with the Listing Rules.

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules. The Directors confirm that neither this explanatory statement nor the proposed share buy-backs pursuant to the Shares Buy-back Mandate has any unusual features.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 865,857,176 Shares of nominal value of US\$0.00001 each. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the Annual General Meeting, the Company will be allowed to repurchase a maximum of 86,585,717 Shares which represent 10% of the aggregate number of the Shares in issue (excluding treasury shares) during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws or the Articles of Association; or (iii) the revocation or variation of the authority given under the resolution by an ordinary resolution of the Shareholders in general meeting.

3. STATUS OF REPURCHASED SHARES

The Shares repurchased by the Company may be held as treasury shares or may be cancelled subject to, among others, market conditions and its capital management needs at the relevant time of the repurchases, which may change due to evolving circumstances. The Shareholders and potential investors should pay attention to any announcement to be published by the Company in the future, including but without limitation, any next day disclosure return (which shall identify, amongst others, the number of repurchased Shares that are to be held in treasury or cancelled upon settlement of such repurchases) and relevant monthly return.

For any treasury shares of the Company deposited with CCASS pending resale on the Stock Exchange, the Company shall, upon approval by the Board, implement the below interim measures which include (without limitation):

- (i) procuring its broker not to give instructions to HKSCC to vote at general meetings for the treasury shares deposited with CCASS;
- (ii) in the case of dividends or distributions (if any and where applicable), withdrawing 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 relevant record date for the dividend or distributions; or
- (iii) taking 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.

The listing of all Shares which are purchased by the Company (whether on the Stock Exchange or otherwise) but not held as treasury shares shall be cancelled upon repurchase. The Company shall ensure that the documents of title of these repurchased Shares are cancelled and destroyed as soon as reasonably practicable following settlement of any such repurchase.

4. REASONS AND FUNDING OF REPURCHASES

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

The Directors propose that the repurchase of Shares under the Repurchase Mandate would be financed from internal resources of the Company.

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Memorandum and Articles of Association, the Cayman Companies Act or other applicable laws of Cayman Islands and the Listing Rules. The Cayman Companies Act provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Cayman Companies Act. The amount of premium over the par value of the Shares payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Company's Shares are repurchased in the manner provided for in the Cayman Companies Act.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and the Shareholders as a whole. The Directors consider that if the Repurchase Mandate was to be exercised in full, it might not have a

material adverse impact on the working capital or the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at December 31, 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If as a result of a repurchase of the Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Dr. XIA Yu, a Chairwoman, president, and chief executive officer of the Company, held 236,485,453 Shares, representing approximately 27.31% of the issued Shares, of which (1) 21,000,000 Shares held by XIA LLC is a company incorporated in the United States, with all of its voting shares held by Dr. XIA Yu; (2) 57,771,042 Shares held by the trustee of XIA Trust. Dr. XIA Yu is the settlor and trustee of XIA Trust, with certain of her family members as beneficiaries; (3) 25,683,829 Shares, Aquae Hyperion Limited holds the Shares underlying the awards under the Pre-IPO RSU Scheme for the ESOP Trust. Dr. XIA Yu acts as the enforcer and is therefore deemed to be interested in the Shares held by Aquae Hyperion Limited. Zedra Trust Company (Cayman) Limited is the trustee of the ESOP Trust, which indirectly holds Shares as trust property through Aquae Hyperion Limited; and (4) 132,030,582 Shares, Dr. LI Baiyong, Dr. WANG Zhongmin Maxwell, Dr. ZHANG Peng, and their controlled corporations entered into agreement with Dr. XIA Yu to entrust her with their voting rights in such Shares, respectively. Under the Takeovers Code, Dr. XIA Yu is also taken to be interested in 5,019,296 Shares held by her brother, Mr. XIA Yu (Ph.D.), representing approximately 0.58% of the issued share capital of the Company as at the Latest Practicable Date. In the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of Dr. XIA Yu in the Company will be increased to approximately 30.99% of the issued share capital of the Company. To the best knowledge and belief of the Directors, such increase would give rise to an obligation to make a mandatory offer under the Takeovers Code. However, the Directors currently have no intention to repurchase Shares to such an extent that would give rise to such obligation under the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a results of any repurchase of Shares pursuant to the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital of the Company would be in public hands. The Directors do not have intention to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

6. DIRECTORS, THEIR CLOSE ASSOCIATES AND THE COMPANY'S CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell Shares to the Company. No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has any present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. UNDERTAKING OF THE DIRECTORS

The Directors will, so far as the same may be applicable, exercise the power of the Company to make repurchases pursuant to the proposed Repurchase Mandate in accordance with the Listing Rules, the Cayman Companies Act or other applicable laws of Cayman Islands and the Memorandum and Articles of Association.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares (whether on the Stock Exchange or otherwise) had been made by the Company in the six months preceding the Latest Practicable Date.

9. MARKET PRICES OF SHARES*

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during the previous 12 months up to the Latest Practicable Date were as follows:

Month	Highest traded prices HK\$	Lowest traded prices HK\$
2023		
May	46.10	32.65
June	37.80	32.50
July	46.20	34.90
August	44.15	30.30
September	38.90	34.20
October	44.55	33.75
November	51.10	43.00
December	50.45	41.25
2024		
January	48.95	38.45
February	48.85	37.95
March	55.00	43.75
April	50.50	42.40
May (up to the Latest Practicable Date)	51.00	26.45

*Note: The data source of share prices was from Yahoo Finance.

The following is a summary of the principal terms of the 2021 RSU Scheme to be approved at the Annual General Meeting:

1. PURPOSE

The purpose of the 2021 RSU Scheme is to recognize the contributions by certain participants and to provide them with incentives in order to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group.

2. ADMINISTRATION

The 2021 RSU Scheme shall be subject to the administration of the Board and the Trustee in accordance with the 2021 RSU Scheme Rules and the Trust Deed. The Board may by resolution delegate any or all of its powers in the administration of the 2021 RSU Scheme to any person(s) as from time to time authorized by the Board for such purpose. The decision of the Board with respect to any matter arising under the 2021 RSU Scheme (including the interpretation of any provision) shall be final and binding.

3. DURATION

Subject to any early termination as may be determined by the Board, the 2021 RSU Scheme shall be valid and effective for a term of (10) years commencing on the 2021 RSU Scheme Adoption Date, after which period no further Awards will be granted, but the provisions of the 2021 RSU Scheme will in all other respects remain in full force and effect and Awards that are granted from the 2021 RSU Scheme Adoption Date until the tenth (10th) anniversary of the 2021 RSU Scheme Adoption Date may continue to be exercisable in accordance with their terms of issue.

4. SELECTED PARTICIPANTS

The Selected Participants include any Employee Participant or any Service Provider selected by the Board for participation in the 2021 RSU Scheme.

In determining the eligibility of and the number of Awards to be granted to any Selected Participant who is an Employee Participant, the Board will assess their potential and/or actual contribution to the Group. For the basis of determining the eligibility of Directors as the Selected Participant, the Board will consider period of employment, responsibilities, time commitment, knowledge in the industry and prevailing market practice. For the basis of determining the eligibility of senior management and other employee as the Selected Participant, the Board will consider individual performance, time commitment, responsibilities, work experience, professional qualifications and knowledge in the industry.

