

## APPENDIX IV

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### FURTHER INFORMATION ABOUT OUR COMPANY

#### Incorporation of our Company

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands on May 15, 2019. Accordingly, our corporate structure and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of certain aspects of the Cayman Islands company law and a summary of certain provisions of our Articles of Association are set out in the section headed “Summary of the Constitution of the Company and Cayman Islands Company Law” in Appendix III.

Our registered place of business in Hong Kong is at 5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong. We have registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance. Ms. Chan Sze Ting (陳詩婷) at 5/F, Manulife Place 348, Kwun Tong Road, Kowloon, Hong Kong has been appointed as our authorized representative for the acceptance of service of process and notices in Hong Kong.

#### Changes in Share Capital of Our Company

Save as disclosed in the section headed “History, Reorganization and Corporate Structure – [REDACTED] investments”, there has been no other alteration in the share capital of our Company during the two years immediately preceding the date of this Document.

#### Changes in the Share Capital of Our Subsidiaries

Save as disclosed in the section headed “History, Reorganization and Corporate Structure – Corporate Development – Our Subsidiaries”, there had been no other alterations of share capital of our subsidiaries within the two years preceding the date of this Document.

#### Resolutions of Our Shareholders

Pursuant to the resolutions passed at a duly convened general meeting of our Shareholders on [REDACTED], it was resolved, among others:

- (a) subject to the [REDACTED] becoming unconditional,
  - with effect on the date of these resolutions, each ordinary Share (whether issued or unissued) in the then authorized share capital of the Company with a par value of US\$0.0001 each will be [REDACTED] into [REDACTED] Shares with a par value of US\$[REDACTED] each, such that immediately following the [REDACTED], the authorized share capital of the Company is US\$50,000 divided into [REDACTED] Shares with a par value of US\$[REDACTED] each; and
  - with effect immediately prior to the [REDACTED], each of the issued and unissued Preferred Shares be converted into one Share with a par value US\$0.0001 each by re-designation and re-classification of with effect prior to the completion of the [REDACTED];



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- (f) a general unconditional mandate was granted to our Directors to exercise all power of our Company to repurchase Shares with an aggregate nominal value of not more than 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the [REDACTED] (excluding any Shares which may be allotted and issued upon the exercise of the [REDACTED] and excluding any Shares which may be allotted and issued under the [REDACTED] Equity Incentive Plan).

This mandate only relates to repurchase made on the Stock Exchange or on any other stock exchange on which the Shares may be [REDACTED] (and which is recognized by the SFC and the Stock Exchange for this purpose) and made in accordance with all applicable laws and regulations and the requirements of the Listing Rules. This general mandate to repurchase Shares will remain in effect until:

- the conclusion of the next annual general meeting of our Company;
- the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws or the Articles of Association; or
- it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting of our Company;

whichever is the earliest;

- the general unconditional mandate as mentioned in paragraph (c) above would be extended by the addition to the aggregate nominal value of the Shares which may be allotted and issued or agreed to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the Shares purchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (d) above (up to 10% of the aggregate nominal value of the Shares in issue immediately following completion of the [REDACTED], excluding any Shares which may fall to be allotted and issued pursuant to the exercise of the [REDACTED] and excluding any Shares to be allotted and issued under the [REDACTED] Equity Incentive Plans).

### **Restrictions on Repurchase of Our Own Securities**

This section sets out information required by the Stock Exchange to be included in this Document concerning the repurchase by us of our own Shares.

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### *Provisions of the Listing Rules*

The Listing Rules permit companies with a primary [REDACTED] on the Stock Exchange to repurchase their own Shares on the Stock Exchange subject to certain restrictions, the more important of which are summarized below:

- (a) Shareholders' Approval. All proposed repurchase of Shares (which must be fully paid up in the case of shares) by a company with a primary [REDACTED] on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.
- (b) Source of Funds. Repurchases must be funded out of funds legally available for the purpose in accordance with the constitutive documents of a [REDACTED] company, the laws of the jurisdiction in which the [REDACTED] company is incorporated or otherwise established. A [REDACTED] company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. Subject to the foregoing, any repurchases by a [REDACTED] company may be made out of the funds which would otherwise be available for dividend or distribution or out of the [REDACTED] of a new issue of shares made for the purpose of the repurchase. Any amount of premium payable on the purchase over the par value of the shares to be repurchased must be out of the funds which would otherwise be available for dividend or distribution or from sums standing to the credit of our share premium account.

### *Reasons for Repurchase*

Our Directors believe that it is in the best interest of us and our Shareholders for our Directors to have general authority from the Shareholders to enable us to repurchase Shares in the market. 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 earnings per Share and will only be made where our Directors believe that such repurchases will benefit us and our Shareholders.

### *Funding of Repurchases*

In repurchasing securities, we may only apply funds legally available for such purpose in accordance with the Memorandum of Association and Articles of Association, the Companies Act or other applicable laws of Cayman Islands and the Listing Rules. On the basis of our current financial condition as disclosed in this Document and taking into account our current working capital position, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on our working capital and/or our gearing position as compared with the position disclosed in this Document. However, our Directors do not propose to exercise the repurchase mandate to such an extent as would, in the circumstances, have a material adverse effect on our working capital requirements or the gearing levels which in the opinion of our Directors are from time to time appropriate for us.

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### *General*

Exercise in full of the current repurchase mandate, on the basis of [REDACTED] Shares in issue after completion of the [REDACTED] (without taking into account of the Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and any Shares to be allotted and issued under the [REDACTED] Equity Incentive Plan), could accordingly result in up to [REDACTED] Shares being repurchased by us during the period prior to:

- (a) the conclusion of our next annual general meeting;
- (b) the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Articles of Association to be held;  
or
- (c) the date on which the repurchase mandate is varied or revoked by an ordinary resolution of our Shareholders in general meeting,

whichever is the earliest.

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell any Shares to us or our subsidiaries. Our Directors have undertaken with the Stock Exchange that, so far as the same may be applicable, they will exercise the repurchase mandate in accordance with the Listing Rules, the Memorandum of Association and Articles of Association, the Companies Act or any other applicable laws of the Cayman Islands.

If, as a result of a repurchase of our Shares pursuant to the repurchase mandate, a Shareholder's proportionate interest in our voting rights is increased, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of us and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, our Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the repurchase mandate.

No core connected person, as defined in the Listing Rules, has notified us that he/she or it has a present intention to sell his/her or its Shares to us, or has undertaken not to do so, if the repurchase mandate is exercised.

