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If you have sold or transferred all your shares in Genscript Biotech Corporation, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Genscript Biotech Corporation
金斯瑞生物科技股份有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1548)

PROPOSALS FOR
(1) GRANTING OF GENERAL MANDATES TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES,
(2) RE-ELECTION OF RETIRING DIRECTORS,
(3) AMENDMENT OF THE SHARE OPTION SCHEME,
(4) AMENDMENT OF THE 2019 RESTRICTED SHARE
AWARD SCHEME,
(5) AMENDMENT OF THE 2021 RESTRICTED SHARE
AWARD SCHEME,
(6) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT,
(7) PROPOSED ADOPTION OF SERVICE PROVIDER SUBLIMIT,
(8) AMENDMENTS TO THE EXISTING MEMORANDUM AND
ARTICLES AND ADOPTION OF THE AMENDED
MEMORANDUM AND ARTICLES
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Genscript Biotech Corporation to be held at 9:30 a.m. on Friday, 17 May 2024 at Conference Room, 208 Longmian Avenue, Jiangning District, Nanjing, Jiangsu Province, PRC is set out on pages 98 to 104 of this circular. A form of proxy for use at the annual general meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.genscript.com), respectively. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish. For the avoidance of doubt, holders of Treasure Shares, if any, shall abstain from voting at the Company's general meeting.

Reference to times and dates in this circular are to Hong Kong times and dates.

* For identification purposes only

22 April 2024

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DEFINITIONS

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

“2019 Restricted Share Award Scheme” or “2019 RSA Scheme”	the restricted share award scheme of the Company adopted on 22 March 2019
“2021 Restricted Share Award Scheme” or “2021 RSA Scheme”	the restricted share award scheme of the Company adopted on 23 August 2021 and amended on 26 May 2022
“Actual Selling Price”	the actual price at which the Restricted Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy, and any other applicable costs) on vesting of an Award pursuant to the 2019 RSA Scheme or the 2021 RSA Scheme (as the case may be) or in the case of a vesting when there is an event of change in control or privatisation of the Company, the consideration receivable under the related scheme or offer
“AFRC”	The Accounting and Financial Reporting Council
“Amendment Date”	17 May 2024, being the proposed date on which the amendment of each of the Share Option Scheme, the 2019 RSA Scheme and the 2021 RSA Scheme is conditionally approved by the resolutions in the Annual General Meeting
“Amended Memorandum and Articles”	the fourth amended and restated memorandum of association and the fourth amended and restated articles of association of the Company incorporating the changes as set out in Appendix VI to this circular proposed to be approved and adopted by the Shareholders at the Annual General Meeting
“Annual General Meeting”	the annual general meeting of the Company to be held at 9:30 am on Friday, 17 May 2024 at Conference Room, 208 Longmian Avenue, Jiangning District, Nanjing, Jiangsu Province, PRC or any adjournment thereof, the notice of which is set out on pages 98 to 104 of this circular
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Associated Company(ies)”	any company in which the Group has a direct or indirect investment and controls 20% or more of its voting powers

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“Award(s)”	any award granted by the Board to a Selected Participant, which may vest in the form of Restricted Shares or the Actual Selling Price of the Restricted Shares in cash, as the Board may determine in accordance with the terms of the rules of the 2019 RSA Scheme and/or the 2021 RSA Scheme
“Board”	the board of Directors
“Business Day”	any day (excluding Saturday and Sunday) on which banks in Hong Kong generally are open for business and the Stock Exchange is open for the business of dealing in securities and the Shares
“Cayman Companies Act”	the Companies Act (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Code”	the United States Internal Revenue Code of 1986, as amended
“Company”	Genscript Biotech Corporation, a company incorporated in Cayman Islands with limited liability, whose shares are listed on the Stock Exchange (stock code: 1548)
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	eligible participant(s) of the Share Option Scheme, the 2019 RSA Scheme and the 2021 RSA Scheme as set out in paragraph 2 of Appendix III, Appendix IV and Appendix V to this circular, respectively
“Employee Participant(s)”	any director or employee of the Company or any of its subsidiaries
“Existing Memorandum and Articles”	the existing third amended and restated memorandum of association and the third amended and restated articles of association of the Company currently in force
“Grantee(s)”	in the context of the Share Option Scheme, any Eligible Participant who accepts an Offer in accordance with the terms of the Share Option Scheme, or (where the context so permits) any person who is entitled to any such Option in consequence of the death of the original Grantee, or the legal personal representative of such person
“Group”	Company and its subsidiaries from time to time

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“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 April 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Committee”	the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	nomination committee of the Company
“Offer”	in the context of the Share Option Scheme, the offer of the grant of an Option made in accordance with the Share Option Scheme by way of a notice in substantially the form set out in the Share Option Scheme
“Option”	a right granted for the subscription of Shares pursuant to the Share Option Scheme
“Performance Target(s)”	the performance targets, criteria or conditions for vesting of Option or Restricted Shares as the Board deems appropriate
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan region
“Pre-IPO Share Option Scheme”	the share option scheme adopted by the Company on 15 July 2015 and the details of which are disclosed in the Prospectus
“Proposed Extension of Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to extend the Proposed Issue Mandate by adding those shares that may be bought back under the Proposed Repurchase Mandate in the manner as set out in the notice of Annual General Meeting
“Proposed Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with additional Shares (including a sale or transfer of Treasury Shares out of treasury, if any) not exceeding 20% of the number of the issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing the relevant resolution

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“Proposed Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to repurchase Shares not exceeding 10% of the number of the issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution
“Prospectus”	the prospectus dated 17 December 2015 of the Company issued in connection with the initial public offering in Hong Kong
“Related Distributions”	in the context of the 2019 RSA Scheme and the 2021 RSA Scheme, all distributions in the form other than cash or Shares declared and distributed by the Company in respect of any Share (including nil paid rights, bonus warrants, non-cash and non-scrip distributions) held upon the trust not sold by the trustee in accordance with the terms of the 2019 RSA Scheme or the 2021 RSA Scheme (as the case may be) and remain valid under the terms and conditions attached thereto
“Related Entity(ies)”	any company which is a holding company or a fellow subsidiary (i.e. a subsidiary of a holding company) of the Company
“Related Entity Participant(s)”	any director or employee of any Related Entity or any Associated Company
“Related income”	in the context of the 2019 RSA Scheme and the 2021 RSA Scheme, all income derived from any Share (including, but not limited to, dividends and other cash distributions, any bonus Shares and scrip Shares received in respect of the Share) held upon the Trust. For the avoidance of doubt, nil paid rights, bonus warrants, non-cash and non-scrip distributions are excluded
“Remuneration Committee”	the Remuneration Committee of the Board of the Company
“Restricted Share(s)”	any Share that may be offered by the Company to any Selected Participant pursuant to the 2019 Restricted Share Award Scheme and/or the 2021 RSA Scheme
“Returned Shares”	in the context of the 2019 RSA Scheme and the 2021 RSA Scheme, such Restricted Shares and Related Income relating thereto which are lapsed in accordance with the terms of the 2019 RSA Scheme or the 2021 RSA Scheme, the Related Distributions of such Restricted Shares, or such Shares being deemed to be Returned Shares in accordance with the terms of the 2019 RSA Scheme or the 2021 RSA Scheme and the cash distribution and dividends declared and distributed by the Company in respect of the Returned Shares

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“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Mandate Limit”	the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted pursuant to the Share Schemes and any other share schemes adopted by the Company shall not exceed in total 10% of all the Shares in issue as at the Amendment Date, may be refreshed in accordance with the terms of the Share Schemes from time to time
“Selected Participant(s)”	in the context of the 2019 RSA Scheme and the 2021 RSA Scheme, any Eligible Participant who shall receive offer(s) of Restricted Shares as designated by the Board in accordance with the 2019 RSA Scheme or the 2021 Restricted Shares Award Scheme
“Service Provider Sublimit”	within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted pursuant to the Share Schemes and any other share schemes adopted by the Company to the Service Providers shall not exceed in total 1% of all the Shares in issue as at the Amendment Date, may be refreshed in accordance with the terms of the 2019 RSA Scheme and the 2021 Restricted Share Award Scheme from time to time
“Service Provider(s)”	dispatched workers, outsourced workers, consultants, advisers or suppliers who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in relation to the principal business or business development of any member of the Group, as determined by the Board in its sole and absolute discretion (excluding any placing agent or financial adviser providing advisory services to the Group for fundraising, mergers or acquisitions, or professional services providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity)
“SFC”	The Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share Option Scheme”	the share option scheme of the Company adopted on 7 December 2015 and the details of which are disclosed in the Prospectus

DEFINITIONS

“Share Schemes”	collectively, the Share Option Scheme, the 2019 Restricted Share Award Scheme and the 2021 Restricted Share Award Scheme
“Share(s)”	ordinary share(s) of nominal value of US\$0.001 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	in the context of the Share Option Scheme, the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option
“Takeovers Code”	the Code on Takeovers and Mergers, as amended, supplemented or otherwise modified from time to time
“Treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on June 11, 2024 and as amended from time to time
“Trust”	the trusts constituted by the trust deed (as restated, supplemented and amended from time to time) entered into between the Company and the trustee(s) (which is/are independent of and not connected with the Company) appointed or to be appointed by the Company for the administration of the 2019 RSA Scheme, the 2021 RSA Scheme or any additional or replacement trustee(s)
“Trustee”	in the context of the 2019 RSA Scheme and the 2021 RSA Scheme, an entity (which is independent of and not connected with the Company, and appointed by the Company as a trustee for the administration of the 2019 RSA Scheme and the 2021 RSA Scheme, including any additional or replacement trustee
“U.S.”	United States of America
“US Participant”	any Selected Participant who is a U.S. resident and/or is subject to U.S. tax pursuant to the Code
“%”	Per cent.