In determining the eligibility of and the number of Awards to be granted to any Selected Participant who is a Service Provider, the Board shall take into consideration matters including, but without limitation to:

- (a) the scale of their business dealings with the Group, the length of business relationships between them and the Group, the positive impacts (in terms of, including without limitation, proactively promoting/catalysing the continuing development and growth of the Group, and bringing innovation, new talents and expertise to the Group), potential and/or actual contribution on the Group's business development, the future plans in relation to further business collaboration and generally the significance to the Group of building long-term business relationships with them;
- (b) whether such Service Provider has a proven track record of timely delivery of services, the quality of services delivered, the scale of their business dealings with the Group, the ease of replacing such service provider(s) with another Service Provider which could offer similar quality and consistency in the provision of services;
- (c) the potential and/or actual degree of involvement in and/or cooperation with the Group with regard to the number, scale and nature of projects, and the period of engagement/cooperation/business relationship with the Group;
- (d) whether the Service Provider is regarded as a valuable human resource of the Group based on the person's work experience, professional qualifications, knowledge in the industry or other relevant factors (including without limitation technical knowhow, market competitiveness, synergy between him/her and the Group, external business connections, strategic value, and repute and credibility); and/or
- (e) the usual fees chargeable by other Service Provider in the market and the contribution of the advisors and consultants in considering whether to grant Awards to them.

5. SCHEME LIMIT

The total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the 2021 RSU Scheme and any other share scheme(s) adopted by the Company must not exceed 10% (excluding treasury shares) of the issued share capital of the Company as of the Amendment Date, being 86,581,717 Shares, unless otherwise permitted by the Listing Rules or the Company obtains the approval of its Shareholders. Awards lapsed in accordance with the terms of the 2021 RSU Scheme shall not be counted for the purpose of calculating the Scheme Limit. No Award may be granted under the 2021 RSU Scheme if this will result in the limit being exceeded.

Within the Scheme Limit, the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the 2021 RSU Scheme and any other share scheme(s) of the Company to the Service Providers must not in aggregate exceed 8,658,571 Shares, representing 1% (excluding treasury shares) of the total number of Shares in issue as of the Amendment Date.

The Company may seek the approval of its Shareholders in general meeting to refresh the Scheme Limit or the Service Provider Sublimit subject to compliance with the requirements of Listing Rules.

6. RESTRICTIONS

No Award shall be made by the Board and no instructions to acquire any Shares shall be given to the Trustee under the 2021 RSU Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time. Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be made:

- (i) after an event involving inside information in relation to affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules;
- (ii) to any Selected Participant during the period commencing 30 days immediately before the earlier of (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the results of the Company for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (b) 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 granted will cover any period of delay in the publication of results announcement;
- (iii) to any Director (a) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results; and (b) during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results; or
- (iv) in any circumstance which is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

7. OPERATION

According to the 2021 RSU Scheme, any Award Shares shall either be (i) existing Shares transferred, gifted, assigned, or conveyed to the Trust or as may be purchased by the Trustee on the Stock Exchange or off the market; or (ii) new Shares to be allotted and issued to the Trustee by the Company under the Scheme Limit; or (iii) treasury shares transferred, gifted, assigned, or conveyed to the Trust subject to the Listing Rules.

The Board may from time to time cause to be paid a contributed amount to the Trust by way of settlement or otherwise which shall constitute part of the Trust fund, for the purchase or subscription (as the case may be) of Shares and other purposes set out in the 2021 RSU Scheme Rules and the Trust Deed, which shall be funded by internal resources of the Company other than the proceeds from the listing of the Shares on the Stock Exchange. Subject to prior written direction and/or consent of the Board, the Trustee may accept Shares transferred, gifted, assigned, or conveyed to the Trust from the Company or any party designated by the Company from time to time in such number as such party designated by the Company may at their sole discretion determine, which shall constitute part of the Trust fund.

Subject to the 2021 RSU Scheme Rules, in the event that the Award Shares are to be allotted and issued as new Shares for the purpose of the Trust, the Board shall cause an amount equal to the total subscription price of such new Shares to be allotted and issued be transferred from the Company's resources to the Trustee according to the 2021 RSU Scheme Rules and cause to issue and allot to the Trustee such number of new Shares corresponding to the aforesaid total subscription price at such issue price per Share as shall be determined by the Board, which shall be held upon trust for the relevant Selected Participant subject to the terms and conditions set out in the 2021 RSU Scheme Rules and the Trust Deed. The Company shall issue and allot such new Shares at not less than nominal value to the Trustee. The Company shall comply with the relevant Listing Rules and the articles of association of the Company when allotting and issuing any new Shares and application shall be made to the Stock Exchange for the granting of the listing of, and permission to deal in the new Shares to be issued to the Trustee. Subject to the 2021 RSU Scheme Rules, the Board may from time to time instruct the Trustee in writing to purchase the Shares on the Stock Exchange and to hold them in trust for the benefit of the Selected Participants under the Trust on and subject to the terms and conditions of the 2021 RSU Scheme Rules and the Trust Deed.

8. GRANT

Subject to the provisions of the 2021 RSU Scheme, the Board may, from time to time, at its absolute discretion select any participant for participation in the 2021 RSU Scheme as a Selected Participant, and grant such number of RSUs to any Selected Participant at such consideration and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine. In the event that a Selected Participant or his/her/its associate(s) is a member of the Board, such person will abstain from voting on any approval by the Board of the Award to such Selected Participant. The amount of grant consideration, if any, shall be determined by the Board at its absolute discretion, based on considerations such as the prevailing closing price of the Shares, the purpose of the Awards and the contribution of the Selected Participant. Except for such grant consideration which shall be paid in such manner

and on or before such deadline(s) as prescribed in the relevant grant notice, no other purchase price shall be paid for the Awards, and thus there is no period within which payments or calls must or may be made or loans for such purposes must be repaid.

Where any grant of Award is proposed to be made to any Selected Participant who is a Director (including an independent non-executive Director), chief executive, or substantial Shareholder of the Company or any of their respective associates, such grant must first be approved by the independent non-executive Directors of the Company (excluding any independent non-executive director of the Company who is intended to be the Selected Participant). 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 associates would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the relevant scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue (excluding treasury shares), such further grant of awards must be approved by the Shareholders in general meeting in accordance with Chapter 17 of the Listing Rules.

Where any grant of Awards to an independent non-executive director or a substantial Shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding treasury shares), such further grant of Awards must be approved by the Shareholders in general meeting in the manner set out in Rule 17.04(4) of the Listing Rules.

Where any grant of Awards and any other awards to a participant would result in the Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (excluding treasury shares), such grant must be separately approved by the Shareholders in general meeting with such participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting.

Prior to the vesting date, any Award made under the 2021 RSU Scheme Rules shall be personal to the Selected Participant to whom it is made and shall not be assignable or transferrable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the RSUs referable to him pursuant to such Award, except for when a waiver is obtained from the Stock Exchange for the transfer to a vehicle (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such participant that would continue to meet the purpose of the 2021 RSU Scheme and comply with other requirements of Chapter 17 of the Listing Rules and express written consent is obtained from the Board or its delegates, subject to the compliance with the Listing Rules. The Award Shares will be subject to all the provisions of the Articles of Association of the Company and will rank *pari passu* with the fully paid Shares then in issue.