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### FURTHER INFORMATION ABOUT OUR BUSINESS

#### Summary of Material Contracts

We have entered into the following contracts (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this Document that are or may be material:

- (a) the second amended and restated shareholders agreement dated September 15, 2021 entered into among the Company, Cutia Therapeutics (HK) Limited, Cutia Therapeutics (Shanghai) Co., Ltd. (科笛生物醫藥(上海)有限公司), Zhang Lele (張樂樂), 6 Dimensions Capital, L.P., 6 Dimensions Affiliates Fund, L.P., Suzhou 6 Dimensions Venture Capital Partnership L.P. (蘇州通和毓承投資合夥企業(有限合夥)), Suzhou Frontline BioVentures Venture Capital Fund II L.P. (蘇州通和二期創業投資合夥企業(有限合夥)), YF Dermatology Limited, SCC Growth V 2020-C, L.P., Cormorant Private Healthcare Fund II, LP, Cormorant Global Healthcare Master Fund, LP, LBC Sunshine Healthcare Fund L.P., Link Spirit Holdings Limited, TK Derma Limited, CICC GF No.1 Limited, C&D No.7 Holdings Limited, Fidelity China Special Situations PLC, Fidelity Funds, Fidelity Investment Funds, United Strength Neptune Limited and Goldstream Capital Segregated Portfolio Company – Goldstream Healthcare Focus Fund SP, pursuant to which Shareholders’ rights were agreed among the parties; and
- (b) the [REDACTED].

#### Intellectual Property Rights


##### *Trademarks*

As of the Latest Practicable Date, we had registered the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Owner	Place of registration
1.	<b>CUTIA</b>	Cutia Shanghai	PRC
2.	<b>科笛</b>	Cutia Shanghai	Hong Kong
3.	<b>科笛生物</b>	Cutia Shanghai	PRC
4.	<b>科笛医药</b>	Cutia Shanghai	Hong Kong
5.	<b>晨笛医药</b>	Aurora Cutis	PRC

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As of the Latest Practicable Date, we had applied for the registration of the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Owner	Place of registration
1.	(A)  (B) 	Cutia Shanghai	Hong Kong
2.	(A)  (B)  (C) 	Cutia Shanghai	Hong Kong
3.	(A)  (B) 	Cutia Shanghai	Hong Kong
4.	(A)  (B)  (C)  (D) 	Cutia Shanghai	Hong Kong
5.	(A)  (B) 	Cutia Shanghai	Hong Kong

**Patents**

For material patents and patent applications of our Group as of the Latest Practicable Date, see “Business – Intellectual Property” in this Document for more details.

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**Domain Name**

As of the Latest Practicable Date, we had registered the following internet domain names which we consider to be or may be material to our business:

No.	Domain Name	Owner	Expiry date
1.	cutiatx.com	Cutia Shanghai	May 9, 2024

**FURTHER INFORMATION ABOUT OUR DIRECTORS, CHIEF EXECUTIVES AND SUBSTANTIAL SHAREHOLDERS**

**1. Interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of our Company and our associated corporations**

The following table sets out the interests and short positions of our Directors and chief executive of our Company as of the Latest Practicable Date and immediately following completion of the [REDACTED] (without taking into account the Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and any Shares to be allotted and issued under the [REDACTED] Equity Incentive Plan) in our Shares, underlying Shares or debentures of our Company or any of our associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to us and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, once our Shares are [REDACTED]:

Name	Position	Nature of Interest	Number of underlying Shares held upon completion of the [REDACTED]	Approximate percentage of shareholding in the total issued share capital	
				As of the Latest Practicable Date (%)	Upon completion of the [REDACTED] (%)
Ms. Zhang Lele <sup>(1)</sup>	Executive Director and CEO	Beneficial owner	[REDACTED]	9.73	[REDACTED]
Mr. Huang Yuqing <sup>(2)</sup>	Executive Director and CFO	Beneficial owner	[REDACTED]	1.68	[REDACTED]



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*Notes:*

1. As of the Latest Practicable Date, Ms. Zhang Lele is entitled to receive up to 5,504,855 Shares (to be adjusted to [REDACTED] Shares upon completion of the [REDACTED]), pursuant to the options and share awards granted to her under the [REDACTED] Equity Incentive Plan, subject to the terms and conditions of such options and share awards.
2. As of the Latest Practicable Date, Mr. Huang Yuqing is entitled to receive up to 950,000 Shares (to be adjusted to [REDACTED] Shares upon completion of the [REDACTED]), pursuant to the options and share awards granted to him under the [REDACTED] Equity Incentive Plan, subject to the terms and conditions of such options and share awards.

### **2. Interests of the substantial shareholders in the Shares and underlying Shares of our Company**

Save as disclosed in the section headed “Substantial Shareholders”, immediately following the completion of the [REDACTED] and without taking into account any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and any Shares which may be allotted and issued under the [REDACTED] Equity Incentive Plan, our Directors are not aware of any other person (not being a Director or chief executive of our Company) who will have an interest or short position in the Shares or the underlying Shares which would fall to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company and any other member of our Group.

### **3. Directors’ Service Contracts and Letters of Appointment**

Each of Ms. Zhang Lele and Mr. Huang Yuqing, being our executive Directors, [has entered] into a service contract with us for an initial term of three years commencing from the [REDACTED], which may be terminated by not less than 30 days’ notice in writing served by either the executive Director or our Company.

Each of Dr. Chen Lian Yong, Dr. Xie Qin, Mr. Huang Xiao and Mr. Yang Yuxia, being our non-executive Directors, [has entered] into a service contract with us for an initial term of three years commencing from the [REDACTED], which may be terminated by not less than 30 days’ notice in writing served by either the non-executive Director or our Company.

Each of Mr. Chung Ming Kit, Mr. Tao Tak Yan Dennis and Mr. Ye Xiaoxiang, being our independent non-executive Directors, [has entered] into a letter of appointment with us for an initial term of three years commencing from the [REDACTED], which may be terminated by not less than 30 days’ notice in writing served by either the independent non-executive Director or our Company.

Save as disclosed above, none of our Directors has entered, or has proposed to enter, a service contract with any member of our Group (other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation)).

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### 4. Director’s Remuneration

Save as disclosed in “Directors and Senior Management” and note 9 to the Accountants’ Report in Appendix I for the two financial years ended December 31, 2020 and 2021 and the six months ended June 30, 2022, none of our Directors received other remunerations of benefits in kind from us.

