

## APPENDIX IV

## STATUTORY AND GENERAL INFORMATION

### A. FURTHER INFORMATION ABOUT OUR GROUP

#### 1. Incorporation of Our Company

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Cayman Companies Act on December 14, 2020 with the name “WuXi XDC Cayman Inc.” Our registered office address is at the offices of Maples Corporate Services Limited at PO Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands. Accordingly, our corporate structure and Memorandum and Articles of Association are subject to the relevant laws of the Cayman Islands. A summary of our Memorandum and Articles of Association is set out in Appendix III to this document.

We have established a place of business in 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong and has been registered as a non-Hong Kong company in Hong Kong under Part 16 of the Companies Ordinance on June 26, 2023. Ms. Wong Hoi Ting has been appointed as our authorized person of our Company for the acceptance of service of process in Hong Kong. The address for service of process is 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

#### 2. Changes in Share Capital of Our Company

On December 14, 2020, being the date of incorporation of our Company, our authorized share capital was US\$50,000, divided into 50,000 ordinary shares of a par value of US\$1.00 each.

On December 14, 2020, one share of a par value of US\$1.00 each of our Company was issued and allotted to the initial subscriber, Mapcal Limited, which in turn on the same day transferred the one share to WuXi Biologics.

On June 4, 2021, our Company repurchased one ordinary share of a par value of US\$1.00 from WuXi Biologics and then issued and allotted three and two new ordinary shares of a par value of US\$1.00 each to WuXi Biologics and STA Pharmaceutical, respectively.

On September 13, 2021, our Company underwent a subdivision of shares whereby each issued and unissued ordinary share of a par value of US\$1.00 was subdivided into 20,000 ordinary shares of a par value of US\$0.00005 each, such that following such subdivision, the authorized share capital of our Company was US\$50,000 divided into 1,000,000,000 ordinary shares of a par value of US\$0.00005 each.

On June 30, 2023, our authorized share capital was increased from US\$50,000 divided into 1,000,000,000 ordinary shares of a par value of US\$0.00005 each to US\$500,000 divided into 10,000,000,000 ordinary shares of a par value of US\$0.00005 each.

Save as disclosed above, there has been no alteration in the share capital of our Company during the two years immediately preceding the date of this document.

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

The following sets out the changes in share capital or registered capital of our subsidiaries which have taken place within the two years preceding the date of this document:

##### *XDC Hong Kong*

On June 7, 2021, XDC Hong Kong was incorporated in Hong Kong as a limited liability company with an initial registered capital of HK\$1.00.

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### *XDC Shanghai*

On March 31, 2021, XDC Shanghai was established in the PRC as a limited liability company with an initial registered share capital of RMB30 million.

### *XDC Changzhou*

On July 2, 2021, XDC Changzhou was established in the PRC as a limited liability company with an initial registered share capital of RMB300 million.

### *XDC Singapore*

On November 16, 2022, XDC Singapore was incorporated in Singapore as a limited liability company with an initial registered capital of US\$5 million.

Save as disclosed above, there has been no alterations in the share capital of our subsidiaries within two years immediately preceding the date of this document.

#### **4. Resolutions in writing of our Shareholders passed on [●], 2023**

Pursuant to the written resolutions passed by our Shareholders on [●], 2023, the following resolutions, among others, were duly passed:

- (a) conditional on (aa) the Listing Committee granting [REDACTED] of, and permission to [REDACTED] in, the Shares in issue and to be issued as mentioned in this document; and (bb) the obligations of the [REDACTED] under the [REDACTED] becoming unconditional and not being terminated in accordance with the terms of the [REDACTED] or otherwise:
  - (i) the Memorandum and Articles of Association were approved and adopted effective upon [REDACTED]; and
  - (ii) the [REDACTED] and the [REDACTED] were approved and our Directors were authorized to allot and issue Shares pursuant to the [REDACTED] and such number of Shares as may be required to be allotted and issued upon the exercise of the [REDACTED];
- (b) a general unconditional mandate was given to our Directors to allot, issue and deal with Shares or securities convertible into Shares and to make or grant offers, agreements or options (including any warrants, bonds, notes and debentures conferring any rights to subscribe for or otherwise receive Shares) which would or might require Shares to be allotted, issued or dealt with, with an aggregate number of Shares (otherwise than pursuant to, or in consequence of, the [REDACTED], a rights issue or pursuant to the exercise of any subscription rights which may be granted under the [REDACTED] Share Option Schemes and any other share incentive scheme or any scrip dividend scheme or similar arrangements, any adjustment of rights to subscribe for Shares under options and warrants or a special authority granted by our Shareholders or an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles of Association), not exceeding the sum of 20% of the issued share capital immediately following the completion of the [REDACTED] but excluding any Shares,

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which may be issued pursuant to the exercise of the [REDACTED] and the options granted under the [REDACTED] Share Option Schemes, until the conclusion of our next annual general meeting, or the passing of an ordinary resolution by the Shareholders renewing, revoking or varying the authority to our Directors, whichever occurs first;

- (c) a general unconditional mandate (the “**Repurchase Mandate**”) was given to our Directors to exercise all powers of our Company to purchase Shares with an aggregate number of Shares of not exceeding 10% of the issued share capital of our Company immediately following the completion of the [REDACTED] but excluding any Shares, which may be issued pursuant to the exercise of the [REDACTED] and the options granted under the [REDACTED] Share Option Schemes until the conclusion of our next annual general meeting, or the passing of an ordinary resolution by the Shareholders renewing, revoking or varying the authority given to our Directors, whichever occurs first; and
- (d) the extension of the general mandate to allot, issue and deal with Shares to include the number of Shares repurchased pursuant to paragraph (c) above.

### 5. Restrictions on Repurchase

This section sets out information required by the Stock Exchange to be included in this document concerning the repurchase by our Company of its own securities.

#### (a) *Provisions of the Listing Rules*

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

##### (i) *Shareholders’ approval*

All proposed repurchase of securities (which must be fully paid up in the case of shares) by a company with a primary listing 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.

##### (ii) *Source of funds*

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles of Association of our Company, the Listing Rules and the applicable laws of the Cayman Islands. A listed 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. Subject to the foregoing, any repurchases by our Company may be made out of profits, or out of the proceeds of a new issue of shares made for the purpose of the repurchase, or from sums standing to the credit of our share premium account or out of capital, if so authorized by the Articles of Association and subject to the Cayman Companies Act. Any amount of premium payable on the purchase over the par value of the shares to be repurchased must be paid out of profits, or from sums standing to the credit of our Company’s share premium account.

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On the basis of the current financial position of us as disclosed in this document and taking into account the current working capital position of us, our Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of us 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 these 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.

### *(iii) Trading restrictions*

The total number of shares which a listed company may repurchase on the Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate number of shares in issue. A company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, options or similar instruments requiring the company to issue securities, which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Stock Exchange. The Listing Rules also prohibit a listed company from repurchasing its securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Stock Exchange. A company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Stock Exchange such information with respect to the repurchase as the Stock Exchange may require.