Genscript Biotech Corporation
金斯瑞生物科技股份有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1548)

Executive Directors:

Dr. Zhang Fangliang
Mr. Meng Jiange
Ms. Wang Ye
Dr. Zhu Li

Non-executive Directors:

Dr. Wang Luquan
Mr. Pan Yuexin
Ms. Wang Jiafen

Independent non-executive Directors:

Mr. Guo Hongxin
Mr. Dai Zumian
Mr. Pan Jiuan
Dr. Wang Xuehai
Mr. Cheung Yiu Leung Andy
Dr. Shi Chenyang

Registered office:

4th Floor, Harbour Place
103 South Church Street
George Town, P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

*Principal place of business
in Hong Kong:*

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

22 April 2024

To the Shareholders

Dear Sir or Madam

PROPOSALS FOR
(1) GRANTING OF GENERAL MANDATES TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES,
(2) RE-ELECTION OF RETIRING DIRECTORS,
(3) AMENDMENT OF THE SHARE OPTION SCHEME,
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(6) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT,
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* For identification purposes only

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide Shareholders with the notice of Annual General Meeting and the following proposals to be put forward at the Annual General Meeting: (i) the granting to the Directors of the Proposed Issue Mandate, the Proposed Repurchase Mandate and the Proposed Extension of Share Issue Mandate; (ii) the re-election of the retiring Directors; (iii) the proposed amendment to the Share Option Scheme; (iv) the proposed amendment to the 2019 Restricted Share Award Scheme; (v) the proposed amendment to the 2021 Restricted Share Award Scheme; (vi) the proposed refreshment of Scheme Mandate Limit; (vii) the proposed adoption of the Service Provider Sublimit, and (viii) the proposed amendments to the Existing Memorandum and Articles and proposed adoption of the Amended Memorandum and Articles.

GENERAL MANDATE TO ISSUE SHARES AND EXTENSION OF SHARE ISSUE MANDATE

In order to ensure greater flexibility for the Company to issue Shares (including a sale or transfer of Treasury Shares out of treasury, if any), an ordinary resolution numbered 4(A) will be proposed at the Annual General Meeting to grant to the Directors the Proposed Issue Mandate to exercise the powers of the Company to allot, issue or otherwise deal with additional Shares (including a sale or transfer of Treasury Shares out of treasury, if any) not exceeding 20% of the total number of the issued Shares of the Company (excluding Treasury Shares, if any) as at the date of the passing of the relevant resolution in relation to the Proposed Issue Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,124,052,670 Shares of nominal value of US\$0.001 each. Subject to the passing of the ordinary resolution numbered 4(A) granting the Proposed Issue Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue (or transfer out of treasury) a maximum of 424,810,534 Shares.

In addition, subject to a separate approval of the ordinary resolution numbered 4(C), the number of Shares purchased by the Company under the ordinary resolution numbered 4(B) granting the Proposed Repurchase Mandate, if approved by the Shareholders at the Annual General Meeting, will also be added to extend the 20% limit of the Proposed Issue Mandate as mentioned in the ordinary resolution numbered 4(A). The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the Proposed Issue Mandate, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, or the settlement of any restricted share units granted under the relevant share incentive scheme(s) of the Company. For more details of the share incentive schemes of the Company, please refer to the 2023 annual report published by the Company.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution numbered 4(B) will be proposed at the Annual General Meeting to approve the Proposed Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of the issued Shares of the Company (excluding Treasury Shares, if any) as at the date of the passing of the relevant resolution in relation to the Proposed Repurchase Mandate.

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

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 108 of the Articles of Association, Dr. Zhang Fangliang, Mr. Meng Jiange, Dr. Zhu Li and Dr. Wang Luquan shall retire at the Annual General Meeting and, being eligible, Dr. Zhang Fangliang, Mr. Meng Jiange and Dr. Zhu Li will offer themselves for re-election. Dr. Wang Luquan has decided not to offer himself for re-election at the Annual General Meeting as he desires to focus on his own business, and he will retire as a non-executive Director after the conclusion of the Annual General Meeting.

Dr. Wang Luquan has confirmed that he has no disagreement with the Board and there is no other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange with regard to his retirement.

The Board would like to express its gratitude to Dr. Wang Luquan for his valuable contributions to the Company during his tenure of office.

In accordance with Article 112 of the Articles of Association, Mr. Cheung Yiu Leung Andy and Dr. Shi Chengyang shall retire at the Annual General Meeting and, being eligible, will offer themselves for re-election.

Details of the Dr. Zhang Fanglinag, Mr. Meng Jiange, Dr. Zhu Li, Mr. Cheung Yiu Leung Andy and Dr. Shi Chenyang are set out in Appendix I to this circular, which indicate how the Directors to be elected contribute to the diversity of the Board.

Procedure and Process for Nomination of Directors

The Nomination Committee shall recommend to the Board for the appointment of a Director including an independent non-executive director in accordance with the following selection criteria and nomination procedures:

- (a) identify individuals who are suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships, having due regard to the Company's Board Diversity Policy, the requirements in the Company's constitution, the Listing Rules and

LETTER FROM THE BOARD

applicable laws and regulations, and the relevant candidates' contributions to the Board in terms of qualifications, skills, experiences, independence and gender diversity;

- (b) assess the independence of independent non-executive Director to determine their eligibility with reference to the factors set out in Rule 3.13 of the Listing Rules and any other factors deemed appropriate by the Nomination Committee or the Board. If a proposed independent non-executive Director will be holding their seventh (or more) listed company directorship, to assess his/her ability to devote sufficient time to the Board matters; and
- (c) develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship, including but not limited to evaluating the balance of skills, knowledge and experience on the Board, and in the light of this evaluation prepared a description of the role and capabilities required for a particular appointment.

Recommendation of the Nomination Committee and the Board

The Nomination Committee has considered the respective extensive experience in professional accounting and auditing and life science research and development fields of Mr. Cheung Yiu Leung Andy and Dr. Shi Chenyang, their working profile and other experience and factors as set out in their respective biographical details in Appendix I to this circular. The Nomination Committee is satisfied that Mr. Cheung and Dr. Shi have the required character, integrity and experience to continuously fulfil their role as an independent non-executive Director effectively. The Board believed that their re-election as the independent non-executive Directors would be in the best interests of the Company and its Shareholders as a whole.

In addition, Mr. Cheung and Dr. Shi have made a confirmation of independence respectively pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board are of the view that they are able to continue to fulfill their role as independent non-executive Director and therefore propose to the Shareholders for re-election at the Annual General Meeting.

PROPOSED AMENDMENTS TO THE SHARE OPTION SCHEME, THE 2019 RESTRICTED SHARE AWARD SCHEME AND THE 2021 RESTRICTED SHARE AWARD SCHEME

The Board proposes to amend the terms of the Share Option Scheme, the 2019 RSA Scheme and the 2021 RSA Scheme to conform with the amendments to Chapter 17 of the Listing Rules relating to share schemes of listed issuers, which took effect from 1 January 2023 (the “**Proposed Amendments**”).

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Pursuant to Chapter 17 of the Listing Rules, share schemes involving the grant by a listed issuer of (i) new shares of the listed issuer, or (ii) options over new shares of the listed issuer must be approved by shareholders of the listed issuer in general meeting. The Share Option Scheme is a share scheme involving the grant of options over new Shares over the Company. Each of the 2019 RSA Scheme and the 2021 RSA Scheme is a share scheme involving the grant of new Shares and each of them will be funded by both existing Shares and new Shares. In addition, pursuant to Chapter 17 of the Listing Rules, alterations to the terms and conditions of a share scheme which are of a material nature must be approved by shareholders of the listed issuer in general meeting. As the Proposed Amendments to the Share Option Scheme, the 2019 Restricted Shares Award Scheme and the 2021 RSA Scheme are of a material nature, the Proposed Amendments will be subject to, among others, the Shareholders' approval at the Annual General Meeting.

As at the Latest Practicable Date, other than the Share Option Scheme, the 2019 RSA Scheme and the 2021 RSA Scheme, the Company does not have any share schemes which are governed by Chapter 17 of the Listing Rules.

(A) Proposed Amendments to the Share Option Scheme

The Share Option Scheme was adopted by the Company on 7 December 2015. As disclosed in Appendix III of this circular, the purposes of the Share Option Scheme are (i) to provide the Eligible Participants with the opportunity to acquire proprietary interests in the Company, (ii) to encourage the Eligible Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole, and (iii) to provide the Company with a flexible means of retaining, incentivizing, compensating or providing benefits to the Eligible Participants.