### 5. Disclaimers

Save as disclosed in this Document:

- (a) there are no existing or proposed service contracts (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)) between the Directors and any member of the Group;
- (b) none of the Directors or the experts named in the section headed “– Other Information – Qualifications and consents of experts” below has any direct or indirect interest in the promotion of, or in any assets which have been, within the two years immediately preceding the date of this Document, acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group;
- (c) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any Shares in or debentures of the Company within the two years ended on the date of this Document;
- (d) none of the Directors is materially interested in any contract or arrangement subsisting at the date of this Document which is significant in relation to the business of the Group taken as a whole;
- (e) taking no account of any Shares which may be allotted and issued pursuant to the exercise of the [REDACTED] and any Shares to be allotted and issued under the [REDACTED] Equity Incentive Plan, so far as is known to any Director or chief executive of the Company, no other person (other than a Director or chief executive of the Company) will, immediately following completion of the [REDACTED], have interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or (not being a member of the Group), be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group; and

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- (f) none of the Directors or chief executive of the Company has any interests or short positions in the Shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or will be required, pursuant to the Model Code for Securities Transaction by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange once the Shares are [REDACTED] thereon.

### EQUITY INCENTIVE PLANS

#### 1. [REDACTED] Equity Incentive Plan

We have applied to the Stock Exchange and the SFC, respectively, for, (i) a waiver from strict compliance with the disclosure requirements under Rule 17.02(1)(b) of the Listing Rules and paragraph 27 of Appendix 1A to the Listing Rules; and (ii) an exemption under section 342 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance from strict compliance with the disclosure requirements of paragraph 10 of Part I of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance. For more details, see "Waivers and Exemptions –Waiver and Exemption in relation to the [REDACTED] Equity Incentive Plan".

As of the date of this Document, 14,035,862 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]) under the [REDACTED] Equity Incentive Plan have been granted. No Shares under the [REDACTED] Equity Incentive Plan will be further granted. Therefore, the [REDACTED] Equity Incentive Plan does not subject to requirements under Chapter 17 of the Listing Rules. The following is a summary of the principle terms of the [REDACTED] Equity Incentive Plan, which was adopted by the Company and took effect on August 23, 2019.

#### *General*

##### *(a) Purpose*

The purpose of the [REDACTED] Equity Incentive Plan is to promote the success of the Company and the interests of its Shareholders by providing a means through which the Company may grant equity-based incentives to attract, motivate, retain and reward certain officers, employees, directors and other eligible persons and to further link the interests of award recipients with those of the Company's Shareholders generally.

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### *(b) Eligibility*

An officer (whether or not a director) or employee of the Company or any of its affiliates, any member of the Board or any director of one of the Company’s affiliates, or any individual consultant or advisor who renders or has rendered bona fide services (other than services in connection with the [REDACTED] or sale of securities of the Company or one of its affiliates, as applicable, in a capital raising transaction or as a market maker or promoter of that entity’s securities) to the Company or one of its affiliates.

### *(c) Maximum number of Shares*

Under the [REDACTED] Equity Incentive Plan, the maximum number of Shares that may be delivered pursuant to options and share awards (the “Awards”) granted under the [REDACTED] Equity Incentive Plan will not exceed the limit as duly approved by the shareholders of the Company from time to time. The maximum number of Shares the Company is authorized to issue is 14,137,134 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED] under the [REDACTED] Equity Incentive Plan.

### *(d) Administration*

The [REDACTED] Equity Incentive Plan shall be administered, and all Awards under the [REDACTED] Equity Incentive Plan shall be authorized, by the administrator. The “administrator” means the Board or one or more committees appointed by the Board or another committee (within its delegated authority) to administer all or certain aspects of the [REDACTED] Equity Incentive Plan. The administrator may delegate ministerial, non-discretionary functions to individuals who are officers or employees of the Company or any of its affiliates or to third parties.

All Shares under the [REDACTED] Equity Incentive Plan will be issued to Aurora Cutis Limited upon the exercise of options and delivery of share awards. Aurora Cutis Limited is a company incorporated in BVI and wholly owned by Futu Trustee Limited (the “Trustee”), the trustee of Aurora Cutis Employee Trust (the “Trust”), the trust set up by the Company to facilitate the administration of the [REDACTED] Equity Incentive Plan. Pursuant to the trust deed of the Trust, options and share awards with 10,853,568 underlying Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]) will be held by Aurora Cutis Limited and administered under the Trust by the Trustee, solely for the benefit of the identified grantees under the [REDACTED] Equity Incentive Plan.

### *(e) Awards*

The [REDACTED] Equity Incentive Plan is divided into two separate equity programs: (1) the option and share appreciation rights (the “SAR”) grant program under which eligible persons may, at the discretion of the administrator, be granted options and/or SARs, and (2) the share award program under which eligible persons may, at the discretion of the administrator, be awarded restricted or unrestricted Shares or restricted share units.

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### *Options and SAR*

#### *(a) Award agreement and general*

Each option or SAR shall be evidenced by an award agreement (the "**Award Agreement**") in the form approved by the administrator. The Award Agreement evidencing an option or SAR shall contain the terms established by the administrator for that Award and any other terms, provisions, or restrictions that the administrator may impose on the option or SAR or any Shares subject to the option or SAR. The administrator may require that the recipient of an option or SAR promptly execute and return to the Company his or her Award Agreement evidencing the Award. In addition, the administrator may require that the spouse of any married recipient of an option or SAR also promptly execute and return to the Company the Award Agreement evidencing the Award granted to the recipient or such other spousal consent form that the administrator may require in connection with the grant of the Award.

#### *(b) Price*

The administrator will determine the purchase price per share of the Shares covered by each option (the "**exercise price**" of the option) at the time of the grant of the option, which exercise price will be set forth in the applicable Award Agreement, with the following factors.

- (i) the par value of Share;
- (ii) subject to clause (iii) below, 100% of the fair market value of a Share on the date of grant; or
- (iii) in the case of an option granted to a participant, possessing more than 10% of the total combined voting power of all classes of shares of the Company, 110% of the Fair market value of a Share on the date of grant.

The administrator will determine the base price per share of the Shares covered by each SAR at the time of the grant of the SAR, which base price will be set forth in the applicable Award Agreement and will not be less than 100% of the fair market value of a Share on the date of grant of the SAR.

#### *(c) Vesting, term and exercise*

An option or SAR may be exercised only to the extent that it is vested and exercisable. The administrator will determine the vesting and/or exercisability provisions of each option or SAR (which may be based on performance criteria, passage of time or other factors or any combination thereof), which provisions will be set forth in the applicable Award Agreement. Unless the administrator otherwise expressly provides, once exercisable an option or SAR will remain exercisable until the expiration or earlier termination of the option or SAR.