### *(iv) Status of repurchased Shares*

All repurchased securities (whether effected on the Stock Exchange or otherwise) will be automatically delisted and the certificates for those securities must be cancelled and destroyed. Under the laws of the Cayman Islands, unless, prior to the repurchase, the Directors resolve to hold the Shares repurchased by our Company as treasury shares, Shares repurchased by our Company shall be treated as cancelled and the amount of our Company's issued share capital shall be diminished by the nominal value of these Shares. However, the repurchase of Shares will not be taken as reducing the amount of the authorized share capital under Cayman Islands laws.

### *(v) Suspension of repurchase*

A listed company may not make any repurchase of securities after inside information has come to the knowledge of our Company until such time as the inside information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of: (i) 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 a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for publication of an announcement of a listed company's 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), the listed company may not repurchase its shares on the Stock Exchange other than in exceptional circumstances. In addition, the Stock Exchange may prohibit a repurchase of securities on the Stock Exchange if a listed company has breached the Listing Rules.

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### *(vi) Reporting requirements*

Certain information relating to repurchases of securities on the Stock Exchange or otherwise must be reported to the Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following business day. In addition, a listed company’s annual report is required to disclose details regarding repurchases of securities made during the year, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such purchase, where relevant, and the aggregate prices paid.

### *(vii) Connected persons*

A listed company is prohibited from knowingly repurchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or their associates and a connected person is prohibited from knowingly selling his securities to the company.

### *(viii) General*

None of our Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates currently intends to sell any Shares to our Company or our subsidiaries.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

If, as a result of a securities repurchase, a Shareholder’s proportionate interest in the voting rights of our Company 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 our Company 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.

Our Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules or waived by the Stock Exchange).

No connected person of our Company has notified us that he/she/it has a present intention to sell Shares to our Company, or has undertaken not to do so if the Repurchase Mandate is exercised.

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*(b) Reasons for Repurchases*

Our Directors believe that it is in the best interest of our Company and Shareholders for our Directors to have general authority from the Shareholders to enable our Company 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 our Company and Shareholders.

**B. CORPORATE ORGANIZATION**

Please refer to the section headed “History, Development and Corporate Structure” in this document.

**C. FURTHER INFORMATION ABOUT OUR BUSINESS**

**1. Summary of Material Contracts**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by us or any of our subsidiaries within the two years preceding the date of this document that are or may be material:


- (a) Deed of Non-Competition; and
- (b) the [REDACTED].

**2. Intellectual Property Rights of our Group**

As of the Latest Practicable Date, our Company has registered, or has applied for the registration of the following intellectual property rights which were material to our Group’s business.










*(a) Trademarks*

As of the Latest Practicable Date, we have applied for registration the following trademarks in Hong Kong which, in the opinion of our Directors, is material to our business:

No.	Application Number	Trademark	Class	Name of Applicant	Application Date
1.	306240032		40,42	XDC Wuxi	May 10, 2023

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No.	Application Number	Trademark	Class	Name of Applicant	Application Date
2.	306240041		40,42	XDC Wuxi	May 10, 2023
3.	306240069	  	40,42	XDC Wuxi	May 10, 2023
4.	306240078	 	40,42	XDC Wuxi	May 10, 2023
5.	306240087	 	40,42	XDC Wuxi	May 10, 2023
6.	306240050	XDC	40,42	XDC Wuxi	May 10, 2023
7.	306240096	WuXi XDC	40,42	XDC Wuxi	May 10, 2023
8.	306272262	 	40,42	XDC Wuxi	June 16, 2023

As of the Latest Practicable Date, we have registered the following trademark in the PRC which, in the opinion of our Directors, is material to our business:

No.	Registration Number	Trademark	Class	Name of Registered Proprietor	Expiry Date
1.	47650788	WuXiDAR4	42	XDC Wuxi	March 20, 2031
2.	56445096	藥明合聯	40	XDC Wuxi	December 13, 2031
3.	56411395	藥明合聯	42	XDC Wuxi	December 13, 2031

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**(b) Patents**

As of the Latest Practicable Date, we have registered the following patents which we considered to be material to our business:

<b>No.</b>	<b>Registration Number</b>	<b>Description</b>	<b>Type of Patent</b>	<b>Patent Owner</b>	<b>Issuance Date</b>	<b>Expiry Date</b>
1.	11478553	Process for preparing antibody-drug conjugates with improved homogeneity	Utility – NSPCT	XDC Singapore	October 25, 2022	February 14, 2040
2.	JP,7232925,B	Process for preparing antibody-drug conjugates with improved homogeneity	Utility – NSPCT	XDC Singapore	February 22, 2023	February 14, 2040
3.	No.I756633	Process for preparing antibody-drug conjugates with improved homogeneity	Utility – ORG	XDC Shanghai	March 1, 2022	February 13, 2040

As of the Latest Practicable Date, we have applied for the registration of the following patents which we considered to be material to our business:

<b>No.</b>	<b>Application Number</b>	<b>Description</b>	<b>Type of Patent</b>	<b>Patent Applicant</b>	<b>Application Date</b>
1.	202080014311.7	Process for preparing antibody-drug conjugates with improved homogeneity	Utility – NSPCT	XDC Shanghai	February 14, 2020
2.	20755234.0	Process for preparing antibody-drug conjugates with improved homogeneity	Utility – NSPCT	XDC Singapore	February 14, 2020
3.	10-2021-7028033	Process for preparing antibody-drug conjugates with improved homogeneity	Utility – NSPCT	XDC Singapore	February 14, 2020
4.	17/410,574	Process for preparing antibody-drug conjugates with improved homogeneity	Utility – CON	XDC Singapore	August 24, 2021



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**(c) Domain Names**

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

<b>No.</b>	<b>Domain Name</b>	<b>Name of Registered Proprietor</b>	<b>Registration Date</b>	<b>Expiry Date</b>
1.	wuxixdc.com	XDC Wuxi	June 13, 2022	June 13, 2024
2.	wuxixdc.cn	XDC Wuxi	May 14, 2021	May 14, 2024
3.	wuxixdc.com.cn	XDC Wuxi	May 14, 2021	May 14, 2024

Save as aforesaid, as of the Latest Practicable Date, there were no other trade or service marks, patents, intellectual or industrial property rights which were material in relation to our business.

**D. FURTHER INFORMATION OF OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

**1. Directors’ Service Contracts and Appointment Letters**

***Executive Directors***

Each of the executive Directors has [entered] into a service contract with our Company pursuant to which they agreed to act as executive Directors for a term of three years with effect from [●], 2023 or their respective appointment dates, renewable by mutual consent. The office of a Director is liable to be vacated in certain circumstances pursuant to the Articles of Association. The appointment of each of the executive Directors may be terminated by either party by giving at least [three] months’ written notice to the other. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

***Non-executive Directors***

Each of the non-executive Directors has [entered] into a service contract with our Company pursuant to which they agreed to act as non-executive Directors for a term of three years with effect from [●], 2023 or their respective appointment dates, renewable by mutual consent. The office of a Director is liable to be vacated in certain circumstances pursuant to the Articles of Association. The appointment of the non-executive Directors may be terminated by either party by giving at least [three] months’ written notice to the other. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

***Independent non-executive Directors***

Each of the independent non-executive Directors has [signed] a letter of appointment with us for a term of three years commencing from [●], 2023, renewable by mutual consent. The appointment of each of the independent non-executive Directors may be terminated by either party giving at least [three] months’ written notice to the other. The appointments are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

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Save as aforesaid, none of our Directors has or is proposed to have a service contract with our Company or any of our subsidiaries other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

**2. Directors’ Remuneration**

For details of our Directors’ remuneration, see the section headed “Directors and Senior Management — Emolument of Directors and Senior Management” in this document and Note 37 to the Accountants’ Report as set out in Appendix I to this document.