As at the Latest Practicable Date, the Company did not appoint a trustee for the Share Option Scheme and did not intend to appoint a trustee for the administration of the Share Option Scheme. If the Company is to engage any trustee in respect of the Share Option Scheme in the future, such trustee will not be a Director and no Director will have any direct or indirect interest in the trustee of the Share Option Scheme.

Key changes entailed by the Proposed Amendments to the Share Option Scheme

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

- (a) to elaborate the basis of determination of the Eligible Participant to an Option;
- (b) to adopt the Scheme Mandate Limit;
- (c) to bring the requirement of Shareholders' approval for refreshment of the Scheme Mandate Limit;

LETTER FROM THE BOARD

- (d) to bring the requirement of independent Shareholders' approval for refreshment of the Scheme Mandate Limit within a three-year period from the date of Shareholders' approval for the last refreshment (or, as the case may be, the Amendment Date of the Share Option Scheme);
- (e) to bring the requirement of separate Shareholders' approval for granting the Options beyond the Scheme Mandate Limit;
- (f) to adopt a minimum vesting period of 12 months, save where the grant of option to certain Grantees are subject to a shorter vesting period under specific circumstances as determined by the Board;
- (g) to clarify that the Board may set Performance Targets for the grant of options and elaborate on the scope of criteria for Performance Targets as from time to time determined by the Board;
- (h) to specify that any Options granted to a Grantee may be cancelled if such Grantee so agrees and new options may be granted to the same Grantee within the available Scheme Mandate Limit, and such options so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit;
- (i) to specify a clawback mechanism that the Board has the right to claw back any option granted if certain events as detailed in the Share Option Scheme occur; and
- (j) to include other amendments for house-keeping purposes and to better align the wording with that of the Listing Rules.

A summary of the principal terms of the Share Option Scheme is set out in Appendix III to this circular. A copy of the Share Option Scheme will be made available for inspection at the Annual General Meeting and will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.genscript.com) for a period of not less than 14 days before the date of the Annual General Meeting.

Basis of eligibility of the participants under the Share Option Scheme

The Eligible Participants under the Share Option Scheme are any Directors (including executive Directors, non-executive Directors and independent non-executive Directors) and employees of any member of the Group. The eligibility of any Eligible Participant to an Option shall be determined by the Board on the basis of his/her contribution or potential contribution to the Group.

In determining an Eligible Participant's eligibility, assessing factors include, among others, (i) his/her skill, knowledge, experience, expertise and other relevant personal qualities, (ii) educational and professional qualifications, and knowledge in the industry, (iii) performance, length of employment with the Group, nature of duties

LETTER FROM THE BOARD

and position within the Group, (iv) his/her adherence to the Group's culture and values, or (v) the contribution and potential contribution to the development of the Group.

The Board (including the independent non-executive Directors) is of the view that the aforesaid criteria for determining the eligibility of an Eligible Participant are in line with the purpose of the Share Option Scheme.

Basis of the Proposed Amendments to the Share Option Scheme

The grant of Options to the Eligible Participants would not only align the interest of the Group with these grantees but also provide incentive and reward for (i) their participation and involvement in promoting the business of the Group, (ii) their joint and collaborative efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Options, such Eligible Participants will share a common goal with the Group in terms of the long-term growth and development of the Group and therefore aligns with the purposes of the Share Option Scheme.

The vesting period for Options under the Share Option Scheme shall not be less than 12 months commencing from the date of grant, whilst the grant of Option to certain Grantees (being Eligible Participants who are any directors (including executive directors, non-executive directors and independent non-executive directors) and employees of any member of the Group) are subject to a shorter vesting period, subject to the discretion of the Board, under specified circumstances as detailed in paragraph 5(ii) of Appendix III to this circular. In this connection, the Board is of the view that the discretion in allowing shorter vesting period is in line with the requirements under the Listing Rules, customary market practice, and allows flexibility for the Company to reward exceptional performers with an accelerated vesting schedule, or under exceptional circumstances where justified, all in which is appropriate and aligns with the purposes of the Share Option Scheme.

The Board has the authority to establish the Performance Targets in relation to the grant of an Option. The Board is of the view that it may not always be appropriate to impose performance targets, particularly when the purpose of granting Options is to compensate Eligible Participants for their past contributions to the Group, and considers that flexibility given to the Board in relation to the Performance Target will allow the Company to require the Eligible Participants to achieve such Performance Target, and would place the Company in a better position to retain such Eligible Participants to continue serving the Group whilst at the same time providing these Eligible Participants further incentive in achieving the goals of the Group and therefore aligns with the purposes of the Share Option Scheme.

The basis for determination of subscription price of the Options upon exercise is specified in the rules of the Share Option Scheme as detailed in paragraph 4 of Appendix III to this circular. The Board is of the view that the basis of such exercise price is consistent with the Listing Rules and so that it is appropriate and aligns with the purpose of the Share Option Scheme.

LETTER FROM THE BOARD

The Board has the authority to provide that any Option shall be subject to a clawback under specified circumstances as detailed in paragraph 11(i) of Appendix III to this circular. The Board is of the view that the flexibility given to the Board in relation to the clawback mechanism will allow the Company to claw back the equity incentives granted to the Grantees who committed serious misconduct or if there is a material misstatement in the audited financial statements of the Company that requires a restatement and therefore aligns with the purposes of the Share Option Scheme.

Adoption Conditions for the Proposed Amendments to the Share Option Scheme

The adoption of the Proposed Amendments to the Share Option Scheme is conditional upon the passing of ordinary resolutions by the Shareholders at the Annual General Meeting approving (i) the Proposed Amendments to the Share Option Scheme, and (ii) the proposed refreshment of the Scheme Mandate Limit.

In relation to the conditions above, ordinary resolutions will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve, *inter alia*, the Proposed Amendments to the Share Option Scheme, and the refreshment of the Share Scheme Mandate. No Shareholder is required to abstain from voting on the relevant resolution to approve the Proposed Amendments to the Share Option Scheme at the Annual General Meeting.

(B) Proposed Amendments to the 2019 Restricted Share Award Scheme

The 2019 RSA Scheme was adopted by the Company on 22 March 2019. As disclosed in Appendix IV of this circular, the purposes of the 2019 RSA Scheme are (i) to provide the Selected Participants with the opportunity to acquire proprietary interests in the Company, (ii) to encourage the Selected Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole, and (iii) to provide the Company with a flexible means of retaining, incentivizing, compensating or providing benefits to the Selected Participants.

As at the Latest Practicable Date, none of the Directors is a trustee of the 2019 RSA Scheme or has any direct or indirect interest in the trustee of the 2019 RSA Scheme.

Key changes entailed by the Proposed Amendments to the 2019 RSA Scheme

The key changes entailed by the Proposed Amendments to the 2019 RSA Scheme are set out below:

- (a) to revise the definition of “Eligible Participants” to include (i) any Employee Participant; (ii) any Related Entity Participant; and (iii) any Service Provider;
- (b) to adopt the Scheme Mandate Limit and the Service Provider Sublimit;
- (c) to bring the requirement of Shareholders’ approval for refreshment of the Scheme Mandate Limit and Service Providers Sublimit;

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- (d) to bring the requirement of independent Shareholders' approval for refreshment of the Scheme Mandate Limit and Service Providers Sublimit within a three-year period from the date of Shareholders' approval for the last refreshment (or, as the case may be, the Amendment Date of the 2019 RSA Scheme);
- (e) to bring the requirement of separate Shareholders' approval for granting the Awards beyond the Scheme Mandate Limit;
- (f) to specify that unless approved by the Shareholders pursuant to the 2019 RSA Scheme, the total number of Shares issued and to be issued in respect of all options and awards involving issue of new Shares granted under all the Shares Schemes to each individual participant in any 12-month shall not exceed 1% of the total number of Shares in issue (the "**Individual Limit**");
- (g) to bring the requirement of approval by the Shareholders for any grant of awards over new Shares of the Company to an individual participant that would result in the aggregate number of Shares issued and to be issued in respect of all options and awards granted under the 2019 RSA Scheme and any other share schemes of the Company to such individual participant (excluding any options and awards lapsed in accordance with the terms of the Shares Schemes) in any 12-month period will exceed the Individual Limit;
- (h) to bring the requirement of approval by the Shareholders for any grant of awards over new Shares of the Company to a Director (other than an independent non-executive Director) or chief executive(s) of the Company (or any of their associates) that would result in the number of Shares issued and to be issued in respect of all options and share awards involving issue of new Shares granted under the 2019 RSA Scheme and any other share schemes of the Company (excluding any options or share awards lapsed in accordance with the terms of the 2019 RSA Scheme or any other share schemes of the 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 total number of the Shares in issue;
- (i) to bring the requirement of approval by the Shareholders for any grant of awards over new Shares of the Company to an independent non-executive Director or a substantial Shareholder of the Company (or any of their respective associates) that would result in the number of Shares issued and to be issued in respect of all options and awards involving issue of new Shares already granted under the 2019 RSA Scheme and any other share schemes of the Company (excluding any options or share awards lapsed in accordance with the terms of the 2019 RSA Scheme or any other share schemes of the 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 total number of the Shares in issue;