9. VESTING AND LAPSE

The Board is entitled to impose any conditions (including a period of continued service within the Group after the Award), as it deems appropriate in its absolute discretion with respect to the vesting of the RSUs on the Selected Participant. Such conditions may include, among others, performance targets (if any as determined by the Board in its absolute discretion), which may comprise a mixture of key performance indicators components (such as the business performance of the Group, which may relate to the Group's strategic objectives, operational targets and plans for future development, and financial performance of the Group, which may include financial targets of the Group on a targeted or comparative basis, and individual annual performance assessment results). The Board will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether such targets and the extents to which have been met. If, after the assessment, the Board determines that any prescribed performance targets have not been met, the Award(s) shall lapse automatically. Subject to applicable laws and regulations, the Board shall be at liberty to waive any vesting conditions. Shares underlying any RSUs granted under the 2021 RSU Scheme that lapse for any reason without having been vested and Shares underlying the unvested portion of any RSUs in case of partial vesting will, to the extent not prohibited by applicable laws and regulations, be available for subsequent Award grants under the 2021 RSU Scheme.

Subject to the terms and condition of the 2021 RSU Scheme and the fulfillment of all vesting conditions to the vesting of the RSUs on such Selected Participant and all requirements applicable to such Selected Participant as specified in the 2021 RSU Scheme and the relevant grant notice (unless waived by the Board), the respective RSUs granted to the Selected Participant pursuant to the provision of the 2021 RSU Scheme Rules shall vest in such Selected Participant in accordance with the vesting schedule as set out in the grant notice, and the Trustee shall cause the Award Shares to be transferred to such Selected Participant on the vesting date. For the avoidance of doubt, (i) any long leave of absence, as the Board may determine, shall be deducted from period of service for the purpose of counting vesting period, and (ii) the minimum vesting period must be 12 months commencing from the date upon which the Award is accepted or deemed to be accepted in accordance with the 2021 RSU Scheme, save and except that with respect to a Selected Participant who is an Employee Participant, a shorter vesting period may be permitted in circumstances set out below:

- (a) grants of "make-whole" share awards to new joiners to replace the share awards they forfeited when leaving the previous employers;
- (b) grants to a participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants of Awards with performance-based vesting conditions in lieu of time-based vesting criteria;

- (d) grants that are made in batches during a year for administrative and compliance reasons, such as Awards that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which an award would have been granted;
- (e) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months; and
- (f) grants of Awards with a total vesting period of more than 12 months, such as where the Awards may vest by several batches with the first batch to vest within 12 months of the date of grant and the last batch to vest 12 months after.

In respect of a Selected Participant who died or retired by agreement with a member of the Group at any time prior to or on the vesting date, all the RSUs of the relevant Selected Participant shall be deemed to be vested on the day immediately prior to his death or the day immediately prior to his retirement with the relevant member of the Group.

Unless otherwise specified by the Board in its entire discretion, the Selected Participants do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Award Shares (including those arising on a liquidation of the Company) before such Shares are transferred to such Selected Participants. If the Board at its discretion so determine that any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in relation to the Award Shares be paid to the Selected Participants even though the RSUs have not yet vested, the Board may at its discretion, subject to the 2021 RSU Scheme and Listing Rules, with or without further conditions, transfer additional Shares (which should be existing Shares as may be purchased by the Trustee on the Stock Exchange or off the market) or cash award out of the Trust fund representing all or part of the income or distributions (including but not limited to cash income or dividends, cash income or net proceeds of sale of non-cash and non-scrip distribution, bonus Shares and scrip dividends) declared by the Company or derived from such Award Shares during the period from the date of Award to the vesting date to a Selected Participant upon the vesting of any RSUs. In the event that an Award of RSUs becomes lapsed, the Award Shares underlying the RSUs and/or the relevant income or distributions shall remain as part of the Trust fund.

10. CANCELLATION AND CLAW BACK

The Board may at any time cancel any unvested Awards previously granted to a Selected Participant. Where the Company cancels Awards and offers Awards to the same Selected Participant, the offer of such new Awards may only be made with available Awards to the extent not yet granted (excluding the cancelled Awards) within the limit as mentioned in paragraph 4 above pursuant to Rule 17.03B or Rule 17.03C of the Listing Rules. The Awards cancelled will be regarded as utilised for the purpose of calculating the limit as mentioned therein.

Upon the occurrence of any of the following in relation to a Selected Participant, the Company shall propose that no further Awards shall be granted to him and shall claw back the Awards granted to such Selected Participant and such Awards shall lapse automatically: (a) the

results of the economic responsibility audit and other reports proved that the Selected Participant has failed to perform duties effectively or is involved in serious misconduct or malfeasance; (b) the Selected Participant has contravened the relevant laws and regulations of PRC and/or Hong Kong or the provisions of the Articles of Association of the Company; (c) the Selected Participant has, during his tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Company; (d) the Selected Participant has failed to discharge, or failed to discharge properly, his duties and thereby resulting in serious loss in assets to the Company and other serious and adverse consequences; (e) the Selected Participant is dismissed due to the breach of the relevant laws and regulations of PRC and/or Hong Kong or the provisions of the Articles of Association of the Company; or (f) the Selected Participant joins a competitor or forming a competing business after leaving the Company.

11. DISQUALIFICATION OF SELECTED PARTICIPANT

In the event that prior to or on the vesting date, a Selected Participant is found to be an excluded participant or is deemed to cease to be a Selected Participant, including but not limited to the following circumstances:

- (a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by any member of the Group and whether or not it has resulted in his employment or engagement being terminated by the relevant member of the Group;
- (b) where such person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
- (c) where such person has been convicted of any criminal offence; or
- (d) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time.

unless agreed specifically between the Selected Participant and the Company to the extent permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Selected Participant, the relevant Award made to such Selected Participant shall automatically lapse forthwith and the relevant Award Shares shall not vest on the relevant vesting date but shall remain part of the Trust fund and such returned RSUs shall be applied by the Trustee towards future Awards in accordance with the 2021 RSU Scheme Rules.

12. VOTING RIGHTS

The RSUs, whether vested or not, do not carry any right to vote at general meetings of the Company. Notwithstanding that the Trustee is the legal registered holder of the Shares held upon trust pursuant to the Trust Deed, the Trustee shall not exercise the voting rights attached to such Shares. For the avoidance of doubt, the Trustee holding unvested Shares of the 2021 RSU Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given. Unless otherwise specified by the Board in its entire discretion, the Selected Participants do not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Award Shares (including those arising on a liquidation of the Company) before such Shares are transferred to such Selected Participants.

13. REORGANISATION OF CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Company whilst any Award remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements, such corresponding adjustments (if any) shall be made to the number of Shares subject to the 2021 RSU Scheme or any Awards granted (insofar as it is/they are unvested); and/or the grant consideration (if any), which should give a Selected Participant the same proportion of the equity capital, rounded to the nearest whole share, as that to which that Selected Participant was previously entitled, and an independent financial adviser or the auditors shall certify in writing to the Board that the adjustments satisfy the requirements set out under the note to Rule 17.03(13) of the Listing Rules, provided that no such adjustment shall be made the effect of which would be to enable any Share to be issued at less than its nominal value. The issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment. Any such adjustment shall be in compliance with the Listing Rules and such applicable rules, codes, guidance notes and/or interpretation of the Listing Rules from time to time promulgated by the Stock Exchange.