**3. Disclosure of Interests of substantial shareholders**

Save as disclosed in the section headed “Substantial Shareholders” in this document, immediately following the completion of the [REDACTED] and assuming the [REDACTED] is not exercised and without taking into account any Shares which may be issued upon exercise of the share options granted under the [REDACTED] Share Option Schemes, 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 our 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.

Save as disclosed in this document, immediately following the completion of the [REDACTED], no persons will, directly or indirectly, be interested in 10% or more of the issued voting shares of any member of our Group.

**4. Disclosure of interests of Directors and Chief Executive of our Company**

Immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised and without taking into account any Shares which may be issued upon exercise of the share options granted under the [REDACTED] Share Option Schemes), the interests or short positions of our Directors or chief executives in the Shares, underlying Shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to us and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were 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 recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange, under the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”), are listed will be as follows:

Name of Director	Name of Group member/associated corporation	Capacity/Nature of interest	Number and class of Shares/underlying Shares <sup>(1)</sup>	Approximate percentage of shareholding interest
Dr. Jincal Li . . . . .	Our Company	Beneficial owner <sup>(2)</sup>	[REDACTED]	[REDACTED]
	WuXi Biologics	Beneficial owner <sup>(3)</sup>	[REDACTED]	[REDACTED]
Mr. Jerry Jingwei Zhang . . . . .	Our Company	Beneficial owner <sup>(4)</sup>	[REDACTED]	[REDACTED]
	WuXi Biologics	Beneficial owner <sup>(5)</sup>	[REDACTED]	[REDACTED]

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<u>Name of Director</u>	<u>Name of Group member/associated corporation</u>	<u>Capacity/Nature of interest</u>	<u>Number and class of Shares/underlying Shares<sup>(1)</sup></u>	<u>Approximate percentage of shareholding interest</u>
Mr. Xiaojie Xi . . . . .	Our Company	Beneficial owner <sup>(6)</sup>	[REDACTED]	[REDACTED]
Dr. Zhisheng Chen . . . . .	WuXi Biologics	Beneficial owner <sup>(7)</sup>	[REDACTED]	[REDACTED]
		Founder of a discretionary trust <sup>(8)</sup>	[REDACTED]	[REDACTED]
Dr. Weichang Zhou . . . . .	WuXi Biologics	Beneficial owner <sup>(9)</sup>	[REDACTED]	[REDACTED]
Ms. Ming Shi . . . . .	WuXi Biologics	Interest of spouse <sup>(10)</sup>	[REDACTED]	[REDACTED]
Mr. Ting Yuk Anthony Wu . . .	WuXi Biologics	Beneficial owner	[REDACTED]	[REDACTED]

*Notes:*

- (1) The letter “L” denotes the person’s long position in the Shares.
- (2) Interests in options granted pursuant to the 2021 [REDACTED] Share Option Scheme.
- (3) Interests in restricted share units granted pursuant to the restricted share award scheme adopted by WuXi Biologics on January 15, 2018 (the “**WXB Restricted Share Award Scheme**”) and/or the share award scheme for global partner program adopted by WuXi Biologics on June 16, 2021 (the “**WXB Global Partner Program Share Scheme**”).
- (4) Interests in options granted pursuant to the 2023 [REDACTED] Share Option Scheme.
- (5) Interests in restricted share units granted pursuant to the WXB Restricted Share Award Scheme and/or the WXB Global Partner Program Share Scheme.
- (6) Interests in options granted pursuant to the 2023 [REDACTED] Share Option Scheme.
- (7) Interests in restricted shares granted pursuant to the WXB Restricted Share Award Scheme and/or the WXB Global Partner Program Share Scheme and the interests in options granted pursuant to the [REDACTED] share option scheme adopted by WuXi Biologics on January 5, 2016, and amended on August 10, 2016 (the “**WXB [REDACTED] Share Option Scheme**”).
- (8) Shares were held by Dr. Zhisheng Chen through a trust of which Dr. Zhisheng Chen is the settlor (founder) and his spouse and child are the beneficiaries.
- (9) Interests in restricted shares granted pursuant to the WXB Restricted Share Award Scheme and/or the WXB Global Partner Program Share Scheme and the interests in options granted pursuant to the WXB [REDACTED] Share Option Scheme.
- (10) Ms. Ming Shi is deemed to be interested in the [REDACTED] shares in WuXi Biologics held by her husband, Mr. Weimin Jiang.

Save as disclosed herein, none of the Directors or chief executive of our Company has any interests and short positions in the Shares, underlying Shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he has taken or deemed to have taken 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 will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to our Company and the Stock Exchange, in each case once the Shares are listed on the Stock Exchange.

**5. Disclaimers**

Save as disclosed in this document and as at the Latest Practicable Date:

- (a) none of our Directors nor any of the parties listed in “Qualifications of Experts” of this Appendix was interested in, directly or indirectly, in the promotion of, or in any assets which have been, within two years immediately preceding the date of this document, acquired or disposed of by or leased to us, or are proposed to be acquired or disposed of by or leased to any member of our Group;

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- (b) save in connection with the [REDACTED], none of our Directors nor any of the parties listed in the section headed “F. Other Information — 7. Qualifications of Experts” of this Appendix was materially interested in any contract or arrangement subsisting at the date of this document which is significant in relation to our Company’s business;
- (c) save in connection with the [REDACTED], none of the persons listed in the section headed “F. Other Information — 7. Qualifications of Experts” below has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

### E. [REDACTED] SHARE OPTION SCHEMES

Our Company has adopted the 2021 [REDACTED] Share Option Scheme and the 2023 [REDACTED] Share Option Scheme on November 3, 2021 and March 23, 2023, respectively.

#### 1. 2021 [REDACTED] Share Option Scheme

##### (a) Purpose

The purpose of the 2021 [REDACTED] Share Option Scheme is to enable our Company to grant options to eligible participants as incentives or rewards for their contribution to our Group so as to enable our Group to recruit and retain high-calibre employees and attract human resources that are valuable to our Group.

##### (b) No grant of options on or after the [REDACTED]

Save for the options which have been granted before the [REDACTED], no further options will be granted under the 2021 [REDACTED] Share Option Scheme on or after the [REDACTED].

##### (c) Administration

The 2021 [REDACTED] Share Option Scheme is to be administered by our Board whose decision in relation to the 2021 [REDACTED] Share Option Scheme or its interpretation or effect (save as otherwise provided therein) shall be final and binding on all parties. Subject to due compliance with the applicable laws and regulations, our Board shall have the right to (i) interpret and construe the provisions of the 2021 [REDACTED] Share Option Scheme; (ii) determine the persons who will be awarded options under the 2021 [REDACTED] Share Option Scheme, and the number and exercise price of options awarded thereto; (iii) make such appropriate and equitable adjustments to the terms of options granted under the 2021 [REDACTED] Share Option Scheme as it deems necessary; and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the 2021 [REDACTED] Share Option Scheme.