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- (j) to adopt a minimum vesting period of 12 months, save where the grant of awards to certain Employee Participants are subject to a shorter vesting period under specific circumstances as determined by the Board;
- (k) to clarify that the Board may set Performance Targets for the grant of awards and elaborate on the scope of criteria for Performance Targets as from time to time determined by the Board;
- (l) to specify that any awards granted to a Selected Participant may be cancelled if such Selected Participant so agrees and new awards may be granted to the same Selected Participant within the available Scheme Mandate Limit and the Service Provider Sublimit, and such awards so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder);
- (m) to include a provision for adjustment of the awards granted under the 2019 RSA Scheme in the event of a capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of shares capital of the Company;
- (n) to specify a clawback mechanism that the Board has the right to claw back any award granted if certain events as detailed in the 2019 RSA Scheme occur;
- (o) to specify unless otherwise determined by the Board or as required by applicable law, the Selected Participant is not required to pay any grant price or make any other payment to the Company to accept the Awards;
- (p) to specify the Shares to be allotted and issued pursuant to the award granted under the 2019 RSA Scheme are identical to the then existing issued Shares of the Company and shall entitle the holders the same voting right, the right of transfer, the right to the Selected Participate in all dividends or other distributions paid or made after the date on which the underlying Shares are allotted and/or transferred, and other rights, including those rising on liquidation as attached to other fully-paid Shares in issue upon vesting;
- (q) to bring the requirement for Shareholders' approval for any alterations to the terms and conditions of the 2019 RSA Scheme which are of a material nature, or any alteration to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules;
- (r) to bring the requirement for the approval(s) of the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) for any change to the terms of the Awards granted to a Selected Participant if the initial grant of the awards was approved by such person and/or bodies;

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- (s) to specify that the awards granted and remain outstanding immediately prior to the termination of the operation of the 2019 RSA Scheme shall continue to be valid and eligible to vest after the termination of the 2019 RSA Scheme; and
- (t) to include other amendments for house-keeping purposes and to better align the wording with that of the Listing Rules.

A summary of the principal terms of the 2019 RSA Scheme is set out in Appendix IV to this circular. A copy of the 2019 RSA Scheme will be made available for inspection at the Annual General Meeting and will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.genscript.com) for a period of not less than 14 days before the date of the Annual General Meeting.

Basis of eligibility of the participants under the 2019 RSA Scheme

The Eligible Participants under the 2019 RSA Scheme, as amended, shall comprise (i) Employee Participants, (ii) Related Entity Participants, and (iii) Service Providers. The eligibility of any Eligible Participant to an award shall be determined by the Board on the basis of his/her contribution or potential contribution to the Group.

In determining an Employee Participant's eligibility, assessing factors include, among others, (i) his/her skill, knowledge, experience, expertise and other relevant personal qualities, (ii) educational and professional qualifications, and knowledge in the industry, (iii) performance, length of employment with the Group, nature of duties and position within the Group, (iv) his/her adherence to the Group's culture and values, or (v) the contribution and potential contribution to the development of the Group.

In determining a Related Entity Participant's eligibility, assessing factors include, among others, (i) his/her actual or potential degree of involvement in and/or cooperation with the Group, and/or (ii) the contribution or potential contribution to the development of the Group.

Service Providers are dispatched workers, outsourced workers, consultants, advisers and suppliers who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in relation to the Group's principal business (including life-science services and products, biologics development services, industrial synthetic products and cell therapy) or business development of any member of the Group, as determined by the Board in its sole and absolute discretion, which are in the interests of the long term growth of the Group (excluding any placing agent or financial adviser providing advisory services to the Group for fundraising, mergers or acquisitions, or professional services providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity).

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Dispatched workers and outsourced workers are those who work for the Group where the continuity and frequency of their services are akin to those of employees in providing service to the Group on areas relating to, or ancillary to, the Group's principal business. Currently, the Group has approximately 300 dispatched workers and outsourced workers engaged in providing service closely connected with various areas of the Group's day-to-day operations, including technology development, marketing and business development, product manufacturing and IT infrastructure solutions and maintenance in a continuing and recurring nature, and their performance will directly contribute to the growth of the Group's business.

Consultants and advisers are those who apply their specialized skills and knowledge to provide professional services to the Group in relation to the principal business or business development of the Group, including without limitation, corporate management enhancement, operational improvement, technical and innovation advancement, and business development and investment. The Group has engaged four consultants who have extensive experience in the pharmaceutical and biotech industries, and their role is to provide consultancy service in relation to strategic business consultancy and product research and development. The Group has maintained a long-term cooperative relationship with these consultants. The Group may, from time to time, engage other consultants and advisers to provide consultants or advisory services in order to meet the development needs of the Group in the area that are desirable and necessary from a commercial perspective, and to help maintain or enhance the competitiveness of the Group.

Suppliers are those who are engaged in business that contract with the Group to provide important services to the Group on a regular or recurring basis, including professional services and management consulting services with which the Group would consider important to maintain a close business relationship on an ongoing basis. The Group has engaged over a dozen suppliers who provide professional service and management consulting services to the Group. These suppliers include: (i) suppliers who provide technical supporting services for scientific research experiments, maintenance service of key equipment and cutting-edge technology consulting service related to the critical categories of products within the core strategic product pipelines of the Group; (ii) suppliers who provide services related to technology system implementation plans and office solutions, which facilitate the enhancement of the operating efficiency of the Group; and (iii) suppliers who provide consulting services pertaining to environment, social and governance, human resources management and business operation process, contributing to the improvement of the management capacities and efficiency of the Company. The Board considers that maintaining sound relationships with the Group's suppliers could derive cost effectiveness and reap long-term business benefits of the Group.

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In determining a Service Provider's eligibility, assessing factors include, among others:

- (i) in general: (a) the actual or potential degree of involvement in or cooperation with the Group, (b) background, reputation and track record of the Service Provider, and (c) the amount of actual or potential support, assistance, guidance, advice, efforts and contributions the Service Provider is likely to be able to give or make towards the development of the Group;
- (ii) specifically in respect of Service Providers in the category of dispatched workers and outsourced workers: (a) the individual performance of the Service Providers; (b) the length of providing services and collaboration with the Group; (c) his/her adherence to the Group's culture and values; (d) the materiality and nature of duties and services providing to the Group; (e) whether such services form part of or are directly ancillary to the business conducted by the Group;
- (iii) specifically in respect of Service Providers in the category of consultants and advisers: (a) the expertise, skills, technical know-how and professional qualification, (b) the experience and network of the Service Provider in the relevant industry; (c) the prevailing market fees chargeable by other consultants and advisers; and (d) the benefits and strategic value brought by the Service Provider to the Group's development and future prospects align with the needs of Group's principal business and strategic development goals; and
- (iv) specifically in respect of Service Providers in the category of suppliers: (a) the reliability and quality of the services supplied to the Group; (b) the frequency of collaboration and length of business relationship with the Group; (c) the scale and type of the Service Providers' collaboration and business dealings with the Group (such as whether they established or potential to establish long-term and strategic collaboration with the Group relate to the core business of the Group).

The Board (including the independent non-executive Directors) in of the view that the aforesaid criteria for determining the eligibility of an Eligible Participant are in line with the purpose of the 2019 RSA Scheme.

View of independent non-executive Directors on inclusion of Related Entity Participant and Service Provider as Eligible Participants

As at the Latest Practicable Date, the Company has not granted any Award to any Related Entity Participants under the 2019 RSA Scheme. Despite the aforesaid, the Board (including the independent non-executive Directors) is of the view that the employees of Related Entities are valuable human resources to the Group as they may engage in joint work projects or close collaborations in connection with the Group's businesses, which have contributed or will contribute to the development and growth of the Group's businesses.

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Having considered (i) the categories of the Service Providers are in line with the Group's business needs and the industry norm, (ii) the basis of determination of the eligibility of the Service Providers as mentioned above, (iii) the invaluable contributions from these Service Providers support usual ordinary course of business of the Group on a recurring and continuing basis, and (iv) certain Service Providers have played or will play significant roles in the Group's business development and growth by contributing their extensive connection in the market, knowledge and expertise of the industry, the Board (including the independent non-executive Directors) is of the view that the proposed category of the Service Providers serves for maintaining or enhancing the competitiveness of the Group.

Therefore, the Board (including the independent non-executive Directors) is of the view that the proposed inclusion of Related Entity Participants and Service Providers of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the development of the Group as Eligible Participants under the 2019 RSA Scheme would align the interests of Related Entity Participants or Service Providers directly to that of the Shareholders and motivate them by providing direct economic interest to them in striving for the future growth and development of and increasing the value of the Group in the long run, which is in line with the Company's business needs, industry norm with reference to other companies listed on the Stock Exchange, the purpose of the 2019 RSA Scheme, and the long term interest of the Company and the Shareholders as a whole.