The method of adjustment of number of Award Shares so far as unvested is set out as below:

- (a) Conversion of capital reserve into new shares, issue of bonus shares or share subdivision

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

Where: "Q₀" represents the number of Award Shares before the adjustment; "n" represents the ratio per Share of the conversion of capital reserve into new shares, issue of bonus shares or share subdivision; "Q" represents the number of Award Shares after the adjustment.

- (b) Share consolidation and reduction of share capital

$$Q = Q_0 \times n$$

Where: “Q₀” represents the number of Award Shares before the adjustment; “n” represents the ratio of consolidation or ratio of share capital reduction; “Q” represents the number of Award Shares after the adjustment.

- (c) rights issue

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

Where: “Q₀” represents the number of Award Shares before the adjustment; “P₁” represents the closing price as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of allotment; “Q” represents the number of Award Shares after the adjustment.

The method of adjustment of the grant consideration (if any) is set out as below:

- (a) Conversion of capital reserve into new shares, issue of bonus shares or share subdivision

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

Where: “P₀” represents the grant consideration of Awards before the adjustment; “n” represents the ratio per Share of the conversion of capital reserve into new shares, issue of bonus shares or share subdivision; “P” represents the grant consideration of Awards after the adjustment.

- (b) Share consolidation and reduction of share capital

$$P = P_0 \div n$$

Where: “P₀” represents the grant consideration of Awards before the adjustment; “n” represents the ratio of consolidation or ratio of share capital reduction; “P” represents the grant consideration of Awards after the adjustment.

- (c) Rights issue

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

Where: “P₀” represents the grant consideration of Awards before the adjustment; “P₁” represents the closing price as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of allotment; “P” represents the grant consideration of Awards after the adjustment.

14. DURATION

Unless terminated earlier by the Board pursuant to the 2021 RSU Scheme Rules, the 2021 RSU Scheme shall be valid and effective for ten years commencing from the 2021 RSU Scheme Adoption Date, after which period no further Awards will be granted.

15. TERMINATION

The 2021 RSU Scheme shall terminate on the earlier of (i) the tenth anniversary date from the 2021 RSU Scheme Adoption Date; and (ii) such date of early termination as determined by the Board by a resolution of the Board, provided that such termination shall not affect any subsisting rights of any Selected Participant.

Upon termination, (i) no further grant of RSUs may be made under the 2021 RSU Scheme; (ii) all the RSUs referable to the date of expiry of the Trust which are not vested shall be vested in the relevant Selected Participants and all the Award Shares shall continue to be held by the Trustee and be transferred to the Selected Participants according to the 2021 RSU Scheme Rules; (iii) all Shares remaining in the Trust fund shall be sold (or as otherwise determined by the Board) by the Trustee within 28 Business Days (on which the trading of the Shares has not been suspended); and (iv) net proceeds of sale (if so sold) and such other funds and properties remaining in the Trust fund managed by the Trustee (after making appropriate deductions) shall be remitted to the Company forthwith (except as otherwise determined by the Board).

16. ALTERATION

The 2021 RSU Scheme may be altered in any respect by an ordinary resolution of the Board except that (a) any alterations to the provisions of the 2021 RSU Scheme as to (i) the terms and conditions of the 2021 RSU Scheme which are of a material nature; (ii) the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Selected Participants; and (b) any change to the authority to alter the terms of the 2021 RSU Scheme of the Board, the administration committee or any other committee or sub-committee or any person(s) as from time to time authorized by the Board for the purpose of administering the 2021 RSU Scheme or the Trustee, must be approved by Shareholders in general meeting.

Any change to the terms of Awards granted to a participant must be approved by the Board, the remuneration committee of the Board, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the options or awards was approved by the Board, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the 2021 RSU Scheme.

The amended terms of the 2021 RSU Scheme or the Awards must still comply with the relevant requirements of the Chapter 17 of the Listing Rules.

The following is a summary of the principal terms of the Share Option Scheme to be approved at the Annual General Meeting:

1. PURPOSE OF THE SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to reward Eligible Participants for their contribution to the success of the Company, and to provide incentives to them to further contribute to the Company.

2. CONDITIONS

The adoption of the Share Option Scheme is conditional upon the passing of a resolution by the Shareholders to approve the adoption and amendment of the Share Option Scheme, and to authorise the Board to grant Options and to allot, issue and otherwise deal with the Shares which may be issued pursuant to the exercise of any Options to be granted under the Share Option Scheme.

Upon the passing of such resolution by the Shareholders, the Company shall apply to the Listing Committee of the Stock Exchange for the listing of and permission to deal any Shares to be issued and allotted pursuant to the exercise of Options under the Share Option Scheme.

3. DURATION AND ADMINISTRATION

Subject to paragraph 16 below, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Share Option Scheme Adoption Date, after which period no further Share Options may be granted by the provisions of the Share Option Scheme, but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Share Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme.

The Share Option Scheme shall be subject to the administration of the Board who may delegate all or part of such administration to any other authorised agent(s) as deemed appropriate at the sole discretion of the Board. Save as otherwise provided in the Share Option Scheme, for any matters concerning the interpretation or application of the Share Option Scheme, the decision of the Board or persons to whom the Board has delegated relevant powers shall be final and binding on all parties.

4. ELIGIBILITY AND GRANT OF OPTIONS

On and subject to the terms of the Share Option Scheme, the Board has the power but not the obligation to offer to grant to any Eligible Participant as the Board may in its absolute discretion select a Share Option to subscribe for such number of Shares as the Board may determine at the Subscription Price. Subject to the provisions of the Listing Rules, the Board may in its absolute discretion specify such event, time limit or conditions (if any) as it thinks fit when making such offer to the Eligible Participant, including, without limitation, conditions as to performance criteria to be satisfied by the Eligible Participant and/or the Company and/or

the Group which must be satisfied before a Share Option can be exercised, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Share Option Scheme.

The basis of eligibility of any Eligible Participant shall be determined by the Board from time to time on the basis of the Eligible Participants' contribution to the development and growth of the Group. In order for a person to satisfy the Board that he/she is qualified to be (or where applicable, continues to be qualified to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his/her eligibility (or continuing eligibility).

In determining the criteria for the Eligible Participant who is an Employee, the Board will assess their potential and/or actual contribution to the Group. For the basis of determining the eligibility of Directors as the Eligible Participant, the Board will consider period of employment, responsibilities, time commitment, knowledge in the industry and prevailing market practice. For the basis of determining the eligibility of senior management and other employee as the Eligible Participant, the Board will consider individual performance, time commitment, responsibilities, work experience, professional qualifications and knowledge in the industry.