##### (d) Eligible participants

Eligible participants for the 2021 [REDACTED] Share Option Scheme include any full-time or part-time employees, executives, officers or Directors of our Group.

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### *(e) Duration*

- (i) The 2021 [REDACTED] Share Option Scheme shall become valid and effective for a period of ten years commencing from the date of its adoption.
- (ii) The life of the 2021 [REDACTED] Share Option Scheme is ten years. Our Board is entitled to, but shall not be bound, at any time within ten years after the adoption date of the 2021 [REDACTED] Share Option Scheme offer to grant an option to any eligible participant, as our Board may in its absolute discretion select, to take up an option pursuant to which such eligible participant may, during the share option period, subscribe for such number of our Shares as our Board may determine at the exercise price for the options. The offer of the grant of an option shall specify the terms on which the option is to be granted, including the number of our Shares that may be subscribed for, the exercise price, and may include at the discretion of our Board such other terms and conditions. Save as determined by our Board and provided in the offer to a grantee, the 2021 [REDACTED] Share Option Scheme does not specify that the options must be subject to any performance target and does not prescribe any specific minimum period for which an option must be held before it can be exercised.

### *(f) Maximum entitlement of each eligible participant*

Each grant of options to any Director, chief executive or substantial shareholder of our Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of options). Where any grant of options to a substantial shareholder or an independent non-executive Director, or any of their respective associates, would result in our Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person under the 2021 [REDACTED] Share Option Scheme and the other schemes in the 12-month period up to and including the date of grant: (a) representing in aggregate over 0.1% (or such other percentage as may from time to time be provided under the Listing Rules) of our Shares in issue on the date of grant; and (b) if and when our Shares are listed on the Stock Exchange, having an aggregate value, based on the official closing price of our Shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant, in excess of HK\$5 million or such other sum as maybe from time to time provided under the Listing Rules, such further grant shall be subject to prior approval by the Shareholders at a duly convened general meeting at which the grantee, his associates and all core connected persons of our Company who has an interest shall abstain from voting in favor of the resolution concerning the grant of such option, and/or such other requirements prescribed under the Listing Rules from time to time.

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

- (i) The overall limit on the number of our Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2021 [REDACTED] Share Option Scheme and other share option schemes of our Company must not exceed [REDACTED] of our Shares in issue from time to time.

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- (ii) The maximum number of our Shares which may be issued upon exercise of all options to be granted under the 2021 [REDACTED] Share Option Scheme and other share option schemes of our Company shall not in aggregate exceed [REDACTED] of the total number of our Shares in issue as at the adoption date of the 2021 [REDACTED] Share Option Scheme (the “**2021 Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the 2021 [REDACTED] Share Option Scheme will not be counted for the purpose of calculating the 2021 Scheme Mandate Limit.
- (iii) Our Company may seek approval of the Shareholders in general meeting for refreshing the 2021 Scheme Mandate Limit under the 2021 [REDACTED] Share Option Scheme. However, the total number of our Shares which may be issued upon exercise of all options to be granted under all of the option schemes of our Company under the 2021 Scheme Mandate Limit as refreshed shall not exceed [REDACTED] of the total number of our Shares in issue as at the date of the aforesaid approval of the 2021 Scheme Mandate Limit. Options previously granted under the 2021 [REDACTED] Share Option Scheme and other share option schemes of our Company (including those outstanding, cancelled, lapsed in accordance with its terms or exercised options), will not be counted for the purpose of calculating the limit as refreshed. A circular must be sent to the Shareholders in connection with the meeting at which their approval will be sought.
- (iv) Our Company may also seek separate approval of the Shareholders in general meeting for granting options beyond the 2021 Scheme Mandate Limit provided that the options exceeding the 2021 Scheme Mandate Limit are granted only to eligible participants specifically identified by our Board before such approval is sought. A circular shall be sent to the Shareholders containing a generic description of the specified eligible participants who may be granted such options, the number and terms of the options to be granted and the purpose of granting options to the specified eligible participants with an explanation as to how the terms of the options serve such purpose.
- (v) The total number of our Shares issued and to be issued upon exercise of the options granted to each eligible participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed [REDACTED]% of our Shares in issue (the “**2021 Individual Limit**”). Any further grant of options to an eligible participant which would result in our Shares issued and to be issued upon exercise of all options granted and to be granted to such eligible participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of grant of such further grant of options exceeding the 2021 Individual Limit shall be subject to approval of the Shareholders in advance with such eligible participant and his close associates (or his associates if such eligible participant is a connected person) abstaining from voting. A circular must be sent to the Shareholders disclosing the identity of such eligible participant and the number and terms of the options granted and to be granted. The number and terms of options to be granted to such eligible participants shall be fixed before Shareholders’ approval is sought and the date of the Board meeting for proposing such further grant shall for all purposes be the date of grant for the purpose of calculating the exercise price of options.



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### *(h) Offer and grant of options*

An offer of the grant of an option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate of the offer document constituting acceptance of the offer duly signed by the grantee with the number of our Shares in respect of which the offer is accepted clearly stated therein, together with a payment in favor of our Company of HK\$1.00 by way of consideration for the grant thereof is received by our Company on or before the relevant acceptance date, which being a date not later than 30 days after the relevant offer date. Such payment shall in no circumstances be refundable and shall be deemed as part payment of the exercise price.

### *(i) Exercise price*

The exercise price of options payable by any grantee shall, subject to the adjustment referred to in paragraph (m) below, be in such amount as determined by our Board at its absolute discretion to be fair and reasonable on a case by case basis, after taking into account, among other things, the business performance of our Company, individual performance of the relevant grantee as well as the net asset value of our Company as shown in its latest available management accounts, provided that in the event that our Company resolves to seek a separate listing of its shares on the Stock Exchange, the exercise price of any option granted after such resolution up to the [REDACTED] of our Company shall not be lower than the new issue price (if any); and in particular, any options granted during the period commencing six months before the lodgement of the [REDACTED] and up to the [REDACTED] of our Company shall not be lower than the new issue price.

### *(j) Ranking of Shares*

Our Shares to be allotted upon the exercise of an option shall be subject to all the provisions of the memorandum and articles of association of our Company and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of our Company as attached to the fully-paid our Shares in issue on the date of issue and rights in respect of any dividend or other distributions paid or made on or after the date of issue.

### *(k) Sufficient share capital*

Subject to the terms of the 2021 [REDACTED] Share Option Scheme, our Board shall at all times set aside for the purpose of the 2021 [REDACTED] Share Option Scheme, out of the authorized but unissued share capital of our Company, such number of our Shares as our Board may from time to time determine to be sufficient to meet subsisting requirements for the exercise of outstanding options. No dividends shall be payable in relation to our Shares that are the subject of options that have not been exercised. Our Shares to be allotted upon the exercise of an option shall not carry voting rights until completion of the registration of the grantee (or such other person nominated by the grantee) as the holder thereof.