Basis of the Proposed Amendments to the 2019 RSA Scheme

The grant of Awards to the Eligible Participants would not only align the interest of the Group with these grantees but also provide incentive and reward for (i) their participation and involvement in promoting the business of the Group, (ii) their joint and collaborative efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Awards, such Eligible Participants will share a common goal with the Group in terms of the long-term growth and development of the Group and therefore aligns with the purposes of the 2019 RSA Scheme.

The vesting period for Awards under the 2019 RSA Scheme shall not be less than 12 months commencing from the date of grant, whilst the grant of Awards to certain Eligible Participants are subject to a shorter vesting period, subject to the discretion of the Board, under specified circumstances as detailed in paragraph 6(ii) of Appendix IV to this circular. In this connection, the Board is of the view that the discretion in allowing shorter vesting period is in line with the requirements under the Listing Rules, customary market practice, and allows flexibility for the Company to reward exceptional performers with an accelerated vesting schedule, or under exceptional circumstances where justified, all in which is appropriate and aligns with the purposes of the 2019 RSA Scheme.

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The Board has the authority to establish the Performance Targets in relation to the grant of an Award. The Board is of the view that it may not always be appropriate to impose performance targets, particularly when the purpose of granting Awards is to compensate Eligible Participants for their past contributions to the Group, and considers flexibility given to the Board in relation to the Performance Target will allow the Company to require the Eligible Participants to achieve such Performance Target, and would place the Company in a better position to retain such Eligible Participants to continue serving the Group whilst at the same time providing these Eligible Participants further incentive in achieving the goals of the Group and therefore aligns with the purposes of the 2019 RSA Scheme.

The Selected Participants are not required to pay any grant price or make any other payment to the Company to accept an Award granted, unless otherwise determined by the Board at its sole discretion or as required by applicable law in respect of the consideration for the acceptance of any Award. Therefore, the basis of determination of the purchase price of an Award is not applicable.

The Board has the authority to provide that any Award shall be subject to a clawback under specified circumstances as detailed in paragraph 9(i) of Appendix IV to this circular. The Board is of the view that the flexibility given to the Board in relation to the clawback mechanism will allow the Company to claw back the equity incentives granted to the Selected Participants who committed serious misconduct or if there is a material misstatement in the audited financial statements of the Company that requires a restatement and therefore aligns with the purposes of the 2019 RSA Scheme.

Adoption Conditions for the Proposed Amendments to the 2019 RSA Scheme

The adoption of the Proposed Amendments to the 2019 RSA Scheme is conditional upon the passing of ordinary resolutions by the Shareholders at the Annual General Meeting approving (i) the Proposed Amendments to the 2019 RSA Scheme; (ii) the proposed refreshment of the Scheme Mandate Limit and the adoption of the Service Provider Sublimit.

In relation to the conditions above, ordinary resolutions will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve, *inter alia*, the Proposed Amendments to the 2019 RSA Scheme, the Share Scheme Mandate and the Service Provider Sublimit. No Shareholder is required to abstain from voting on the relevant resolution to approve the Proposed Amendments to the 2019 RSA Scheme at the Annual General Meeting.

(C) Proposed Amendments to the 2021 Restricted Share Award Scheme

The 2021 RSA Scheme was adopted by the Company on 23 August 2021 and amended on 26 May 2022. As disclosed in Appendix V of this circular, the purposes of the 2021 RSA Scheme are (i) to provide the Selected Participants with the opportunity to acquire proprietary interests in the Company, (ii) to encourage the Selected Participants to work

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towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole, and (iii) to provide the Company with a flexible means of retaining, incentivizing, compensating or providing benefits to the Selected Participants.

As at the Latest Practicable Date, none of the Directors is a trustee of the 2021 RSA Scheme or has any direct or indirect interest in the trustee of the 2021 RSA Scheme.

Key changes entailed by the Proposed Amendments to the 2021 RSA Scheme

The key changes entailed by the Proposed Amendments to the 2021 RSA Scheme are set out below:

- (a) to revise the definition of “Eligible Participants” to include (i) any Employee Participant; (ii) any Related Entity Participant; and (iii) any Service Provider;
- (b) to adopt the Scheme Mandate Limit and the Service Provider Sublimit;
- (c) to bring the requirement of Shareholders’ approval for refreshment of the Scheme Mandate Limit and Service Providers Sublimit;
- (d) to bring the requirement of independent Shareholders’ approval for refreshment of the Scheme Mandate Limit and Service Providers Sublimit within a three-year period from the date of Shareholders’ approval for the last refreshment (or, as the case may be, the Amendment Date of the 2021 RSA Scheme);
- (e) to bring the requirement of separate Shareholders’ approval for granting the Awards beyond the Scheme Mandate Limit;
- (f) to specify the Individual Limit and bring the requirement for the Individual Limit;
- (g) to bring the requirement of approval by the Shareholders for any grant of awards over new Shares of the Company to a Director (other than an independent non-executive Director) or chief executive(s) of the Company (or any of their associates) that would result in the number of Shares issued and to be issued in respect of all options and share awards involving issue of new Shares granted under the 2021 RSA Scheme and any other share schemes of the Company (excluding any options or share awards lapsed in accordance with the terms of the 2021 RSA Scheme or any other share schemes of the 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 total number of the Shares in issue;
- (h) to bring the requirement of approval by the Shareholders for any grant of awards over new Shares of the Company to an independent non-executive Director or a substantial Shareholder of the Company (or any of their

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respective associates) that would result in the number of Shares issued and to be issued in respect of all options and awards involving issue of new Shares already granted under the 2021 RSA Scheme and any other share schemes of the Company (excluding any options or share awards lapsed in accordance with the terms of the 2021 RSA Scheme or and any other share schemes of the 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 total number of the Shares in issue;

- (i) to adopt a minimum vesting period of 12 months, save where the grant of awards to certain Employee Participants are subject to a shorter vesting period under specific circumstances as determined by the Board;
- (j) to clarify that the Board may set Performance Targets for the grant of awards and elaborate on the scope of criteria for Performance Targets as from time to time determined by the Board;
- (k) to specify that any awards granted to a Selected Participant may be cancelled if such Selected Participant so agrees and new awards may be granted to the same Selected Participant within the available Scheme Mandate Limit and the Service Provider Sublimit, and such awards so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder);
- (l) to include a provision for adjustment of the awards granted under the 2021 RSA Scheme in the event of a capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of shares capital of the Company;
- (m) to specify a clawback mechanism that the Board has the right to claw back any award granted if certain events as detailed in the 2021 RSA Scheme occur;
- (n) to specify unless otherwise determined by the Board or as required by applicable law, the Selected Participant is not required to pay any grant price or make any other payment to the Company to accept the Awards;
- (o) to specify the Shares to be allotted and issued pursuant to the award granted under the 2021 RSA Scheme are identical to the then existing issued Shares of the Company and shall entitle the holders the same voting right, the right of transfer, the right to the Selected Participate in all dividends or other distributions paid or made after the date on which the underlying Shares are allotted and/or transferred, and other rights, including those rising on liquidation as attached to other fully-paid Shares in issue upon vesting;
- (p) to bring the requirement for Shareholders' approval for any alterations to the terms and conditions of the 2021 RSA Scheme which are of a material nature, or any alteration to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules;

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- (q) to bring the requirement for the approval(s) of the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) for any change to the terms of the Awards granted to a Selected Participant if the initial grant of the awards was approved by such person and/or bodies;
- (r) to specify that the awards granted and remain outstanding immediately prior to the termination of the operation of the 2021 RSA Scheme shall continue to be valid and eligible to vest after the termination of the 2021 RSA Scheme; and
- (s) to include other amendments for house-keeping purposes and to better align the wording with that of the Listing Rules.

A summary of the principal terms of the 2021 RSA Scheme is set out in Appendix V to this circular. A copy of the 2021 RSA Scheme will be made available for inspection at the Annual General Meeting and will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.genscript.com) for a period of not less than 14 days before the date of the Annual General Meeting.

Basis of eligibility of the participants under the 2021 RSA Scheme

The Eligible Participants under the 2021 RSA Scheme, as amended, shall comprise (i) Employee Participants, (ii) Related Entity Participants, and (iii) Service Providers. The eligibility of any Eligible Participant to an award shall be determined by the Board on the basis of his/her contribution or potential contribution to the Group.

In determining an Employee Participant's eligibility, assessing factors include, among others, (i) his/her skill, knowledge, experience, expertise and other relevant personal qualities, (ii) educational and professional qualifications, and knowledge in the industry, (iii) performance, length of employment with the Group, nature of duties and position within the Group, (iv) his/her adherence to the Group's culture and values, or (v) the contribution and potential contribution to the development of the Group.

In determining a Related Entity Participant's eligibility, assessing factors include, among others, (i) his/her actual or potential degree of involvement in and/or cooperation with the Group, and/or (ii) the contribution or potential contribution to the development of the Group.