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Each option and SAR shall expire not more than 10 years after its date of grant. Any exercisable option or SAR will be deemed to be exercised when (a) the applicable exercise procedures in the related Award Agreement have been satisfied (or, in the absence of any such procedures in the related Award Agreement, the Company has received written notice of such exercise from the participant), and (b) in the case of an option, the Company has received any required payment, and (c) in the case of an option or SAR, the Company has received any written statement.

### *(e) Termination of employment*

Unless otherwise provided in the applicable Award Agreement, if a participant's employment by or service to the Company or any of its affiliates is terminated by such entity for cause, the participant's option or SAR will terminate on the participant's severance date, whether or not the option or SAR is then vested and/or exercisable.

### ***Share Award Program***

#### *(a) General*

Each share award shall be evidenced by an Award Agreement in the form approved by the administrator. The Award Agreement evidencing a share award shall contain the terms established by the administrator for that share award, as well as any other terms, provisions, or restrictions that the administrator may impose on the share award (including, but not limited to, the number of Shares subject to such share award); in each case subject to the applicable provisions and limitations of this Plan. The administrator may require that the recipient of a share award promptly execute and return to the Company his or her Award Agreement evidencing the share award. In addition, the administrator may require that the spouse of any married recipient of a share award also promptly execute and return to the Company the Award Agreement evidencing the share award granted to the recipient or such other spousal consent form that the administrator may require in connection with the grant of the share award.

#### *(b) Price*

The administrator will determine the purchase price per share of the Shares covered by each share awards at the time of grant of the Award. In no case will such purchase price be less than the par value of the Shares.

#### *(c) Vesting, settlement and term*

The restrictions imposed on the Shares subject to a restricted share award and the vesting conditions applicable to each restricted share unit award (which may in each case be based on performance criteria, passage of time or other factors or any combination thereof) will be set forth in the applicable Award Agreement. Unless otherwise set forth in an Award Agreement, a restricted share unit award may, in the discretion of the administrator, be settled in Shares or cash (or a combination thereof).

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Any payment of cash or delivery of shares in payment for a share award, if applicable, may be delayed until a future date if specifically authorized by the administrator in writing and by the participant.

### *(d) Dividend and voting rights*

Unless otherwise provided in the applicable Award Agreement, a participant holding restricted shares will be entitled to cash dividend and voting rights for all restricted shares issued even though they are not vested, but such rights will terminate immediately as to any restricted shares which cease to be eligible for vesting or are repurchased by the Company. Unless the administrator otherwise expressly provides, any dividends paid with respect to restricted shares shall be subject to the same vesting and other restrictions that apply to the restricted shares to which the dividends relate. The Award Agreement relating to a restricted share unit award may specify whether the holder thereof shall be entitled to receive, on a current or deferred basis, distributions or dividends during the restriction period (and, if determined by the administrator, interest on any such distributions or dividends), with respect to the Shares subject to such restricted share unit award. Prior to the settlement of a restricted share unit award in Shares, the holder of such restricted share unit award shall have no rights as a shareholder of the Company with respect to the Shares subject to such restricted share unit award.

### *(e) Termination of employment*

Unless the administrator otherwise expressly provides, restricted shares or restricted share units that in each case remain subject to vesting conditions that have not been satisfied by the time specified in the applicable Award Agreement (which may include, without limitation, the participant's severance date), will not vest and will be forfeited or reacquired by the Company, as applicable, in such manner and on such terms as the administrator provides, which terms shall include, with respect to restricted shares, to the extent not prohibited by law, return or repayment of the lower of (a) the fair market value of the restricted shares at the time of the termination, or (b) if applicable, the original purchase price of the restricted shares, without interest.

### *Outstanding options and share awards granted*

As of the date of this Document, our Company had granted outstanding options under the [REDACTED] Equity Incentive Plan to 114 grantees (including Directors and other grantees of our Group), to subscribe for an aggregate of 6,710,541 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]), representing approximately [REDACTED]% in the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the [REDACTED] Equity Incentive Plan). Among the outstanding options, two Directors, who are also members of the senior management (Ms. Zhang Lele and Mr. Huang Yuqing), were granted options to subscribe for 3,971,475 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]), and other 112 grantees of our Group (who are not Directors, members of senior management or connected persons of the



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Company) were granted options to subscribe for 2,739,066 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]). As of the Latest Practicable Date, 3,813,541 Shares (to be adjusted to [REDACTED] Shares upon completion of the [REDACTED]) underlying the outstanding options have been vested.

Assuming full vesting and exercise of all outstanding options, the shareholding of our Shareholders immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised) will be diluted by approximately [REDACTED]%.

As of the date of this Document, our Company had granted outstanding share awards under the [REDACTED] Equity Incentive Plan to 91 grantees for an aggregate of 7,325,321 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]), representing approximately [REDACTED]% in the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the [REDACTED] Equity Incentive Plan). Among the outstanding share awards, two Directors, who are also members of our senior management (Ms. Zhang Lele and Mr. Huang Yuqing), were granted share awards for 2,483,380 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]), and other 89 awardees of our Group (who are not Directors, members of senior management or connected persons of the Company) were granted share awards for 4,841,941 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]). As of the Latest Practicable Date, 94,829 Shares (to be adjusted to [REDACTED] Shares upon completion of the [REDACTED]) underlying the outstanding share awards have been vested.

Assuming full vesting and exercise of all outstanding share awards, the shareholding of our Shareholders immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised) will be diluted by approximately [REDACTED]%.

Assuming full vesting and exercise of all outstanding options and share awards, the shareholding of our Shareholders immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised) will be diluted by approximately [REDACTED]%.

There is no consequent impact on the earnings per ordinary share for the two years ended December 31, 2020 and 2021 and the six months ended June 30, 2022 as the options and share awards would not be included in the calculation of diluted earnings per share due to anti-dilution.