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### *(l) Lapse of options*

Save as determined otherwise by our Board at its sole discretion, an option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the expiry date relevant to that option;
- (ii) the expiry of any of the periods referred to in paragraph (q)(i), (ii), (iii), (iv) or (v);
- (iii) the date on which the scheme of arrangement of our Company referred to in paragraph (q)(iv) becomes effective;
- (iv) the date of the commencement of the winding-up of our Company;
- (v) the date on which the grantee ceases to be an eligible participant by reason of the termination of his relationship with our Company or any of its subsidiaries on any one or more of the grounds that he has been guilty of serious misconduct or has been convicted of any criminal offence involving his integrity or honesty or in relation to an employee of our Company or any of its subsidiaries (if so determined by our Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Company or its relevant subsidiary. A resolution of our Board, or the relevant subsidiary of our Company, to the effect that the relationship of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; and
- (vi) the date on which our Board shall exercise its right to cancel the option at any time after the grantee commits a breach of paragraph (p) or the options are cancelled in accordance with paragraph (n).

### *(m) Effect of alterations to share capital*

In the event of any capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital of our Company, such corresponding alterations (if any) shall be made (except on an issue of securities of our Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:

- (i) the number of our Shares subject to any outstanding option; and/or
- (ii) the exercise price of options,

as the auditors or the approved independent financial adviser shall, at the request of our Company or any grantee, certify in writing either generally or as regards any particular grantee, to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that a grantee shall have the same proportion of the equity capital of our Company as that to which that grantee was entitled to subscribe had he exercised all the options held by him immediately before such adjustments and the aggregate exercise price of options payable by a grantee on the full exercise of any option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable an our Share to be issued at less than its nominal value.



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### *(n) Cancellation of the 2021 [REDACTED] Share Option Scheme*

Any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event any option is cancelled pursuant to paragraph (p). Where our Company cancels options, the grant of new options to the same grantee may only be made under the 2021 [REDACTED] Share Option Scheme within the limits thereto.

### *(o) Termination*

Our Board may at any time resolve to terminate the operation of the 2021 [REDACTED] Share Option Scheme and in such event no further options shall be offered but the provisions of the 2021 [REDACTED] Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior to the termination or otherwise as may be required in accordance with the provisions of the 2021 [REDACTED] Share Option Scheme and options granted prior to such termination shall continue to be valid and exercisable in accordance with the 2021 [REDACTED] Share Option Scheme.

### *(p) Options are personal*

An option shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option held by him or any offer relating to the grant of an option made to him or attempt to do so (save that the grantee may nominate a nominee in whose name our Shares issued pursuant to the 2021 [REDACTED] Share Option Scheme may be registered). Any breach of the foregoing shall entitle our Company to cancel any outstanding option or any part thereof granted to such grantee.

### *(q) Exercise of options*

Subject as hereinafter provided, an option may be exercised by the grantee at any time or times during the option period, provided that:

- (i) in the event of the grantee ceasing to be an eligible participant for any reason other than on his death, ill-health, injury, disability or the termination of his relationship with our Company or any of its subsidiaries on one or more of the grounds specified in paragraph (l)(e), the grantee may exercise any option up to his entitlement at the date of cessation of being an eligible participant (to the extent not already exercised) within the period of one month (or such longer period as our Board may determine) following the date of such cessation (which date shall be, in relation to a grantee who is an eligible participant by reason of his employment with our Company or any of its subsidiaries, the last actual working day with our Company or its subsidiary whether salary is paid in lieu of notice or not);
- (ii) in the case of the grantee ceasing to be an eligible participant by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of our Board) and none of the events which would be a ground for termination of his relationship with our Company or any of its subsidiaries under paragraph (l)(e) has occurred, the grantee or the personal representative(s) of the grantee shall be entitled within a period of 12 months (or such longer period as our Board may determine) from the date of cessation of being an eligible participant or death to exercise the option in full (to the extent not already exercised);

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- (iii) if a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of our 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 shall become, by the exercise in full of the options granted to them, shareholders of our Company). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, the grantee (or his legal personal representative(s)) shall be entitled to exercise his option in full (to the extent not already exercised) at any time within 14 days after the date on which such general offer becomes or is declared unconditional;
  
- (iv) if a compromise or arrangement between our Company and its members and/or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies, our Company shall give notice thereof to all the grantees (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to members and/or creditors of our Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each grantee shall be entitled to exercise all or any of his options in whole or in part at any time prior to 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapsed and determined. Our Board shall endeavor to procure that our Shares issued as a result of the exercise of options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of our Company on the effective date thereof and that such our Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the grantees to exercise their respective options shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by our Company and no claim shall lie against our Company or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension; and
  
- (v) in the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall on the same date as or soon after it despatches such notice to each member of our Company give notice thereof to all grantees and thereupon, each grantee (or in the case of the death of the grantee, his personal representative(s)) shall be entitled to exercise all or any of his options at any time not later than three Business Days prior to the proposed general meeting of our Company by giving notice in writing to our Company, accompanied by a payment for the full amount of the aggregate exercise price for our Shares

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in respect of which the notice is given whereupon our Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant our Shares to the grantee credited as fully paid.

Subject to the other terms of the 2021 [REDACTED] Share Option Scheme, save as determined otherwise by our Board at its sole discretion, an option (to the extent that it is exercisable pursuant to the above) may be exercised by a grantee at any time during the option period in four tranches as follows: (i) [REDACTED] of the options shall be vested on the date falling on the second (2nd) anniversary of the offer date; (ii) [REDACTED] of the options shall be vested on the date falling on the third (3rd) anniversary of the offer date; (iii) [REDACTED] of the options shall be vested on the date falling on the fourth (4th) anniversary of the offer date; and (iv) [REDACTED] of the options shall be vested on the date falling on the fifth (5th) anniversary of the offer date. For the avoidance of doubt, any proportion of any option that has been vested shall be exercisable by the grantee from the relevant vesting date until the expiry of the share option period.

### *(r) Alteration of the 2021 [REDACTED] Share Option Scheme*

The terms and conditions of the 2021 [REDACTED] Share Option Scheme and the regulations for the administration and operation of the 2021 [REDACTED] Share Option Scheme (provided that the same are not inconsistent with the 2021 [REDACTED] Share Option Scheme and the Listing Rules) may be altered in any respect by resolution of our Board.

## **2. 2023 [REDACTED] Share Option Scheme**

### *(a) Purpose*

The purpose of the 2023 [REDACTED] Share Option Scheme is to enable our Company to grant options to eligible participants as incentives or rewards for their contribution to our Group so as to enable our Group to recruit and retain high-calibre employees and attract human resources that are valuable to our Group.

### *(b) No grant of options on or after the [REDACTED]*

Save for the options which have been granted before the [REDACTED], no further options will be granted under the 2023 [REDACTED] Share Option Scheme on or after the [REDACTED].

### *(c) Administration*

The 2023 [REDACTED] Share Option Scheme is to be administered by our Board whose decision in relation to the 2023 [REDACTED] Share Option Scheme or its interpretation or effect (save as otherwise provided therein) shall be final and binding on all parties. Subject to due compliance with the applicable laws and regulations, our Board shall have the right to (i) interpret and construe the provisions of the 2023 [REDACTED] Share Option Scheme; (ii) determine the persons who will be awarded options under the 2023 [REDACTED] Share Option Scheme, and the number and exercise price of options awarded thereto; (iii) make such appropriate and equitable adjustments to the terms of options granted under the 2023 [REDACTED] Share Option Scheme as it deems necessary; and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the 2023 [REDACTED] Share Option Scheme.