Service Providers are dispatched workers, outsourced workers, consultants, advisers and suppliers who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in relation to the Group's principal business (including life-science services and products, biologics development services, industrial synthetic products and cell therapy) or business development of any member of the Group, as determined by the Board in its sole and absolute discretion, which are in the interests of the long term growth of the Group (excluding any placing agent or financial adviser providing advisory services to the

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Group for fundraising, mergers or acquisitions, or professional services providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity).

Dispatched workers and outsourced workers are those who work for the Group where the continuity and frequency of their services are akin to those of employees in providing service to the Group on areas relating to, or ancillary to, the Group's principal business. Currently, the Group has approximately 300 dispatched workers and outsourced workers engaged in providing service closely connected with various areas of the Group's day-to-day operations, including technology development, marketing and business development, product manufacturing and IT infrastructure solutions and maintenance in a continuing and recurring nature, and their performance will directly contribute to the growth of the Group's business.

Consultants and advisers are those who apply their specialized skills and knowledge to provide professional services to the Group in relation to the principal business or business development of the Group, including without limitation, corporate management enhancement, operational improvement, technical and innovation advancement, and business development and investment. The Group has engaged four consultants who have extensive experience in the pharmaceutical and biotech industries, and their role is to provide consultancy service in relation to strategic business consultancy and product research and development. The Group has maintained a long-term cooperative relationship with these consultants. The Group may, from time to time, engage other consultants and advisers to provide consultants or advisory services in order to meet the development needs of the Group in the area that are desirable and necessary from a commercial perspective, and to help maintain or enhance the competitiveness of the Group.

Suppliers are those who are engaged in business that contract with the Group to provide important services to the Group on a regular or recurring basis, including professional services and management consulting services with which the Group would consider important to maintain a close business relationship on an ongoing basis. The Group has engaged over a dozen suppliers who provide professional service and management consulting services to the Group. These suppliers include: (i) suppliers who provide technical supporting services for scientific research experiments, maintenance service of key equipment and cutting-edge technology consulting service related to the critical categories of products within the core strategic product pipelines of the Group; (ii) suppliers who provide services related to technology system implementation plans and office solutions, which facilitate the enhancement of the operating efficiency of the Group; and (iii) suppliers who provide consulting services pertaining to environment, social and governance, human resources management and business operation process, contributing to the improvement of the management capacities and efficiency of the Company. The Board considers that maintaining sound relationships with the Group's suppliers could derive cost effectiveness and reap long-term business benefits of the Group.

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In determining a Service Provider's eligibility, assessing factors include, among others:

- (i) in general: (a) the actual or potential degree of involvement in or cooperation with the Group, (b) background, reputation and track record of the Service Provider, and (c) the amount of actual or potential support, assistance, guidance, advice, efforts and contributions the Service Provider is likely to be able to give or make towards the development of the Group;
- (ii) specifically in respect of Service Providers in the category of dispatched workers and outsourced workers: (a) the individual performance of the Service Providers; (b) the length of providing services and collaboration with the Group; (c) his/her adherence to the Group's culture and values; (d) the materiality and nature of duties and services providing to the Group; (e) whether such services form part of or are directly ancillary to the business conducted by the Group;
- (iii) specifically in respect of Service Providers in the category of consultants and advisers: (a) the expertise, skills, technical know-how and professional qualification, (b) the experience and network of the Service Provider in the relevant industry; (c) the prevailing market fees chargeable by other consultants and advisers; and (d) the benefits and strategic value brought by the Service Provider to the Group's development and future prospects align with the needs of Group's principal business and strategic development goals; and
- (iv) specifically in respect of Service Providers in the category of suppliers: (a) the reliability and quality of the services supplied to the Group; (b) the frequency of collaboration and length of business relationship with the Group; (c) the scale and type of the Service Providers' collaboration and business dealings with the Group (such as whether they established or potential to establish long-term and strategic collaboration with the Group relate to the core business of the Group).

The Board (including the independent non-executive Directors) is of the view that the aforesaid criteria for determining the eligibility of an Eligible Participant are in line with the purpose of the 2021 RSA Scheme.

View of independent non-executive Directors on inclusion of Related Entity Participant and Service Provider as Eligible Participants

As at the Latest Practicable Date, the Company has not granted any Award to any Related Entity Participants under the 2021 RSA Scheme. Despite the aforesaid, the Board (including the independent non-executive Directors) is of the view that the employees of Related Entities are valuable human resources to the Group as they may engage in joint work projects or close collaborations in connection with the Group's businesses, which have contributed or will contribute to the development and growth of the Group's businesses.

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As at the Latest Practicable Date, a total 2 Selected Participants who are consultants to the Group were granted 540,167 Restricted Shares under the 2021 RSA Scheme. Having considered (i) the categories of the Service Providers are in line with the Group's business needs and the industry norm, (ii) the basis of determination of the eligibility of the Service Providers as mentioned above, (iii) the invaluable contributions from these Service Providers support usual ordinary course of business of the Group on a recurring and continuing basis, and (iv) certain Service Providers have played or will play significant roles in the Group's business development and growth by contributing their extensive connection in the market, knowledge and expertise of the industry, the Board (including the independent non-executive Directors) is of the view that the proposed category of the Service Providers serves for maintaining or enhancing the competitiveness of the Group.

Therefore, the Board (including the independent non-executive Directors) is of the view that the proposed inclusion of Related Entity Participants and Service Providers of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the development of the Group as Eligible Participants under the 2021 RSA Scheme would align the interests of Related Entity Participants or Service Providers directly to that of the Shareholders and motivate them by providing direct economic interest to them in striving for the future growth and development of and increasing the value of the Group in the long run, which is in line with the Company's business needs, industry norm with reference to other companies listed on the Stock Exchange, the purpose of the 2021 RSA Scheme, and the long term interest of the Company and the Shareholders as a whole.

Basis of the Proposed Amendments to the 2021 RSA Scheme

The grant of Awards to the Eligible Participants would not only align the interest of the Group with these grantees but also provide incentive and reward for (i) their participation and involvement in promoting the business of the Group, (ii) their joint and collaborative efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Awards, such Eligible Participants will share a common goal with the Group in terms of the long-term growth and development of the Group and therefore aligns with the purposes of the 2021 RSA Scheme.

The vesting period for Awards under the 2021 RSA Scheme shall not be less than 12 months commencing from the date of grant, whilst the grant of Awards to certain Eligible Participants are subject to a shorter vesting period, subject to the discretion of the Board, under specified circumstances as detailed in paragraph 6(ii) of Appendix V to this circular. In this connection, the Board is of the view that the discretion in allowing shorter vesting period is in line with the requirements under the Listing Rules, customary market practice, and allows flexibility for the Company to reward exceptional performers with an accelerated vesting schedule, or under exceptional circumstances where justified, all in which is appropriate and aligns with the purposes of the 2021 RSA Scheme.

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The Board has the authority to establish the Performance Targets in relation to the grant of an Award. The Board is of the view that it may not always be appropriate to impose performance targets, particularly when the purpose of granting Awards is to compensate Eligible Participants for their past contributions to the Group, and considers that that flexibility given to the Board in relation to the Performance Target will allow the Company to require the Eligible Participants to achieve such Performance Target, and would place the Company in a better position to retain such Eligible Participants to continue serving the Group whilst at the same time providing these Eligible Participants further incentive in achieving the goals of the Group and therefore aligns with the purposes of the 2021 RSA Scheme.

The Selected Participants are not required to pay any grant price or make any other payment to the Company to accept an Award granted, unless otherwise determined by the Board at its sole discretion or as required by applicable law in respect of the consideration for the acceptance of any Award. Therefore, the basis of determination of the purchase price of an Award is not applicable.

The Board has the authority to provide that any Award shall be subject to a clawback under specified circumstances as detailed in paragraph 9 of Appendix V to this circular. The Board is of the view that the flexibility given to the Board in relation to the clawback mechanism will allow the Company to claw back the equity incentives granted to the Selected Participants who committed serious misconduct or if there is a material misstatement in the audited financial statements of the Company that requires a restatement and therefore aligns with the purposes of the 2021 RSA Scheme.

Adoption Conditions for the Proposed Amendments to the 2021 RSA Scheme

The adoption of the Proposed Amendments to the 2021 RSA Scheme is conditional upon the passing of ordinary resolutions by the Shareholders at the Annual General Meeting approving (i) the Proposed Amendments to the 2021 RSA Scheme, and (ii) the proposed refreshment of the Scheme Mandate Limit and adoption of the Service Provider Sublimit.

In relation to the conditions above, ordinary resolutions will be proposed at the Annual General Meeting for the Shareholders, if thought fit, approve, *inter alia*, the Proposed Amendments to the 2021 RSA Scheme, the Share Scheme Mandate and the Service Provider Sublimit. No Shareholder is required to abstain from voting on the relevant resolution to approve the Proposed Amendments to the 2021 RSA Scheme at the Annual General Meeting.