In determining the criteria for the Eligible Participant who is a Service Provider, the Board will take into account the following factors:

- (a) the scale of their business dealings with the Group, the length of business relationships between them and the Group, the positive impacts (in terms of, including without limitation, proactively promoting/catalysing the continuing development and growth of the Group, and bringing innovation, new talents and expertise to the Group), potential and/or actual contribution on the Group's business development, the future plans in relation to further business collaboration and generally the significance to the Group of building long-term business relationships with them;
- (b) whether such Service Provider has a proven track record of timely delivery of services, the quality of services delivered, the scale of their business dealings with the Group, the ease of replacing such service provider(s) with another Service Provider which could offer similar quality and consistency in the provision of services;
- (c) the potential and/or actual degree of involvement in and/or cooperation with the Group with regard to the number, scale and nature of projects, and the period of engagement/cooperation/business relationship with the Group;
- (d) whether the Service Provider is regarded as a valuable human resource of the Group based on the person's work experience, professional qualifications, knowledge in the industry or other relevant factors (including without limitation technical knowhow, market competitiveness, synergy between him/her and the Group, external business connections, strategic value, and repute and credibility); and/or

- (e) the usual fees chargeable by other Service Provider in the market and the contribution of the advisors and consultants in considering whether to grant Share Options to them.

No Share Option shall be offered or granted:

- (a) to any Eligible Participant after inside information has become to the Company's knowledge until (and including) the trading day after the Company has announced the information;
- (b) to any Eligible Participant 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 Stock Exchange under the Listing Rules) for approving the results of the Company 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. No Share Option shall be granted during any period of delay in publishing a results announcement.
- (c) to any director of the Company (except where the Subscription Price is to be determined by the Board at the time of exercise of the Share Option):
 - (i) during the period of 60 days immediately preceding the publication of the annual results of the Company or, if shorter, the period from the end of the relevant financial year up to the publication of the results; or
 - (ii) during the period of 30 days immediately preceding the publication of the quarterly (if any) or half-yearly results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication of the results.

An offer of the grant of a Share Option shall be made to any grantee by letter in such form as the Board may from time to time determine specifying the number of Shares, the Subscription Price, the period a grantee may exercise the Options granted, the date by which the grant must be accepted after the Offer Date as specified in the offer letter (provided such offer shall be open for acceptance after the effective period of the Share Option Scheme) and further requiring the Eligible Participant to hold the Share Option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme.

A Share Option shall be deemed to have been granted and accepted and to have taken effect when the duplicate letter comprising acceptance of the offer of the grant of the Share Option duly signed by the grantee together with a payment to the Company and/or any of its subsidiaries of HK\$1 per grant (or the equivalent of HK\$1 in the local currency of any jurisdiction where the Company and/or its subsidiaries operate, as the Board may in its

absolute discretion determine) by way of consideration for the grant thereof is received by the Company and/or any of its subsidiaries within the time period specified in the offer of the grant of the Share Option. The Board may in its absolute discretion determine the period within which payments or calls must or may be made or loans for such purposes must be repaid.

Upon the occurrence of any of the following in relation to a grantee, the Company shall propose that no further Share Options shall be granted to him and shall claw back the Share Options granted to such grantee which shall lapse automatically:

- (a) the results of the economic responsibility audit and other reports proved that the grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance;
- (b) the grantee has contravened the relevant laws and regulations of PRC and/or Hong Kong or the provisions of the articles of association of the Company;
- (c) the grantee has, during his tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Company;
- (d) the grantee has failed to discharge, or failed to discharge properly, his duties and thereby resulting in serious loss in assets to the Company and other serious and adverse consequences;
- (e) the grantee is dismissed due to the breach of the relevant laws and regulations of PRC and/or Hong Kong or the provisions of the articles of association of the Company; or
- (f) the grantee joins a competitor or forming a competing business after leaving the Company.

5. SUBSCRIPTION PRICE

The Subscription Price in respect of any Share Option shall be a price determined by the Board at its absolute discretion and notified to any grantee (subject to any adjustments made pursuant to Share Option Scheme) which shall be not less than the highest of:

- (a) 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; and
- (b) the average 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.

6. VESTING OF OPTIONS

(i) Vesting Generally

Subject to the Share Option Scheme, the Listing Rules (as amended and supplemented from time to time) and any applicable law and regulations, any Share Options will become vested and exercisable and no longer be subject to forfeiture or repurchase right of the Company, according to the terms of the Share Option Scheme and under such conditions as determined by the Board and set forth in the letter containing the offer or grant of the relevant Share Option. The minimum vesting period must be 12 months commencing from the Commencement Date, save and except that with respect to an Eligible Participant who is an Employee Participant, a shorter vesting period may be permitted in circumstances set out below (the “**Minimum Vesting Period**”):

- (a) grants of “make-whole” share awards to new joiners to replace the share awards they forfeited when leaving the previous employers;
- (b) grants to a participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants of Options with performance-based vesting conditions in lieu of time-based vesting criteria;
- (d) grants that are made in batches during a year for administrative and compliance reasons, such as Options that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which an award would have been granted;
- (e) grants of Options with a mixed or accelerated vesting schedule such as where the Share Options may vest evenly over a period of 12 months; and
- (f) grants of Options with a total vesting period of more than 12 months, such as where the Share Options may vest by several batches with the first batch to vest within 12 months of the Grant Date and the last batch to vest 12 months after.

(ii) Change of Control

If there is an event of change of control of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, subject to the Minimum Vesting Period, all Share Options will become vested and exercisable immediately and no longer be subject to forfeiture or repurchase right of the Company, according to the terms of the Share Option Scheme and under such conditions as determined by the Board and set forth in the letter containing the offer or grant of the relevant Share Options unless the Board determines otherwise.

(iii) Change of Position

In the event the position of a grantee is changed as a part of the Company or its subsidiaries' normal course of business, the Share Options granted to him or her, whether vested or not, will remain valid in accordance with the terms and conditions herein and set forth in the letter containing the offer or grant of the relevant Share Options.

(iv) Resignation and retirement

In the event a grantee ceases to be an Eligible Participant by reason of the termination of his/her employment, office or service other than a summary termination, or retirement of the grantee, unless otherwise provided in the grant letter or otherwise determined by the Board, (i) the unvested portion of the Share Options shall be immediately forfeited; and (ii) the vested and unexercised portion of the Share Options will remain exercisable in accordance with the terms and conditions herein and set forth in the letter containing the offer or grant of the relevant Share Options.

(v) Dismissal

In the event a grantee ceases to be an Eligible Participant by reason of the summary termination of his employment, office or service, (i) all Share Options, whether vested or not, shall be immediately forfeited; and (ii) as the Board may determine and to the extent it is practicable and permissible under the Listing Rules and any other applicable laws and regulations, all issued Shares (if any) shall be repurchased by the Company at the price equal to the amount actually paid by the grantee and all other cash and benefits received by the grantee under the granting of Options shall be repaid/returned to the Company or its subsidiaries as determined by the Board.

(vi) Death or Loss of Ability to Work

In the event a grantee dies or loses the ability to work due to an injury as a result of the performance of his or her duty for the Company or its subsidiaries, subject to the Minimum Vesting Period, all Share Options will become vested and exercisable immediately and no longer be subject to forfeiture or repurchase right of the Company, according to the terms of the Share Option Scheme and under such conditions as determined by the Board and set forth in the letter containing the offer or grant of the relevant Share Option. In the event a grantee dies or loses the ability to work for any reason other than the performance of his or her duty for the Company, (i) the unvested portion of the Share Option shall be immediately forfeited; and (ii) the vested and unexercised portion of the Share Option shall be handled by the grantee (or his or her estate or by a person who acquires the right to exercise the Share Option by will or laws of succession).