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Below is a list of the grantees of the outstanding options who are connected persons of the Company under the [REDACTED] Equity Incentive Plan:

Name	Address	Date of Grant	Exercise Price <sup>(1)</sup>	Vesting Period <sup>(2)</sup>	Number of Shares underlying the options granted <sup>(1)</sup>	Approximate percentage in the issued Shares immediately after completion of the [REDACTED] <sup>(3)</sup> (%)
Ms. Zhang Lele (張樂樂)	Room 1901, No. 11, Lane 168 Shiquan East Road, Putuo District, Shanghai, PRC	August 23, 2019	USD[REDACTED]	5 years	[REDACTED]	[REDACTED]
		February 26, 2021	USD[REDACTED]	5 years	[REDACTED]	[REDACTED]
		October 19, 2022	USD[REDACTED]	5 years	[REDACTED]	[REDACTED]
		October 19, 2022	USD[REDACTED]	5 years	[REDACTED]	[REDACTED]
<b>Total</b>					[REDACTED]	[REDACTED]
Mr. Huang Yuqing (黃雨青)	13 Canton Road, Tsim Sha Tsui Kowloon Hong Kong	July 10, 2021	USD[REDACTED]	5 years	[REDACTED]	[REDACTED]
		July 10, 2021	USD[REDACTED]	5 years	[REDACTED]	[REDACTED]
		February 28, 2022	USD[REDACTED]	5 years	[REDACTED]	[REDACTED]
<b>Total</b>					[REDACTED]	[REDACTED]

*Notes:*

- (1) The calculation is made taking into account of the [REDACTED].
- (2) The grantees will vest in twenty percent of the option on the one year anniversary of the vesting commencement date and an additional one sixtieth of the option upon each successive monthly anniversary (or if there is no corresponding day, on the last day of such month) for the next 48 months following such one-year anniversary, subject generally to the grantees continuing to be an employee of the Company through each such date.
- (3) Assuming (i) the [REDACTED] becomes unconditional and the [REDACTED] Shares are issued pursuant to the [REDACTED], (ii) the [REDACTED] is not exercised and (iii) no further Shares are issued under the [REDACTED] Equity Incentive Plan.

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As of the date of this Document, our Company has granted outstanding options under the [REDACTED] Equity Incentive Plan to 112 grantees who are not our connected person, to subscribe for an aggregate of 2,739,066 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]), representing approximately [REDACTED]% in the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the [REDACTED] Equity Incentive Plan). The considerations paid for the grant of the options is nil. The exercise prices for the options range from USD[REDACTED] to USD[REDACTED].

Below is a list of the grantees of the outstanding share awards who are connected persons of the Company under the [REDACTED] Equity Incentive Plan:

Name	Date of grant	Award type	Vesting period <sup>(1)</sup>	Numbers of Shares underlying the outstanding share awards <sup>(2)</sup>	Approximate percentage in the issued Shares immediately after completion of the [REDACTED] <sup>(3)</sup> (%)
Ms. Zhang Lele (張樂樂)	October 19, 2022	Restricted shares units	4 years	[REDACTED]	[REDACTED]
	November 20, 2022	Restricted shares units	4.5 years	[REDACTED]	[REDACTED]
<b>Total</b>				[REDACTED]	[REDACTED]
Mr. Huang Yuqing (黃雨青)	February 28, 2022	Restricted shares units	4 years	[REDACTED]	[REDACTED]
	November 20, 2022	Restricted shares units	4.5 years	[REDACTED]	[REDACTED]
<b>Total</b>				[REDACTED]	[REDACTED]

*Notes:*

\* The consideration paid upon delivery of each Share underlying the share awards is USD[REDACTED] (taking into account of the [REDACTED]).

(1) 25% of the restricted shares units (the “RSUs”) shall vest on the one year anniversary (or for share awards granted in November 2022, one and a half years anniversary) of the vesting commencement date and an additional 25% of the RSUs upon each successive one year anniversary for the next 3 years following such one-year anniversary, subject generally to the Awardees continuing to be an employee of the Company through each such date.

(2) The calculation is made taking into account of the [REDACTED].

(3) Assuming (i) the [REDACTED] becomes unconditional and the [REDACTED] Shares are issued pursuant to the [REDACTED], (ii) the [REDACTED] is not exercised and (iii) no further Shares are issued under the [REDACTED] Equity Incentive Plan.

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As of the date of this Document, our Company has granted outstanding share awards under the [REDACTED] Equity Incentive Plan to 89 grantees who are not our connected person, to subscribe for an aggregate of 4,841,941 Shares (to be adjusted to [REDACTED] Shares upon the completion of [REDACTED]), representing approximately [REDACTED]% in the total number of Shares in issue immediately after completion of the [REDACTED] (assuming the [REDACTED] is not exercised and no further Shares are issued under the [REDACTED] Equity Incentive Plan). The consideration paid for the grant of the share awards is nil.

### 2. [REDACTED] Equity Incentive Plan

A summary of the principal terms of the [REDACTED] Equity Incentive Plan conditionally approved and adopted in compliance with Chapter 17 of the Listing Rules by resolution of our Shareholders on [●], 2023 is as follows.

#### (a) *Purpose*

The purpose of the [REDACTED] Equity Incentive Plan is to incentivize and reward the Eligible Participants (as defined below) for their contribution to the Group and to align their interests with that of our Company so as to encourage them to work towards enhancing the value of our Company.

#### (b) *Eligible Participants*

The Board (which expression shall, for the purpose of this paragraph, include the Board or a duly authorized committee thereof) may, at its absolute discretion, offer to grant an option or a share award to subscribe for such number of Shares as the Board may determine to (a) an employee (whether full time or part-time) or a director of our Company or any of its subsidiaries (the “**Eligible Employee(s)**”) and (b) a consultant who provides services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are material to the long term growth of the Group (“**Service Provider(s)**”, together with the Eligible Employees referred as the “**Eligible Participant(s)**”).

For the avoidance of doubt, Service Providers shall exclude [REDACTED] agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, and any professional service providers such as auditors or valuers.

The eligibility of any Eligible Employees shall be determined by the Board from time to time on the basis of the Board’s opinion as to, among others, the participant’s individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the actual or potential contribution to the development and growth of the Group.

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The eligibility of any Service Providers shall be determined by the Board from time to time on the basis of the Board’s opinion as to, among others, their contribution to the development and growth of the Group, the prevailing market practice and industry standard, the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Service Providers has established with the Group, and the amount of support, assistance, guidance, advice, efforts and contributions the Service Providers has exerted and given towards the success of the Group, and/or whether the person is regarded as a valuable consultant of the Group, taking into account the knowledge, experience, qualification, expertise and reputation of the Service Providers or other relevant factors (including without limitation technical know-how, market competitiveness, synergy between him/her and the Group and his/her strategic value).