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### *(d) Eligible participants*

Eligible participants for the 2023 [REDACTED] Share Option Scheme include any full-time or part-time employee, executive, officer, service provider or director (including executive, non-executive or independent non-executive director) of our Company or any member of our Group or any associated company, to be determined at the sole discretion of the Board.

### *(e) Duration*

- (i) The 2023 [REDACTED] Share Option Scheme shall become valid and effective for a period of ten years commencing from the date of its adoption.
- (ii) The life of the 2023 [REDACTED] Share Option Scheme is ten years. Our Board is entitled to, but shall not be bound, at any time within ten years after the adoption date of the 2023 [REDACTED] Share Option Scheme offer to grant an option to any eligible participant, as our Board may in its absolute discretion select, to take up an option pursuant to which such eligible participant may, during the share option period, subscribe for such number of our Shares as our Board may determine at the exercise price for the options. The offer of the grant of an option shall specify the terms on which the option is to be granted, including the number of our Shares that may be subscribed for, the exercise price, and may include at the discretion of our Board such other terms and conditions. Save as determined by our Board and provided in the offer to a grantee, the 2023 [REDACTED] Share Option Scheme does not specify that the options must be subject to any performance target and does not prescribe any specific minimum period for which an option must be held before it can be exercised.

### *(f) Options to connected persons*

If the Board determines to offer the grant any option to any connected persons of our Group, such grant shall be made in due compliance with the relevant requirements under the Listing Rules.

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

- (i) The overall limit on the number of our Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2023 [REDACTED] Share Option Scheme and other share option schemes of our Company must not exceed [REDACTED] of our Shares in issue from time to time.
- (ii) The maximum number of our Shares which may be issued upon exercise of all options to be granted under the 2023 [REDACTED] Share Option Scheme and other share option schemes of our Company shall not in aggregate exceed [REDACTED] of the total number of our Shares in issue as at the adoption date of the 2023 [REDACTED] Share Option Scheme (the “**2023 Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the 2023 [REDACTED] Share Option Scheme will not be counted for the purpose of calculating the 2023 Scheme Mandate Limit.

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- (iii) Our Company may seek approval of the Shareholders in general meeting for refreshing the 2023 Scheme Mandate Limit under the 2023 [REDACTED] Share Option Scheme. However, the total number of our Shares which may be issued upon exercise of all options to be granted under all of the option schemes of our Company under the 2023 Scheme Mandate Limit as refreshed shall not exceed [REDACTED] of the total number of our Shares in issue as at the date of the aforesaid approval of the 2023 Scheme Mandate Limit. Options previously granted under the 2023 [REDACTED] Share Option Scheme and other share option schemes of our Company (including those outstanding, cancelled, lapsed in accordance with its terms or exercised options), will not be counted for the purpose of calculating the limit as refreshed. A circular must be sent to the Shareholders in connection with the meeting at which their approval will be sought.
- (iv) Our Company may also seek separate approval of the Shareholders in general meeting for granting options beyond the 2023 Scheme Mandate Limit provided that the options exceeding the 2023 Scheme Mandate Limit are granted only to eligible participants specifically identified by our Board before such approval is sought. A circular shall be sent to the Shareholders containing a generic description of the specified eligible participants who may be granted such options, the number and terms of the options to be granted and the purpose of granting options to the specified eligible participants with an explanation as to how the terms of the options serve such purpose.

### ***(h) Offer and grant of options***

An offer of the grant of an option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate of the offer document constituting acceptance of the offer duly signed by the grantee with the number of our Shares in respect of which the offer is accepted clearly stated therein, together with a payment in favor of our Company of HK\$1.00 by way of consideration for the grant thereof is received by our Company on or before the relevant acceptance date, which being a date not later than 30 days after the relevant offer date. Such payment shall in no circumstances be refundable and shall be deemed as part payment of the exercise price.

### ***(i) Exercise price***

The exercise price of options payable by any grantee shall, subject to the adjustment referred to in paragraph (m) below, be in such amount as determined by our Board at its absolute discretion to be fair and reasonable on a case by case basis, after taking into account, among other things, the business performance of our Company, individual performance of the relevant grantee as well as the net asset value of our Company as shown in its latest available management accounts.

### ***(j) Ranking of Shares***

Our Shares to be allotted upon the exercise of an option shall be subject to all the provisions of the memorandum and articles of association of our Company and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of our Company as attached to the fully-paid our Shares in issue on the date of issue and rights in respect of any dividend or other distributions paid or made on or after the date of issue.

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### *(k) Sufficient share capital*

Subject to the terms of the 2023 [REDACTED] Share Option Scheme, our Board shall at all times set aside for the purpose of the 2023 [REDACTED] Share Option Scheme, out of the authorized but unissued share capital of our Company, such number of our Shares as our Board may from time to time determine to be sufficient to meet subsisting requirements for the exercise of outstanding options.

### *(l) Lapse of options*

Save as determined otherwise by our Board at its sole discretion, an option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (i) the expiry date relevant to that option;
- (ii) the expiry of any of the periods referred to in paragraph (q)(i), (ii), (iii), (iv) or (v);
- (iii) the date on which the scheme of arrangement of our Company referred to in paragraph (q)(iv) becomes effective;
- (iv) the date of the commencement of the winding-up of our Company;
- (v) the date on which the grantee ceases to be an eligible participant by reason of the termination of his relationship with our Company or any of its subsidiaries on any one or more of the grounds that he has been guilty of serious misconduct or has been convicted of any criminal offence involving his integrity or honesty or in relation to an employee of our Company or any of its subsidiaries (if so determined by our Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee’s service contract with our Company or its relevant subsidiary. A resolution of our Board, or the relevant subsidiary of our Company, to the effect that the relationship of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; and
- (vi) the date on which our Board shall exercise its right to cancel the option at any time after the grantee commits a breach of paragraph (p) or the options are cancelled in accordance with paragraph (n).

### *(m) Effect of alterations to share capital*

In the event of any capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital of our Company, such corresponding alterations (if any) shall be made (except on an issue of securities of our Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:

- (i) the number of our Shares subject to any outstanding option; and/or
- (ii) the exercise price of options,



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as the Board may as its sole discretion consider to be appropriate, fair and reasonable, provided that any such alterations shall be made on the basis that a grantee shall have the same proportion of the equity capital of our Company as that to which that grantee was entitled to subscribe had he exercised all the options held by him immediately before such adjustments and the aggregate exercise price of options payable by a grantee on the full exercise of any option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable an our Share to be issued at less than its nominal value.

### *(n) Cancellation of options*

Any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event any option is cancelled pursuant to paragraph (p).

### *(o) Termination*

Our Board may at any time resolve to terminate the operation of the 2023 [REDACTED] Share Option Scheme and in such event no further options shall be offered but the provisions of the 2023 [REDACTED] Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior to the termination or otherwise as may be required in accordance with the provisions of the 2023 [REDACTED] Share Option Scheme and options granted prior to such termination shall continue to be valid and exercisable in accordance with the 2023 [REDACTED] Share Option Scheme. Notwithstanding the aforesaid, the 2023 [REDACTED] Share Option Scheme shall be terminated upon [REDACTED] of our Company on the Stock Exchange.