7. NON-TRANSFERABILITY

A Share Option shall be personal to the grantee and shall not be assignable or transferrable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (whether legal or beneficial) in favour of any third party over or in relation to any Share Option, except for when a waiver is obtained from the Stock Exchange for the transfer to a vehicle (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such participant that would continue to meet the purpose of the Share Option Scheme and comply with other requirements of Chapter 17 of the Listing Rules and express written consent is obtained from the Board or its delegates, subject to the compliance with the Listing Rules. Any breach of the foregoing by the grantee shall entitle the Company to cancel any outstanding entitlement of such grantee. This does not prejudice the operation of any general provision of law regarding the appointment and capacity of a nominee, attorney, trustee or other personal representative subject to the Listing Rules.

8. EXERCISE OF SHARE OPTIONS

A grantee (or his legal personal representative(s)) may exercise his entitlement in whole or in part in the manner as determined by the Board by giving notice in writing to the Company stating that the Share Option is thereby exercised and specifying the number of Shares to be subscribed. Unless otherwise determined by the Board and stated in the notice to a grantee, a grantee is not required to hold the Share Option for any minimum period nor achieve any performance targets before the exercise of a Share Option granted to him. The performance targets (if any as determined by the Board in its absolute discretion) may comprise a mixture of key performance indicators components (such as the business performance of the Group, which may relate to the Group's strategic objectives, operational targets and plans for future development, and financial performance of the Group, which may include financial targets of the Group on a targeted or comparative basis, and individual annual performance assessment results) which may vary among the grantees. The Board will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether such targets and the extents to which have been met. If, after the assessment, the Board determines that any prescribed performance targets have not been met, the Share Option(s) shall lapse automatically.

Subject as provided in the Share Option Scheme and any conditions specified by the Board (including the attainment of any performance targets stated therein (if any)), the grantee (or his legal personal representative(s)) may exercise his entitlement at any time or times during the period a grantee may exercise the Options granted (being not more than 10 years from the date of grant of the Share Option), provided that:

- (a) in the event of the grantee ceasing to be an Eligible Participant for any reason other than his death, loss of ability to work, or the summary termination of his employment, office or service, before exercising the Share Options in full, the Share Options (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless the Board otherwise determine in which event the grantee may exercise the Share Option (to the extent not already exercised) in whole or in part in accordance with the provisions of the Share Option Scheme

within such period as the Board may determine following the date of such termination or, if any of the events referred to in sub-paragraphs (c), (d) or (e) occur during such period, exercise the Share Option pursuant to sub-paragraphs (c), (d) or (e) respectively;

- (b) in the event of the grantee ceasing to be an Eligible Participant by reason of death or loss of ability to work, and none of the events which would be a ground for summary termination of his employment, office or service has occurred, the grantee or legal personal representative(s) of the grantee (as the case may be) shall be entitled within a period of 12 months from the date of such cessation (or such other period as the Board may determine) to exercise the entitlement in full as at the date of such cessation (to the extent vested but not already exercised) (provided that such exercise is during the relevant period a grantee may exercise the Options granted);
- (c) if a general or partial offer (whether by way of take-over offer, share repurchase offer or otherwise in like manner other than by way of a scheme of arrangement) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror) the Company shall use its best endeavours to procure that such offer is extended to all the grantees (on the same terms mutatis mutandis, and assuming that they will become, by the exercise in full of the Share Options granted to them, Shareholders). If such offer becomes or is declared unconditional, the grantee (or his legal personal representative(s)) shall be entitled to exercise his outstanding entitlement in full at any time within a reasonable period of time as the Board may determine after the date on which such general offer becomes or is declared unconditional;
- (d) in the event of an effective resolution being passed for the voluntary winding-up of the Company or an order of the court being made for the winding-up of the Company, notice thereof shall be given by the Company to grantees with Options outstanding in full or in part at such date. If a grantee immediately prior to such event had any outstanding entitlement, the grantee (or his legal personal representative(s)) may by notice in writing to the Company within 21 days after the date of such resolution elect to be treated as if the entitlement had been exercised immediately before the passing of such resolution either to its full extent or to the extent specified in the notice;
- (e) if a compromise or arrangement of any nature between the Company and its members 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 (a "scheme"), the Company shall give notice thereof to all grantees on the same date as it despatches to each member or creditor of the Company a notice summoning the meeting to consider such scheme, and thereupon each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his Share Options in whole or in part within the time or period stipulated by the Board for this purpose.

The Shares to be allotted (or transferred in the case of treasury shares) upon the exercise of a Share Option will be subject to all the provisions of the Articles of Association and will rank pari passu with the fully paid Shares in issue on the date of allotment (or transfer in the case of treasury shares) and accordingly will entitle the holders to participate in all dividends and 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 falls before the date of allotment.

The Share Options, whether vested or not, do not carry any right to vote at general meetings of the Company or any dividend or other rights (including those advising on the liquidation of the Company). A Share issued upon the exercise of a Share Option shall not carry voting rights until the registration of the grantee as the holder thereof. If under the terms of a resolution passed or an announcement made by the Company a dividend is to be or is proposed to be paid to holders of Shares on the register on a date prior to the date when a Share Option is effectively exercised under the terms of the Share Option Scheme, the Shares to be issued upon such exercise will not rank for such dividend. For the avoidance of doubt, a trustee holding unvested Shares of the Share Option Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

The Board may at any time cancel Share Options previously granted to, but not yet exercised by a grantee. Where the Company cancels Share Options and offers Share Options to the same grantee, the offer of such new Share Options may only be made with available Share Options to the extent not yet granted (excluding the cancelled Options) within the limit approved by the Shareholders pursuant to Rule 17.03B or Rule 17.03C of the Listing Rules. The Share Options cancelled will be regarded as utilized for the purpose of calculating the limit as mentioned in paragraphs 10(a) and 10(b) below.

9. LAPSE OF OPTION

Subject to the Share Option Scheme, any Option or entitlement shall lapse automatically and not be exercisable on the earliest of:

- (a) the expiry of the period a grantee may exercise the Options granted;
- (b) the expiry of any of the periods referred to in sub-paragraphs (a) to (e) under paragraph 8 above;
- (c) subject to sub-paragraph (d) under paragraph 8 above, the date of the commencement of the winding-up of the Company;
- (d) the date on which the grantee ceases to be an Eligible Participant of the Company by reason of the summary termination of his employment, office or service on any one or more of the grounds that he has been guilty of misconduct, or providing services to or working at any competitor of the Company, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board in its absolute discretion) on any other ground on which the relevant company in the

Group would be entitled to terminate his employment, office or service summarily at common law or pursuant to any applicable laws or under the grantee's service contract with relevant company in the Group;

- (e) in respect of a grantee other than an Employee, the date on which the Board shall at their absolute discretion determine that (1) (aa) the grantee or his/her/its associate has committed any breach of any contract entered into between the grantee or his/her/its associate on the one part and any member of the Group on the other part; or (bb) 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 or (cc) the grantee could no longer make any contribution to the growth and development of any member of the Group by reason of the cessation of its relations with the Group or by any other reason whatsoever; and (2) the Share Option shall lapse as a result of any event specified in sub-paragraph (aa), (bb) or (cc) above;
- (f) where the grantee is an Eligible Participant of a subsidiary, the date on which such subsidiary ceases to be a member of the Group;
- (g) the date on which the grantee commits a breach of paragraph 7 above; or
- (h) the occurrence or non-occurrence of any event, expiry of any period, or non-satisfaction of any condition, as specified in the letter containing the offer or grant of the relevant Share Option.

10. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (a) The total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the Share Option Scheme and any other share scheme(s) adopted by the Company must not in aggregate exceed 10% (excluding treasury shares) of the issued share capital of the Company as of the Amendment Date, being 86,581,717 Shares, unless otherwise permitted by the Listing Rules or the Company obtains the approval of its Shareholders in accordance with paragraph 10(c) below. Share Options lapsed in accordance with the terms of the Share Option Scheme or any other scheme shall not be counted for the purpose of calculating the Scheme Limit. No Share Option may be granted under the Share Option Scheme if this will result in the limit being exceeded.
- (b) Subject to paragraph 10(a) above, within the Scheme Limit, the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the Share Option Scheme and any other share scheme(s) of the Company to the Service Providers must not in aggregate exceed 8,658,171 Shares, representing 1% (excluding treasury shares) of the total number of Shares in issue as of the Amendment Date.

- (c) The Company may seek the approval of its Shareholders in general meeting to refresh the Scheme Limit or the Service Provider Sublimit in paragraphs 10(a) and 10(b), subject to compliance with the requirements of the Listing Rules.

The requirements under sub-paragraphs a and b above do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Limit or the Service Provider Sublimit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Limit or the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

- (d) Except with the approval of Shareholders in a general meeting with the prospective grantee and his/her close associates (as defined under the Listing Rules) (or associates if the grantee is a connected person as defined under the Listing Rules) abstaining from voting, no Share Option may be granted to each participant such that the total number of Shares issued and to be issued upon exercise of all Share Options and any other awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) and to be granted to such person in any 12-month period up to and including the date of the latest grant in aggregate exceeds 1% (excluding treasury shares) of the Shares in issue from time to time. The Company shall send a circular to its Shareholders containing the information required under the Listing Rules. The number and terms of the Share Options to be granted to such prospective grantee shall be fixed before the Shareholders' approval of the grant of such Share Options and the date of Board meeting for proposing such further grant should be taken as the Offer Date for the purpose of calculating the Subscription Price.

11. GRANT OF OPTIONS TO CONNECTED PERSONS

The approval of independent non-executive directors of the Company (excluding any independent non-executive director of the Company who is intended to be a grantee of the Share Option) as required under the Listing Rules as amended and supplemented from time to time will be required for each grant of Share Options to a director, chief executive, or substantial Shareholder of the Company or any of their respective associates. The Company will comply with the requirements under the Listing Rules as amended and supplemented from time to time for any grant of Share Options to any connected person (as defined under the Listing Rules).

If a grant of Share Option(s) to a substantial Shareholder or an independent non-executive director of the Company or their respective associates will result in the total number of Shares issued and to be issued upon exercise of all the Share Options and vesting of all awards already granted and to be granted pursuant to the Share Option Scheme and any other share schemes adopted by the Company (excluding any Share Options lapsed in accordance with the terms of the relevant scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (excluding treasury shares) of the Shares in issue from time to time, such further grant of Share Option(s) or awards must be

approved by the Shareholders by way of poll in general meeting. In this case, the Board shall procure that all the requirements of the Listing Rules relating to sending a circular to Shareholders are complied with. The grantee, his/her associates and all core connected persons (as defined under the Listing Rules) of the Company must abstain from voting in favour at such a general meeting.

12. ADJUSTMENT

In the event of any alteration in the capital structure of the Company whilst any Share Option remains exercisable, whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements, such corresponding adjustments (if any) shall be made to:

- (a) the number of Shares subject to the Share Option Scheme or any Share Option granted (insofar as it is/they are unexercised); and/or
- (b) the Subscription Price,

which should give a grantee the same proportion of the equity capital, rounded to the nearest whole share, as that to which that grantee was previously entitled, and an independent financial adviser or the Auditors shall certify in writing to the Board that the adjustments satisfy the requirements set out under the note to Rule 17.03(13) of the Listing Rules, provided that:

- (a) any adjustment shall be made on the basis that the proportion of the issued share capital of the Company to which a grantee is entitled after such adjustment shall remain the same, or as nearly as possible the same as that to which he was entitled to subscribe had he exercised all the Share Options held by him immediately before such adjustment, but so that no such adjustment shall be made the effect of which would be to enable any Share to be issued at less than its nominal value, or to alter any terms of the relevant Share Option to the advantage of the grantee without the approval of the Shareholders;
- (b) notwithstanding (a) above, any adjustments as a result of an issue of securities with a price dilutive element, such as a rights issue, open offer or capitalization issue, should be based on a scrip factor similar to the one used in accounting standards in adjusting the earnings per share figures and any such adjustment shall comply with the supplementary guidance on Rule 17.03(13) of the Listing Rules;
- (c) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
- (d) any such adjustment shall be in compliance with the Listing Rules and such applicable rules, codes, guidance notes and/or interpretation of the Listing Rules from time to time promulgated by the Stock Exchange.

Subject to other provisions in this paragraph 12, if there is any conversion of capital reserve into new shares, issue of bonus shares, share subdivision, share consolidation and reduction of share capital or rights issue prior to the exercise of the Share Options, an adjustment to the number of Share Options shall be made accordingly. The methods of adjustment are set out as below:

- (a) Conversion of capital reserve into new shares, issue of bonus shares or share subdivision

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

Where: “Q₀” represents the number of Share Options before the adjustment; “n” represents the ratio per Share of the conversion of capital reserve into new shares, issue of bonus shares or share subdivision; “Q” represents the number of Share Options after the adjustment.

- (b) Share consolidation and reduction of share capital

$$Q = Q_0 \times n$$

Where: “Q₀” represents the number of Share Options before the adjustment; “n” represents the ratio of consolidation or ratio of share capital reduction; “Q” represents the number of Share Options after the adjustment.

- (c) rights issue

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

Where: “Q₀” represents the number of Share Options before the adjustment; “P₁” represents the closing price as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of allotment; “Q” represents the number of Share Options after the adjustment.

Subject to other provisions in this paragraph 12, if there is any conversion of capital reserve into new shares, issue of bonus shares, share subdivision, share consolidation and reduction of share capital or rights issue prior to the exercise of the Share Options, an adjustment to the Subscription Price shall be made accordingly. The method of adjustment is set out as below:

- (a) Conversion of capital reserve into new shares, issue of bonus shares or share subdivision

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

Where: “P₀” represents the Subscription Price before the adjustment; “n” represents the ratio per Share of the conversion of capital reserve into new shares, issue of bonus shares or share subdivision; “P” represents the Subscription Price after the adjustment.