*(c) Maximum number of Shares*

- (i) Subject to paragraphs (iv) and (v) below, the total number of Shares which may be issued upon exercise of all options and share awards to be granted under the [REDACTED] Equity Incentive Plan shall not in aggregate exceed 10% of the relevant class of Shares in issue on the day on which trading of the Shares commences on the Stock Exchange (the “**Plan Mandate Limit**”), being [REDACTED] Shares (excluding any Shares which may be issued upon the exercise of the [REDACTED]). Options and share awards lapsed in accordance with the terms of the [REDACTED] Equity Incentive Plan will not be counted for the purpose of calculating the Plan Mandate Limit.
- (ii) Subject to paragraph (i) above, within the Plan Mandate Limit, the total number of Shares which may be issued upon exercise of all options and share awards to be granted to Service Providers shall not exceed [●]% of the relevant class of Shares in issue on the day on which trading of the Shares commences on the Stock Exchange, being [●] Shares (the “**Service Providers Sublimit**”).
- (iii) Subject to paragraph (iv) below, the Plan Mandate Limit and the Service Providers Sublimit may be refreshed at any time after three years from the date of Shareholders’ approval for the last refreshment (or the date on which the [REDACTED] Equity Incentive Plan is adopted, as the case may be) by approval of its Shareholders in general meeting provided that (1) any controlling shareholders and their associates (or if there is no controlling shareholder, directors (excluding independent non-executive directors) and the chief executive of our Company and their respective associates) must abstain from voting in favor of the relevant resolution at the general meeting; and (2) our Company must comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the Listing Rules. The requirements under (1) and (2) of this paragraph do not apply if the refreshment is made immediately after an issue of securities by our Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules

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such that the unused part of the plan mandate (as a percentage of the relevant class of Shares in issue) upon refreshment is the same as the unused part of the plan mandate immediately before the issue of securities, rounded to the nearest whole Share.

- (iv) The total number of Shares which may be issued upon exercise of all options and share awards to be granted under the [REDACTED] Equity Incentive Plan and any other plans of our Company under the plan mandate as refreshed must not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed plan mandate.
- (v) Without prejudice to paragraph (iv) above, our Company may seek separate Shareholders' approval in a general meeting to grant options and/or share awards beyond the Plan Mandate Limit to participants specifically identified by our Company before such approval is sought. In such event, our Company must send a circular to its Shareholders containing a general description of the specified participants, the number and terms of options and/or share awards to be granted, the purpose of granting options and/or share awards to the specified participants with an explanation as to how the terms of the options and/or share awards will serve such purpose and all other information required under the Listing Rules.

### *(d) Maximum entitlement of a grantee*

Where any grant of options or share awards to a participant would result in the Shares issued and to be issued upon exercise of all options and/or share awards granted and to be granted to such participant (excluding any options lapsed in accordance with the terms of the [REDACTED] Equity Incentive Plan) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of Shares in issue, such grant must be separately approved by the Shareholders in general meeting with such participant and his/her close associates (or his/her associates if the participant is a connected person) abstaining from voting. The number and terms (including the exercise price) of options and/or share awards to be granted to such participant must be fixed before Shareholders' approval.

### *(e) Grant and exercise of options and share awards*

The Board or a duly authorized committee thereof 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 Participants, including, without limitation, conditions as to performance criteria (such as growth rate of revenue, earnings per share and/or total shareholders' return) to be satisfied or achieved by the Eligible Participants and/or our Company and/or the Group which must be satisfied before an option or a share award can be exercised.

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An offer of the grant of an option or a share award shall be made to any Eligible Participants by letter in such form as the Board or a duly authorized committee thereof may from time to time determine specifying the number of Shares, the vesting period, the subscription price, the option period, the date by which the grant must be accepted and further requiring the Eligible Participants to hold the option or share award on the terms on which it is to be granted and to be bound by the provisions of the [REDACTED] Equity Incentive Plan. An option or a share award 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 option or share award duly signed by the grantee together with a payment to our Company and/or any of its subsidiaries of HK\$1 (or the equivalent of HK\$1 in the local currency of any jurisdiction where our Company and/or its subsidiaries operate, as the Board or a duly authorized committee thereof may in its absolute discretion determine) by way of consideration for the grant thereof is received by our Company within the time period specified in the offer of the grant of the option or share award.

An option or a share award shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any third party over or in relation to any option or share award. Any breach of the foregoing by the grantee shall entitle our Company to cancel any outstanding entitlement of such grantee.

An option may be exercised in accordance with the terms of the [REDACTED] Equity Incentive Plan at any time during a period to be determined and notified by the Board to each grantee, which period may commence on a day after the date upon which the offer for the grant of options or share awards is made but shall end in any event not later than 10 years from the date on which an option or a share award is offered to a participant, subject to the provisions for early termination under the [REDACTED] Equity Incentive Plan. In any event, the minimum period for which an option or a share award must be held before it can be exercised shall be 12 months.

### *(f) Subscription price*

The amount payable for each Share to be subscribed for under an option (the "**Subscription Price**") in the event of the option being exercised shall be determined by the Board or a duly authorized committee thereof at its absolute discretion, which shall be not less than the highest of:

- (i) the nominal value of a Share;
- (ii) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and
- (iii) 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 date of grant.

The amount payable for each Share to be subscribed for under a share award (the "**Purchase Price**") shall be determined by the Board or a duly authorized committee thereof at its absolute discretion,

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***(g) Options and share awards granted to connected persons***

- (i) Where any grant of share awards (excluding grant of options) 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 share awards granted (excluding any share awards lapsed in accordance with the terms of the plan) 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, such further grant of share awards must be approved by the Shareholders at a general meeting of our Company, with voting to be taken by way of poll.
  
- (ii) Where any grant of options or share awards to an independent non-executive Director or a substantial shareholder of our 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 lapsed in accordance with the terms of the [REDACTED] Equity Incentive Plan) under the [REDACTED] Equity Incentive Plan and any other plans of our Company 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, such further grant of options or share awards must be approved by the Shareholders at a general meeting of our Company, with voting to be taken by way of poll.

Our Company shall send a circular to the Shareholders containing all information as required under the Listing Rules in this regard. The grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of our Company shall abstain from voting (except where any core connected person intends to vote against the proposed grant and his/her intention to do so has been stated in the aforesaid circular). Any change in the terms of an option or a share award granted to a substantial shareholder of our Company or an independent non-executive Director or any of their respective associates is also required to be approved by Shareholders in the aforesaid manner.

***(h) Restriction of grant of options and share awards***

No option or share awards shall be offered or granted:

- (i) to any Eligible Participant after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision, until (and including) the trading day after the relevant price sensitive or inside information has been announced in accordance with the applicable provisions of law or the Listing Rules;
  
- (ii) to any Eligible Participant during the period commencing one month immediately before the following (whichever is earlier):
  - (a) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's annual, quarterly (if any) or half-yearly results; and



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- (b) the deadline for our Company to publish an announcement of its annual, quarterly (if any) or half-yearly results;

and ending on the date of the results announcement. No option or share award shall be granted during any period of delay in the publication of a results announcement;

- (iii) to any Director (except where the Subscription Price is to be determined by the Board or a duly authorized committee thereof at the time of exercise of the option):

- (a) during the period of 60 days immediately preceding the publication of the annual results of our Company or, if shorter, the period from the end of the relevant financial year up to the publication of the results; or

- (b) 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.