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PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

Pursuant to the existing terms of the Share Option Scheme, the total number of the Shares underlying all grants made pursuant to the Share Option Scheme shall not exceed 10% of aggregate of the Shares in issue on the date of the Shares commence trading on the Stock Exchange, being 160,000,000 Shares, may be refreshed subject to prior Shareholders' approval. As at the Latest Practicable Date, Options to subscribe for 101,306,166 Shares had been granted by the Company (of which 23,656,405 Options had been lapsed) under the existing scheme limit of the Share Option Scheme. Details of the outstanding and unexercised Options under the Share Options Scheme are as follows:

Category/ Name of Grantee	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	Number of the outstanding Options as at the Latest Practicable Date
Directors				
<i>Executive Director</i>				
Zhu Li	11 October 2017	31 December 2019– 10 October 2027	8.33	634,000
<i>Non-executive Directors</i>				
Pan Yuexin	1 September 2020	1 September 2020– 31 August 2025	15.00	60,000
Wang Jiafen	1 September 2020	1 September 2020 – 31 August 2025	15.00	270,000
<i>Independent Non-executive Directors</i>				
Guo Hongxin	1 September 2020	1 September 2020– 31 August 2025	15.00	60,000
Dai Zumian	1 September 2020	1 September 2020– 31 August 2025	15.00	58,000
Pan Juan	1 September 2020	1 September 2020– 31 August 2025	15.00	270,000
Chief Executives				
Shao Weihui	25 April 2017	25 April 2021– 24 April 2027	3.512	2,000,000
Liu Zhenyu	22 June 2016	22 June 2019– 21 June 2026	1.204	5,000,000

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Category/ Name of Grantee	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	Number of the outstanding Options as at the Latest Practicable Date
Employees	22 June 2016	22 June 2016– 21 June 2026	1.204	2,672,000
	23 September 2016	23 September 2017– 22 September 2026	2.406	3,217,000
	25 April 2017	25 April 2019– 24 April 2027	3.512	9,229,950
	11 October 2017	25 July 2018– 10 October 2027	8.33	5,188,000
	20 November 2017	31 December 2019– 19 November 2027	9.35	1,955,000
	4 May 2018	1 January 2019– 3 May 2028	26.46	6,505,476
	29 November 2018	29 November 2019– 28 November 2028	14.04	126,000
	19 July 2019	19 July 2020– 18 July 2029	18.30	1,971,000
	29 November 2019	29 November 2020– 28 November 2029	19.132	2,261,000
	29 April 2020	29 April 2021– 28 April 2030	13.84	1,970,500
	28 December 2020	28 December 2021– 27 December 2030	12.10	830,000
	31 March 2021	31 March 2022– 30 March 2031	13.892	100,000
	31 May 2021	31 May 2022– 30 May 2031	30.45	190,433

Pursuant to the existing terms of the 2019 RSA Scheme, the total number of the Restricted Shares underlying all grants made pursuant to the 2019 RSA Scheme shall not exceed 10% (i.e. 183,721,269 Shares) of the issued share capital of the Company as at the adoption date of the 2019 RSA Scheme, may be refreshed subject to prior Board's approval. As at the Latest Practicable Date, 20,826,504 Restricted Shares had been granted (of which 3,916,284 Restricted Shares had been lapsed) under the existing scheme limit of the 2019

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RSA Scheme. Details of the outstanding Restricted Shares under the 2019 RSA Scheme are as follows:

Category/ Name of Grantee	Date of Grant	Vesting Period	Number of the outstanding Restricted Shares as at the Latest Practicable Date
Directors			
<i>Executive Directors</i>			
Meng Jiange	28 December 2020	In five equal installments annually between 28 December 2021 and 28 December 2025	160,000
Wang Ye	31 May 2021	In five equal installments annually between 31 May 2022 and 31 May 2026	150,000
Zhu Li	28 December 2020	In five equal installments annually between 28 December 2021 and 28 December 2025	80,000
	31 May 2021	In five equal installments annually between 31 May 2022 and 31 May 2026	50,000
<i>Non-executive Directors</i>			
Pan Yuexin	18 January 2023	In three batches with the last batch vested on 17 December 2025	10,451
	28 November 2023	In one batch on 30 November 2024	34,409
Wang Jiafen	18 January 2023	In three batches with the last batch vested on 17 December 2025	10,451
<i>Independent Non-executive Directors</i>			
Guo Hongxin	18 January 2023	In three batches with the last batch vested on 17 December 2025	10,451
	28 November 2023	In one batch on 30 November 2024	34,409
Dai Zumian	18 January 2023	In three batches with the last batch vested on 17 December 2025	10,451
	28 November 2023	In one batch on 30 November 2024	34,409
Pan Jiuan	18 January 2023	In three batches with the last batch vested on 17 December 2025	10,451
	28 November 2023	In one batch on 30 November 2024	34,409
Wang Xuehai	28 November 2023	In three batches annually between 30 November 2024 and 30 November 2026	16,957

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Category/ Name of Grantee	Date of Grant	Vesting Period	Number of the outstanding Restricted Shares as at the Latest Practicable Date
Chief Executives			
Shao Weihui	31 May 2021	In three equal installments annually between 31 May 2022 and 31 May 2024	13,838
	3 April 2023	20% of the restricted shares will be vested on 3 April 2024 and the remaining restricted shares will be vested on an annual basis equally between 31 March 2025 and 31 March 2028	215,519
	1 June 2023	In five batches annually between 1 June 2024 and 31 May 2028	3,145,693
Liu Zhenyu	10 January 2022	In five installments annually between 10 January 2023 and 10 January 2027	98,617
	22 March 2022	In five installments annually between 22 March 2023 and 22 March 2027	325,858
	26 May 2022	In two equal installments annually between 26 May 2023 and 26 May 2024	11,313
	3 April 2023	20% of the restricted shares will be vested on 3 April 2024 and that the remaining shares will be vested on an annual basis equally between 31 March 2025 and 31 March 2028	586,356
	1 June 2023	In two to five batches on an annual basis between 1 June 2024 and 31 May 2028	3,170,091
Employees			
	29 April 2020	In two to five annual installments with the last batch on 29 April 2025	181,676
	28 December 2020	In one to five annual installments with the last batch on 28 December 2025	267,290
	31 May 2021	In one to three annual installments with the last batch on 31 May 2024	785,095
	27 August 2021	In two to three annual installments with the last batch on 27 August 2024	12,504
	10 December 2021	In one to three annual installments with the last batch on 10 December 2024	35,642

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Pursuant to the existing terms of the 2021 RSA Scheme, the total number of the Restricted Shares underlying all grants made pursuant to the 2019 RSA Scheme and 2021 RSA Scheme shall not exceed 10% (i.e. 183,721,269 Shares) of the issued share capital of the Company as at the adoption date of the 2019 RSA Scheme, may be refreshed subject to prior Board's approval. As at the Latest Practicable Date, 14,894,673 Restricted Shares had been granted (of which 2,613,539 Restricted Shares had been lapsed) under the existing scheme limit of the 2021 RSA Scheme. Details of the outstanding Awards under the 2021 RSA Scheme are as follows:

Category/ Name of Grantee	Date of Grant	Vesting Period	Number of the outstanding Restricted Shares as at the Latest Practicable Date
Chief Executive Shao Weihui	22 March 2022	In five installments annually between 22 March 2023 and 22 March 2027	65,683
Employees	10 December 2021	In three annual installments with the last batch on 10 December 2024	250,099
	22 March 2022	In two or three annual installments with the last batch on 22 March 2025	521,659
	26 May 2022	In two or three annual installments with the last batch on 26 May 2025	1,059,753
	2 September 2022	In two or three annual instalments with the last batch on 2 September 2025	133,239
	18 January 2023	In one to three batches with the last batch on 17 December 2025	1,378,190
	3 April 2023	In two to five batches with the first batch on 3 April 2024 and the remaining restricted shares on an annual basis between 31 March 2025 and 31 March 2028	693,072
	1 June 202	In two to three batches on an annual basis between 1 June 2024 and 31 May 2026	4,240,580
	24 August 2023	In two to three batches on an annual basis between 31 August 2024 and 31 August 2026	49,533
	28 November 2023	In three batches on an annual basis on 30 November 2024, 30 November 2025 and 30 November 2026	101,774
	13 March 2024	In three batches on an annual basis between 31 March 2025 to 31 March 2027	127,665

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Category/ Name of Grantee	Date of Grant	Vesting Period	Number of the outstanding Restricted Shares as at the Latest Practicable Date
Consultants	1 June 2023	In three batches on an annual basis between 1 June 2024 and 31 May 2026	223,234
	13 March 2024	In one to three batches on an annual basis between 31 March 2025 to 31 March 2027	316,933

In light of the amendments to the Listing Rules relating to share schemes of listed issuers, the Board has resolved to propose the refreshment of the existing scheme limit of the Share Option Scheme, the 2019 RSA Scheme and the 2021 RSA Scheme by adopting the Scheme Mandate Limit, being a mandate granted to the Board to grant share options and/or awards over new Shares of the Company under all Share Schemes or any other share schemes adopted by the Company up to the limit of 10% of the total number of issued Shares as at the Amendment Date or the relevant date of the Shareholders' approval of the refreshment of the Scheme Mandate Limit.