(b) Share consolidation and reduction of share capital

$$P = P_0 \div n$$

Where: “P₀” represents the Subscription Price before the adjustment; “n” represents the ratio of consolidation or ratio of share capital reduction; “P” represents the Subscription Price after the adjustment.

(c) Rights issue

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

Where: “P₀” represents the Subscription Price before the adjustment; “P₁” represents the closing price as at the record date; “P₂” represents the subscription price of the rights issue; “n” represents the ratio of allotment; “P” represents the Subscription Price after the adjustment.

13. SHARE CAPITAL

The exercise of any Share Option shall be subject to the members of the Company in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Share Options.

14. DISPUTES

The decision of the Board (or persons to whom the Board has delegated relevant powers) shall be final and binding on all parties regarding the interpretation or application of the Share Option Scheme. The Board may, in its sole discretion, refer any dispute arising in connection with the Share Option Scheme (whether as to the number of Shares the subject of a Share Option, the amount of the Subscription Price or otherwise).

15. ALTERATION OF THE SHARE OPTION SCHEME

The Share Option Scheme may be altered in any respect by an ordinary resolution of the Board except that the provisions of the Share Option Scheme as to the specific provisions of the Share Option Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of grantees or prospective grantees except with the prior sanction of a resolution of the Company in general meeting.

Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature, and any change to the terms of any Share Options granted must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Share Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) except where the alterations take effect automatically under the existing terms of the Share Option Scheme. The terms of the Share Option Scheme or the Share Options so altered must comply with Chapter 17 of the Listing Rules.

16. TERMINATION

The Company by an ordinary resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Share Options will be offered but the provisions of the Share Option Scheme shall remain in full force in all other respects. All Share Options granted but unexercised prior to such termination shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Share Option Scheme.

NOTICE OF ANNUAL GENERAL MEETING



Akesobio
Akeso, Inc.
康方生物科技（開曼）有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9926)

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Meeting**”) of Akeso, Inc. (the “**Company**”) will be held at 6 Shennong Road, Torch Development Zone, Zhongshan, Guangdong, the People’s Republic of China on Sunday, June 30, 2024 at 2:00 p.m. for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and auditor for the year ended December 31, 2023.
2. (A) To re-elect the following retiring directors of the Company:
 - (i) Dr. XIA Yu, executive director of the Company
 - (ii) Dr. LI Baiyong, executive director of the Company
 - (iii) Dr. WANG Zhongmin Maxwell, executive director of the Company(B) To authorise the board of directors of the Company to fix the remuneration of the directors.
3. To re-appoint Ernst & Young as auditors of the Company and authorise the board of directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

(A) **“That:**

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares which may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) of this resolution above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined); or (2) the grant or exercise of any option under the option scheme of the Company, or vesting of any award under the share scheme of the Company or any other option, scheme or similar arrangement 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 of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company 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 of the Company, shall not exceed the aggregate of 20% of the aggregate number of the shares of the Company in issue (excluding treasury shares) as at the date of passing this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

- (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
- (1) the conclusion of the next annual general meeting of the Company;
 - (2) the 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;
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
- (b) “**Rights Issue**” means an offer of shares in the capital of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the capital of the Company or any class thereof whose names appear on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the directors of the Company 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 recognised regulatory body or any stock exchange applicable to the Company).”

(B) “**That:**

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the Directors;

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the aggregate number of the shares of the Company in issue, which may be repurchased by the Company during the Relevant Period (as hereinafter defined) pursuant to the approval in paragraph (i) above shall not exceed 10% of the aggregate number of the shares of the Company in issue (excluding treasury shares) as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iv) subject to the passing of each of the paragraphs (i), (ii) and (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i), (ii) and (iii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and
- (v) 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; and
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) “**That** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with new shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate number of the shares of the Company in issue which may be allotted or agreed conditional or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate number of the shares of the Company in issue repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such extended amount shall not exceed 10% of the aggregate number of the shares of the Company in issue (excluding treasury shares) as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:
- (A) “**THAT** conditional upon the passing of ordinary resolution numbered 5(C), (i) the amendments to the 2021 RSU Scheme (as defined in the circular dated June 6, 2024) proposed by the Board, a copy of which is produced to this meeting, marked “A” and initialed by the chairman of the meeting for identification purpose, be and is hereby approved and adopted in all respects; and (ii) the Directors be and are hereby authorized to grant the awards thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the 2021 RSU Scheme (including but not limited to the proposed amendments to the 2021 RSU Scheme).”
- (B) “**THAT** conditional upon the passing of ordinary resolution numbered 5(C), (i) the amendments to the Share Option Scheme (as defined in the circular dated June 6, 2024) proposed by the Board, a copy of which is produced to this meeting, marked “B” and initialed by the chairman of the meeting for identification purpose, be and is hereby approved and adopted in all respects; and (ii) the Directors be and are hereby authorized to grant the options thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the Share Option Scheme (including but not limited to the proposed amendments to the Share Option Scheme).”
- (C) “**THAT** the Scheme Limit (as defined in the circular dated June 6, 2024) on the total number of Shares that may be issued in respect of all options and awards to be granted to the eligible participants under all the share schemes of the Company, being 10% of the issued Shares of the Company (excluding any treasury shares) as at the date of the Shareholders’ approval of the limit, be and is hereby approved and adopted.”
- (D) “**THAT** conditional upon the passing of ordinary resolution numbered 5(C), the Service Provider Sublimit (as defined in the circular dated June 6, 2024) on the total number of Shares that may be issued in respect of all options and awards to be granted to the Service Providers (as defined in the circular dated June 6, 2024) under all the share schemes of the Company be and is hereby approved and adopted.”

By order of the Board

Akeso, Inc.

Dr. XIA Yu

Chairwoman and executive director

Hong Kong, June 6, 2024

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Cricket Square
Grand Cayman KY1-9010
Cayman Islands

Principal place of business Hong Kong:

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

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) Ordinary resolution numbered 4(C) will be proposed to the shareholders of the Company for approval provided that ordinary resolutions numbered 4(A) and 4(B) are passed by the shareholders of the Company.
- (ii) A shareholder entitled to attend and vote at the Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the Meeting. On a poll, votes may be given either personally or by proxy.
- (iii) In the case of joint holders, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, 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, a form of proxy must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, 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 notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. no later than 2:00 p.m. on Friday, June 28, 2024, Hong Kong time) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) The transfer books and register of members of the Company will be closed from Tuesday, June 25, 2024 to Sunday, June 30, 2024, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending and voting at the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Monday, June 24, 2024.
- (vi) In respect of ordinary resolutions numbered 2 above, Dr. XIA Yu, Dr. LI Baiyong and Dr. WANG Zhongmin Maxwell, shall retire at the Meeting and being eligible, have offered themselves for re-election at the above meeting. Details of the above retiring directors of the Company are set out in Appendix I to the accompanied circular dated June 6, 2024.
- (vii) In respect of the ordinary resolution numbered 4(A) above, the directors of the Company wish to state that they have no immediate plans to issue any new shares of the Company. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Listing Rules.
- (viii) In respect of ordinary resolution numbered 4(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated June 6, 2024.