***(i) Lapse of options and share awards***

Any option or share award shall elapse automatically and not be exercisable on the earliest of:

- (i) the expiry of the option period or other applicable exercisable periods under the [REDACTED] Equity Incentive Plan;
- (ii) the expiry of the periods or the occurrence of the relevant event referred to in paragraphs 12 and 13 below;
- (iii) subject as provide in the [REDACTED] Equity Incentive Plan, the date of the commencement of the winding-up of our Company;
- (iv) the date on which the grantee commits a breach of relevant clauses that rights are personal to the grantee; or
- (v) 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 option or share award.

***(j) Voting and dividend rights***

No grantee shall enjoy any of the rights of a Shareholder (including but not limited to voting rights or any other rights attached to a Share) by virtue of the grant of an option or a share award pursuant to the [REDACTED] Equity Incentive Plan, unless and until the registration of the grantee (or such other person as may succeed to the grantee's title by operation of applicable laws and in compliance with the terms of the [REDACTED] Equity Incentive Plan) as the holder thereof.



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For the avoidance of doubt, the trustee holding unvested Shares under the [REDACTED] Equity Incentive Plan, 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.

### *(k) Effects of alterations in the capital structure of our Company*

In the event of a capitalization issue, rights issue, subdivision or consolidation of Shares or reduction of capital of our Company whilst an option or a share award remains exercisable, such corresponding adjustment (if any) certified by the auditors for the time being of or an independent financial advisor to our Company as fair and reasonable will be made to (a) the number of Shares to which the option or the share award relates, so far as unexercised, and/or (b) the Subscription Price of any unexercised option and the Purchase Price of any share awards, provided that (i) any such alteration shall give a grantee the same proportion of the issued share capital (rounded to the nearest whole Share) to which the grantee was entitled prior to such alteration; (ii) any such adjustments shall be made on the basis that the aggregate Subscription Price and Purchase Price payable by a grantee on the full exercise of any option or share award shall remain as nearly as possible the same as it was before such event; and (iii) no adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. In addition, in respect of any such adjustments, other than any adjustment made on a capitalization issue, such auditors or independent financial advisor must confirm to the Board in writing that the adjustments comply with the relevant provisions of the Listing Rules (or any guideline or supplementary guideline as may be issued by the Stock Exchange from time to time).

### *(l) Rights on ceasing employment, death, or dismissal*

- (i) If the grantee of an option or a share award is an employee and ceases to be an employee for any reason other than death, or for serious misconduct or other grounds referred to in sub-paragraph (iii) below before exercising his/her option or share award in full, the option or share award (to the extent not already exercised) will lapse automatically on the date of cessation of his/her employment or engagement with the Group.
- (ii) If the grantee of an option or a share award is an employee and ceases to be an employee by reason of his/her death, before exercising the option or share award in full, his/her legal personal representative(s), or, as appropriate, the grantee may exercise the option or share award (to the extent not already exercised) in whole or in part within a period of 12 months following the date of death of the grantee.
- (iii) If the grantee of an option or a share award is an employee and ceases to be an employee by reason that he has been guilty of serious misconduct or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offense involving his/her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his/her employment summarily, his/her option or share award will lapse automatically on the date of cessation of his/her employment with the Group.

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### *(m) Rights on takeover and plans of compromise or arrangement*

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 plan 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) our Company shall use its best endeavors 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 options and/or share awards granted to them, Shareholders of our Company). If such offer becomes or is declared unconditional, the grantee (or his/her legal personal representative(s)) shall be entitled to exercise the grantee's outstanding entitlement in full at any time within 14 days after the date on which such general offer becomes or is declared unconditional.

### *(n) Rights on a voluntary winding-up*

In the event of an effective resolution being passed for the voluntary winding-up of our Company or an order of the court being made for the winding-up of our Company, notice thereof shall be given by our Company to grantees with options and/or share awards 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 our 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, such notice to be accompanied by a remittance for the full amount of the aggregate Subscription Price or Purchase Price for the Shares in respect of which the notice is given, whereupon the grantee shall be duly transferred with the relevant Shares (or treated as such by our Company) and entitled to receive out of the assets available in the liquidation *pari passu* with the holders of Shares such sum as would have been received in respect of the Shares that are the subject of such election.

### *(o) Ranking of Shares*

The Shares underlying the options and the share awards will be subject to all the provisions of the Articles of Association of our Company for the time being in force and will rank *pari passu* with the fully paid Shares in issue on the date of such transfer and accordingly will entitle the holders to participate in all dividends and other distributions paid or made on or after the date of such transfer 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 such transfer.

### *(p) Duration*

The [REDACTED] Equity Incentive Plan shall be valid and effective for a period of 10 years commencing on the date when the [REDACTED] Equity Incentive Plan becomes unconditional, after which period no further options or share awards will be granted by the provisions of the [REDACTED] Equity Incentive Plan, but the provisions of the [REDACTED] Equity Incentive Plan shall remain in full force and effect to the extent necessary to give effect to the exercise of any options or share awards granted prior thereto or otherwise as may be required in accordance with the provisions of the [REDACTED] Equity Incentive Plan.

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*(q) Alteration of the Plan*

The Board may subject to the rules of the [REDACTED] Equity Incentive Plan amend any of the provisions of the [REDACTED] Equity Incentive Plan at any time (but not so as to affect adversely any rights which have accrued to any grantee at that date).

Any alterations to the terms and conditions of the [REDACTED] Equity Incentive Plan which are of a material nature, and any change to the terms of any options or share awards granted, shall be subject to the approval of the Shareholders in general meeting and, where required under the Listing Rules, the Stock Exchange.

*(r) Cancellation of options and share awards*

Any cancellation of options or share awards granted may be effected on such terms as may be agreed with the relevant grantee, as the Board may in its absolute discretion sees fit and in a manner that complies with all applicable legal requirements for such cancellation. Where our Company cancels options and/or share awards granted to a participant and makes a new grant to the same participant, such new grant may only be made under the [REDACTED] Equity Incentive Plan with available Plan Mandate Limit approved by the Shareholders. The options or share awards canceled will be regarded as utilized for the purpose of calculating the Plan Mandate Limit.