### *(p) Options are personal*

An option shall be personal to the grantee and, save as determined by the Board in its sole discretion, shall not be transferable or assignable (other than transfers to a vehicle (such as a trust or a private company) for the benefit of the Grantee and any family members of such Grantee (e.g. for estate planning or tax planning purposes)), and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option held by him or any offer relating to the grant of an option made to him or attempt to do so (save that the grantee may nominate a nominee in whose name our Shares issued pursuant to the 2023 [REDACTED] Share Option Scheme may be registered). Any breach of the foregoing shall entitle our Company to cancel any outstanding share option or any part thereof granted to such grantee.

### *(q) Exercise of options*

Subject as hereinafter provided, an option may be exercised by the grantee at any time or times during the share option period, provided that:

- (i) in the event of the grantee ceasing to be an eligible participant for any reason other than on his death, ill-health, injury, disability or the termination of his relationship with our Company or any of its subsidiaries on one or more of the grounds specified in paragraph (l)(e), the grantee may exercise any option up to his entitlement at the date of cessation of being an eligible participant (to the extent not already exercised) within the period of one month (or such longer period as our Board may determine) following the date of such cessation (which date shall be,

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- in relation to a grantee who is an eligible participant by reason of his employment with our Company or any of its subsidiaries, the last actual working day with our Company or its subsidiary whether salary is paid in lieu of notice or not);
- (ii) in the case of the grantee ceasing to be an eligible participant by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of our Board) and none of the events which would be a ground for termination of his relationship with our Company or any of its subsidiaries under paragraph (l)(e) has occurred, the grantee or the personal representative(s) of the grantee shall be entitled within a period of 12 months (or such longer period as our Board may determine) from the date of cessation of being an eligible participant or death to exercise the option in full (to the extent not already exercised);
  - (iii) if a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of our 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 shall become, by the exercise in full of the options granted to them, shareholders of our Company). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, the grantee (or his legal personal representative(s)) shall be entitled to exercise his option in full (to the extent not already exercised) at any time within 14 days after the date on which such general offer becomes or is declared unconditional;
  - (iv) if a compromise or arrangement between our Company and its members and/or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company or companies, our Company shall give notice thereof to all the grantees (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to members and/or creditors of our Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each grantee shall be entitled to exercise all or any of his options in whole or in part at any time prior to 12:00 noon (Hong Kong time) on the Business Day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapsed and determined. Our Board shall endeavor to procure that our Shares issued as a result of the exercise of options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of our Company on the effective date thereof and that such our Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the grantees to exercise their respective options shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by our Company and no claim shall lie against our Company or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension; and



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- (v) in the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall on the same date as or soon after it despatches such notice to each member of our Company give notice thereof to all grantees and thereupon, each grantee (or in the case of the death of the grantee, his personal representative(s)) shall be entitled to exercise all or any of his options at any time not later than three Business Days prior to the proposed general meeting of our Company by giving notice in writing to our Company, accompanied by a payment for the full amount of the aggregate exercise price for our Shares in respect of which the notice is given whereupon our Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant our Shares to the grantee credited as fully paid.

Subject to the other terms of the 2023 [REDACTED] Share Option Scheme, save as determined otherwise by our Board at its sole discretion, an option (to the extent that it is exercisable pursuant to the above) may be exercised by a grantee at any time during the option period in four tranches as follows: (i) [REDACTED] of the options shall be vested on the date falling on the second (2nd) anniversary of the offer date; (ii) [REDACTED] of the options shall be vested on the date falling on the third (3rd) anniversary of the offer date; (iii) [REDACTED] of the options shall be vested on the date falling on the fourth (4th) anniversary of the offer date; and (iv) [REDACTED] of the options shall be vested on the date falling on the fifth (5th) anniversary of the offer date. For the avoidance of doubt, any proportion of any option that has been vested shall be exercisable by the grantee from the relevant vesting date until the expiry of the option period.

### *(r) Alteration of the 2023 [REDACTED] Share Option Scheme*

The terms and conditions of the 2023 [REDACTED] Share Option Scheme and the regulations for the administration and operation of the 2023 [REDACTED] Share Option Scheme (provided that the same are not inconsistent with the 2023 [REDACTED] Share Option Scheme) may be altered in any respect by resolution of our Board except that (a) any material alteration to the terms and conditions of the 2023 [REDACTED] Share Option Scheme (including the principal terms of the 2023 [REDACTED] Share Option Scheme set out above) or any change to the terms of options granted (except any alterations which take effect automatically under the terms of the 2023 [REDACTED] Share Option Scheme); or (b) any change to the authority of our Board in relation to any alteration to the terms of the 2023 [REDACTED] Share Option Scheme, may only be made with the approval of the Shareholders of our Company provided that no alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such option prior to such alteration except with (i) the consent in writing of the grantees holding in aggregate options which if exercised in full on the date immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all our Shares which would fall to be issued upon the exercise of all options outstanding on that date; or (ii) the sanction of a special resolution.

### **3. Outstanding Options**

As at July 6, 2023, the outstanding options to subscribe for an aggregate of [REDACTED] Shares representing approximately [REDACTED]% of the enlarged issued share capital of our Company immediately upon completion of the [REDACTED] (assuming that all options granted under the [REDACTED] Share Option Schemes are exercised, but without taking into account any Shares which may be allotted and issued upon the exercise of the [REDACTED]) have been conditionally granted by our Company under the [REDACTED] Share Option Schemes.

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As of July 6, 2023, the outstanding options are held by 265 grantees under the [REDACTED] Share Option Schemes. The options under the [REDACTED] Share Option Schemes were granted on April 1, 2022, June 10, 2022, August 18, 2022, January 6, 2023 and July 6, 2023, respectively. The exercise price of the share options granted under the [REDACTED] Share Option Schemes were RMB[REDACTED], RMB[REDACTED], RMB[REDACTED], RMB[REDACTED] and RMB[REDACTED] per Share, respectively.

Assuming [REDACTED] Shares will be issued upon the full vesting and exercise of all outstanding options to be granted under the [REDACTED] Share Option Schemes, the shareholding of our Shareholders immediately following completion of the [REDACTED] (assuming the [REDACTED] is not exercised) will be diluted by approximately [REDACTED]%. The dilution effect on our earnings per Share would be approximately [REDACTED]%.

Save for the options which have been granted before the [REDACTED], no further options will be granted under the [REDACTED] Share Option Schemes on or after the [REDACTED].