*(s) Clawback*

The Board may, at its absolute discretion, determine such malus and/or clawback provisions to be applied to an option and a share award or an offer of grant so as to provide, upon the occurrence of the applicable malus and/or clawback event(s) such as serious misconduct, a material misstatement in our Company's financial statements and fraud. If the Board exercises its discretion under this paragraph, it will give the relevant grantee written notice of such determination and the Board's interpretation of and determination pursuant to this paragraph shall be final, conclusive and binding.

*(t) Termination*

Our Company by resolution in general meeting or the Board may at any time terminate the operation of the [REDACTED] Equity Incentive Plan and in such event no further options or share awards will be offered but the provisions of the [REDACTED] Equity Incentive Plan shall remain in full force in all other respects. All options and share awards granted prior to such termination shall continue to be valid and exercisable in accordance with the terms of the [REDACTED] Equity Incentive Plan.

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### *(u) Value of option and share awards*

Our Directors consider it inappropriate to disclose the value of options and/or share awards which may be granted under the [REDACTED] Equity Incentive Plan as if they had been granted as of the Latest Practicable Date. Any such valuation will have to be made on the basis of a certain option and/or share awards pricing model or other method that depends on various assumptions including the exercise price, the exercise period, interest rate, expected volatility and other variables. As no options or share awards have been granted, certain variables are not available for calculating the value of options or share awards. Our Directors believe that any calculation of the value of options and share awards granted as of the Latest Practicable Date would be based on a number of speculative assumptions that are not meaningful and would be misleading to [REDACTED].

### *(v) General*

As of the Latest Practicable Date, no options or share awards had been granted or agreed to be granted under the [REDACTED] Equity Incentive Plan.

## OTHER INFORMATION

### **Estate Duty**

Our Directors have been advised that no material liability for estate duty is likely to impose on our Company or any of the subsidiaries of the Company.

### **Litigation**

As of the Latest Practicable Date, no member of our Group was involved in any litigation, arbitration, administrative proceedings or claims of material importance, and, so far as we are aware, no litigation, arbitration, administrative proceedings or claims of material importance are pending or threatened against any member of our Group.

### **Joint Sponsors**

The Joint Sponsors both satisfy the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules. The Joint Sponsors will receive an aggregate fee of US\$1,000,000 for acting as the sponsors for the [REDACTED].

The Joint Sponsors have made an application on our Company's behalf to the [REDACTED] of the Stock Exchange for the granting of the approval for the [REDACTED] of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this Document. All necessary arrangements have been made for the Shares to be admitted into CCASS.

## APPENDIX IV

## STATUTORY AND GENERAL INFORMATION

### **Preliminary Expenses**

As of the Latest Practicable Date, our Company has not incurred any material preliminary expenses.

### **No Material Adverse Change**

Our Directors confirm that there has been no material adverse change in the financial or trading position or prospects of the Group since June 30, 2022 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

### **Promoter**

Our Company has no promoter for the purpose of the [REDACTED]. Within the two years preceding the date of this Document, no cash, securities or other benefit has been paid, allotted or given or is proposed to be paid, allotted or given to any promoter in connection with the [REDACTED] and the related transactions described in this Document.

### **Taxation of holders of Shares**

#### *Hong Kong*

The sale, purchase and transfer of Shares registered with our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration or, if higher, the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

#### *Cayman Islands*

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfer of Shares.

#### *Consultation with professional advisers*

Intending holders of the Shares are recommended to consult their professional advisers if they are in doubt as to the taxation implications of holding or disposing of or dealing in the Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the [REDACTED] can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their holding or disposal of or dealing in Shares or exercise of any rights attaching to them.

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**APPENDIX IV STATUTORY AND GENERAL INFORMATION**

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**Qualifications and Consents of Experts**

The following are the qualifications of the experts who have given opinions or advice which are contained in this Document:

<b>Name</b>	<b>Qualification</b>
Goldman Sachs (Asia) L.L.C.	A licensed corporation to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
China International Capital Corporation Hong Kong Securities Limited	A licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 5 (advising on futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO
Zhong Lun Law Firm	Legal advisers to our Company as to PRC law
Harney Westwood & Riegels	Legal advisers to our Company as to Cayman Islands law
Ernst & Young	Certified Public Accountants Registered Public Interest Entity Auditor
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co.	Industry consultant

Each of the experts named above has given and has not withdrawn its consent to the issue of this Document with the inclusion of its report, letter, summary of valuations, valuation certificates and/or legal opinion (as the case may be) and references to its name included in the form and context in which it respectively appears.

**Binding Effect**

This Document shall have the effect, if any application is made pursuant hereto, of rendering all persons concerned bound by all the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

## APPENDIX IV

## STATUTORY AND GENERAL INFORMATION

### Bilingual Document

The English language and Chinese language versions of this Document are being published separately, in reliance upon the exemption provided by section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). In case of any discrepancies between the English language version and Chinese language version of this Document, the English language version shall prevail.

### Miscellaneous

Save as disclosed in this Document:

- (a) within the two years preceding the date of this Document, no share or loan capital of the Company or any of its subsidiaries has been issued or has been agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
- (b) no share or loan capital of the Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
- (c) no founder, management or deferred shares of the Company or any of its subsidiaries have been issued or have been agreed to be issued;
- (d) none of our Directors or experts referred to in the paragraph headed “Other Information – Qualifications and consents of experts” in this section has any direct or indirect interest in the promotion of us, or in any assets which have within the two years immediately preceding the date of this Document been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (e) none of our Directors or experts referred to in the paragraph headed “Other Information – Qualifications and consents of experts” in this section is materially interested in any contract or arrangement subsisting at the date of this Document which is significant in relation to the business of our Group taken as a whole;
- (f) none of the equity and debt securities of the Company is [REDACTED] or dealt in on any stock exchange (other than the Stock Exchange) nor is any [REDACTED] or permission to deal being or proposed to be sought;
- (g) the Group has no outstanding convertible debt securities or debentures;
- (h) within the two years preceding the date of this Document, no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of any member of our Group;

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**APPENDIX IV**

**STATUTORY AND GENERAL INFORMATION**

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- (i) within the two years preceding the date of this Document, no commission has been paid or is payable (except commissions to [REDACTED]) for subscribing or agreeing to subscribe, or procuring or agreeing to procure the subscriptions, for any Shares in our Company;
  
- (j) there is no arrangement under which future dividends are waived or agreed to be waived; and
  
- (k) there has not been any interruption in the business of the Group which may have or has had a significant effect on the financial position of the Group in the 12 months preceding the date of this Document.