**4. Summary of Grantees**

Below is a list of grantees who are Directors and connected persons of our Company under the [REDACTED] Share Option Schemes:

<u>Name</u>	<u>Position in our Group</u>	<u>Date of grant</u>	<u>Vesting period</u>	<u>Exercise price</u> <small>(per Shares in RMB)</small>	<u>Number of Shares under options granted</u>	<u>Approximate percentage of the issued Shares immediately after completion of the [REDACTED]</u>
Dr. Jincai Li . . . .	Executive Director and chief executive officer	June 10, 2022	(i) 20% of which will be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of which will be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of which will be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of which will be vested on the date falling on the fifth anniversary of the date of grant.	[REDACTED]	[REDACTED]	[REDACTED]

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Name	Position in our Group	Date of grant	Vesting period	Exercise price (per Shares in RMB)	Number of Shares under options granted	Approximate percentage of the issued Shares immediately after completion of the [REDACTED]
Mr. Jerry Jingwei Zhang	Executive Director and chief operating officer	July 6, 2023	(i) 20% of which will be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of which will be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of which will be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of which will be vested on the date falling on the fifth anniversary of the date of grant.	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Xiaojie Xi	Executive Director and chief financial officer	July 6, 2023	(i) 20% of which will be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of which will be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of which will be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of which will be vested on the date falling on the fifth anniversary of the date of grant.	[REDACTED]	[REDACTED]	[REDACTED]

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Below is a list of grantees (other than the Directors and connected persons of our Company) who have been granted options to subscribe under the [REDACTED] Share Option Schemes:

Category by number of underlying Shares	Number of grantees	Date of grant	Vesting period	Exercise price  (per Shares in RMB)	Number of Shares under options granted	Approximate percentage of the issued Shares immediately after completion of the [REDACTED]
2,000,001 – 4,000,000 . .	4	From April 1, 2022 to July 6, 2023	(i) 20% of which will be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of which will be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of which will be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of which will be vested on the date falling on the fifth anniversary of the date of grant;	[REDACTED]	[REDACTED]	[REDACTED]
1,000,001 – 2,000,000 . .	8	From April 1, 2022 to July 6, 2023	(i) 20% of which will be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of which will be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of which will be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of which will be vested on the date falling on the fifth anniversary of the date of grant;	[REDACTED]	[REDACTED]	[REDACTED]

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Category by number of underlying Shares	Number of grantees	Date of grant	Vesting period	Exercise price <small>(per Shares in RMB)</small>	Number of Shares under options granted	Approximate percentage of the issued Shares immediately after completion of the [REDACTED]
500,001 – 1,000,000 . . .	18	From April 1, 2022 to July 6, 2023	(i) 20% of which will be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of which will be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of which will be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of which will be vested on the date falling on the fifth anniversary of the date of grant.	[REDACTED]	[REDACTED]	[REDACTED]
1-500,000. . . . .	232	From April 1, 2022 to July 6, 2023	(i) 20% of which will be vested on the date falling on the second anniversary of the date of grant; (ii) 20% of which will be vested on the date falling on the third anniversary of the date of grant; (iii) 20% of which will be vested on the date falling on the fourth anniversary of the date of grant; and (iv) 40% of which will be vested on the date falling on the fifth anniversary of the date of grant.	[REDACTED]	[REDACTED]	[REDACTED]
<b>Total . . . . .</b>	<b>262</b>				[REDACTED]	

Save and except as set out above, no other options have been granted or agreed to be granted by our Company under the [REDACTED] Share Option Schemes. Our Company will not grant any further options under the [REDACTED] Share Option Schemes on or after the [REDACTED].

The [REDACTED] Share Option Schemes are not subject to the provisions of Chapter 17 of the Listing Rules as it will not involve any grant of options by us after the [REDACTED]. [REDACTED] has been made to the Listing Committee for the [REDACTED] of and permission to [REDACTED] the Shares to be issued pursuant to the [REDACTED] Share Option Schemes.

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### F. OTHER INFORMATION

#### 1. Estate Duty

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

#### 2. Litigation

During the Track Record Period and as of the Latest Practicable Date, we were not engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to our Directors to be pending or threatened by or against us, that would have a material adverse effect on our results of operations or financial conditions.

#### 3. Joint Sponsors

The Joint Sponsors have made an [REDACTED] on our behalf to the Listing Committee of the Stock Exchange for the [REDACTED], and permission to [REDACTED], the Shares in issue, the Shares to be issued pursuant to the [REDACTED] (including any Shares which may fall to be issued pursuant to the exercise of the [REDACTED] and any Shares to be allotted and issued pursuant to the [REDACTED] Share Option Schemes).

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

The fees payable to each of the Joint Sponsors in respect of their services as sponsor for the [REDACTED] are approximately US\$500,000 and are payable by us.

#### 4. Preliminary Expenses

We have not incurred any material preliminary expenses in relation to the incorporation of our Company.

#### 5. Promoter

We do not have any promoter. Within the two years immediately preceding the date of this document, no cash, securities or other benefits have been paid, allotted or given nor are any proposed cash, securities or other benefits to be paid, allotted or given to any promoters.

#### 6. Agency fees or commission received

Save as disclosed in this document, no commissions, discounts, brokerages or other special terms were granted within the two years preceding the date of this document in connection with the issue or sale of any capital of any member of our Group.

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### 7. Qualifications of Experts

The following are the qualifications of the experts who have given opinion or advice contained in this document:

Name	Qualification
Morgan Stanley Asia Limited . . . . .	Licensed 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
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
J.P. Morgan Securities (Far East) Limited . . . . .	Licensed to conduct type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO
Fangda Partners . . . . .	Qualified PRC Lawyers
Maples and Calder (Hong Kong) LLP . . . . .	Legal advisor as to Cayman Islands law
Deloitte Touche Tohmatsu . . . . .	Certified Public Accountants (Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance)
Frost & Sullivan (Beijing) Inc., Shanghai Branch Co. . . . .	Industry consultant

As of the Latest Practicable Date, none of the experts named above has any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group.

### 8. Consents of Experts

Each of the persons named in “Qualifications of Experts” has given and has not withdrawn its written consent to the issue of this document with the inclusion of its report and/or letter 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.

### 9. Binding Effect

This document shall have the effect, if an application is made in pursuance of this document, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance insofar as applicable.

### 10. Bilingual Document

The English and Chinese language versions of this document are being published separately, in reliance upon the exemption provided under section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

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### 11. No Material Adverse Change

Our Directors confirm that, up to the date of this document, there has been no material adverse change in the financial or trading position or prospect of our Group since March 31, 2023 (being the date to which the latest audited consolidated financial statements of our Group were prepared).

### G. MISCELLANEOUS

- (a) Save as disclosed in this document, within the two years immediately preceding the date of this document:
  - (i) no share or loan capital of our Company or any of its subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;
  - (ii) no share or loan capital of our Company or any of its subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;
  - (iii) neither our Company nor any of its subsidiaries have issued or agreed to issue any founder shares, management shares or deferred shares;
  - (iv) no commissions, discounts, brokerage or other special terms have been granted in connection with the issue or sale of any shares or loan capital of any member of our Group; and
  - (v) no commission has been paid or payable (except commissions to the [REDACTED]) for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any Shares in our Company;
- (b) our Company has no outstanding convertible debt securities or debentures;
- (c) no company within our Group is presently listed on any stock exchange or traded on any trading system;
- (d) there is no arrangement under which future dividends are waived or agreed to be waived;
- (e) the principal register of members of our Company will be maintained in the Cayman Islands by [REDACTED] and a branch register of members of our Company will be maintained in Hong Kong by [REDACTED]. Unless our Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by our Company's [REDACTED] in Hong Kong and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable the Shares to be admitted into [REDACTED] for clearing and settlement;
- (f) save as otherwise disclosed in the document, there are no contracts or arrangements subsisting at the date of this document in which a Director is materially interested or which is significant in relation to the business of our Group.