The Board is of the view that that a refreshment of existing scheme limit of the Share Option Scheme, the 2019 RSA Scheme and the 2021 RSA Scheme is in the interests of the Company and the shareholders as a whole because it provides greater flexibility for the Company to reward Eligible Participants under the Share Option Scheme, 2019 RSU Scheme and 2021 RSU Scheme.

As at the Latest Practicable Date, the Company had a total of 2,124,052,670 Shares in issue. Assuming that there is no change in the number of issued Shares during the period from the Latest Practicable Date to the date of the Annual General Meeting, the Scheme Mandate Limit will be 212,405,267 Shares, representing 10% of the total number of Shares in issue as at the Amendment Date.

PROPOSED ADOPTION OF THE SERVICE PROVIDER SUBLIMIT

Within the Scheme Mandate Limit, the Board has resolved to propose the adoption of the Service Provider Sublimit, being a mandate granted to the Board to grant share options and/or awards over new Shares of the Company under all the Share Schemes or any other share scheme adopted by the Company to the Service Providers up to the limit of 1% of the total number of issued shares as at the Amendment Date or the relevant date of the Shareholders' approval of the refreshment of the Service Provider Sublimit.

In determining the Service Provider Sublimit, the Board takes into account the actual or anticipated contribution of the Service Providers towards enhancing the Company's core competitiveness and improving its management capacity. For example, the Service Providers engaged by the Group to provide equipment maintenance services have made contributions to ensuring the smooth operation of key equipment of the Group, thereby reducing the risk of production interruptions and associated maintenance costs.

LETTER FROM THE BOARD

Furthermore, the Group has engaged the Service Providers in the implementation of a lead-to-cash process, an integrated and agile business process within the Group, which aligns the sales, marketing and operational functions of the Group, thereby enhancing the overall efficiency and effectiveness of the Group's revenue generation efforts in the long run.

The basis for determining the Service Provider Sublimit under the 2019 Restricted Share Award Scheme and the 2021 Restricted Share Award Scheme includes the following factors:

- (i) the extent of use of the Service Providers in the Group's business. Currently, the Group engages over 300 Service Providers who are dispatched workers, outsourced workers, consultants, advisers and suppliers. They provide services related to, among others, technology development, business development and corporate management, all of which are related to the principal business and business development of the Group. As at 31 December 2023, the Group has a total of 6,937 employees. In comparison, the number of Service Providers engaged by the Group remains relatively small. Considering the Group's business expansion and development needs, it may engage more Service Provides to meet the business development needs of the Group, while it is expected that the number of the Service Providers will continue to remain relatively small in comparison to the number of the employees within the Group;
- (ii) the actual or expected contribution to the development and growth of the Group attributable to the Service Providers. Please refer to the above for details;
- (iii) the potential dilution effect arising from grants to the Service Providers, and the importance of striking a balance between achieving the purpose of the 2019 RSU Scheme and the 2021 RSU Scheme and protecting the shareholders from the dilution effect from granting a substantial amount of Awards to the Service Providers,
- (iv) the current payment and/or settlement arrangement with the Service Providers, and
- (v) the previous grants of share incentives to the Service Providers and the fact that the Company expects that a majority of Awards will be granted to the Employee Participants but would like to retain the flexibility to grant Awards to the Service Providers. As at the Latest Practicable Date, the Company had granted 540,167 Restricted Share out of 14,894,673 to the Service Provides under the 2021 RSA Scheme, reflecting the Company's business needs to reward the actual or expected development and growth of the Group which is or may be attributable to the Service Providers. Therefore, the Company considers it is appropriate and reasonable to limit the grants of Options or Awards to the Service Providers to a relatively small portion under the Scheme Mandate Limit.

LETTER FROM THE BOARD

The Service Provider Sublimit would provide the Company with flexibility to provide equity incentives (in addition to expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or Directors of the Group, any Related Entity or any Associated Company, but who have exceptional expertise in their fields or who may be able to provide valuable expertise and services to the Group, which is in line with the purposes of the 2019 Restricted Share Award Scheme and the 2021 Restricted Share Award Scheme. Therefore, the Board (including the non-executive Directors) is of the view that, the Service Provider Sublimit is appropriate and reasonable.

As at the Latest Practicable Date, the Company had a total of 2,124,052,670 Shares in issue. Assuming that there is no change in the number of issued Shares during the period from the Latest Practicable Date to the date of the Annual General Meeting, the Service Provider Sublimit will be 21,240,526 Shares, representing 1% of the total number of Shares in issue as at the Amendment Date.

PROPOSED AMENDMENTS TO THE EXISTING MEMORANDUM AND ARTICLES AND ADOPTION OF THE AMENDED MEMORANDUM AND ARTICLES

As disclosed in the Company's announcement dated 12 April 2024, the Board proposed to amend the Existing Memorandum and Articles for the purposes of, among others, (i) updating and bringing the Existing Memorandum and Articles in line with the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers and the relevant amendments made to the Listing Rules which took effect from 31 December 2023, and (ii) better aligning the amendments of the Existing Memorandum and Articles for housekeeping purposes with the provisions of the Listing Rules and the applicable laws of the Cayman Islands (collectively, the "**Proposed Amendments to the Existing Memorandum and Articles**"). For the purposes of the Proposed Amendments to the Existing Memorandum and Articles, the Board proposed to adopt the Amended Memorandum and Articles which consolidates the Proposed Amendments to the Existing Memorandum and Articles in substitution for, and to the exclusion of the Existing Memorandum and Articles in their entirety.

The legal advisers to the Company as to Hong Kong laws have confirmed that the Amended Memorandum and Articles conform with the applicable requirements under the Listing Rules and the legal advisers to the Company as to Cayman Islands laws have confirmed that the Amended Memorandum and Articles do not violate the laws of Cayman Islands. The Company has confirmed that there is nothing unusual about the Proposed Amendments to the Existing Memorandum and Articles for a Cayman Islands company listed on the Stock Exchange.

LETTER FROM THE BOARD

Full terms of the Proposed Amendments to the Existing Memorandum and Articles (marked-up against the Existing Memorandum and Articles) are set out in Appendix VI to this circular and the adoption of Amended Memorandum and Articles is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting. The Amended Memorandum and Articles will take effect on the date on which the adoption of Amended Memorandum and Articles is approved at the Annual General Meeting.

Shareholders are advised that the Chinese translation of the Amended Memorandum and Articles is for reference only. In case of any inconsistency, the English version shall prevail.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting, the transfer books and register of members of the Company will be closed from Monday, 13 May 2024 to Friday, 17 May 2024, both days inclusive. During the above period, no transfer of Shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Friday, 10 May 2024.

NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 98 to 104 of this circular is the notice of Annual General Meeting at which, *inter alia*, ordinary resolutions will be proposed to the Shareholders to consider and approve (i) the granting to the Directors of the Proposed Issue Mandate, the Proposed Repurchase Mandate and the Proposed Extension of Share Issue Mandate, (ii) the re-election of the retiring Directors, (iii) the proposed amendment to the Share Option Scheme, (iv) the proposed amendment to the 2019 Restricted Share Award Scheme, (v) the proposed amendment to the 2021 Restricted Share Award Scheme, (vi) the proposed refreshment of Scheme Mandate Limit, (vii) the proposed adoption of the Service Provider Sublimit, and (viii) the proposed amendments to the Existing Memorandum and Articles and proposed adoption of the Amended Memorandum and Articles.

FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.genscript.com), respectively. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude the Shareholders from attending and voting at the Annual General Meeting or any adjournment thereof if they so wish.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the Annual General Meeting shall therefore demand voting on all resolutions set out in the notice of Annual General Meeting by way of poll pursuant to Article 72 of the Articles of Association.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his votes or cast all the votes he uses in the same way. Separately, holders of Treasury Shares (if any) shall abstain from voting on matters that require shareholders' approval at the Annual General Meeting.

An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed resolutions for (i) the granting to the Directors of the Proposed Issue Mandate, the Proposed Repurchase Mandate and the Proposed Extension of Share Issue Mandate, (ii) the re-election of the retiring Directors, (iii) the proposed amendment to the Share Option Scheme, (iv) the proposed amendment to the 2019 Restricted Share Award Scheme, (v) the proposed amendment to the 2021 Restricted Share Award Scheme, (vi) the proposed refreshment of Scheme Mandate Limit, and (vii) the proposed adoption of the Service Provider Sublimit, and (viii) the proposed amendments to the existing Memorandum and Articles and proposed adoption of the Amended Articles are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
By Order of the Board
Genscript Biotech Corporation
Meng Jiange
Chairman

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

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

Director candidates

Dr. Zhang Fangliang (章方良), aged 59, is the co-founder and an executive Director. He was appointed as a Director on 21 May 2015, redesignated as an executive Director and appointed as chairman of the Board on 24 August 2015, redesignated from an executive Director to a non-executive Director on 2 August 2020, resigned from a non-executive Director and chairman of the Board on 22 November 2020, reappointed as a non-executive Director, appointed as chairman of the risk management and ESG committee of the Board and chairman of the strategy committee of the Board on 2 May 2022, and redesignated from a non-executive Director to an executive Director on 17 December 2022. As our executive Director, he is primarily responsible for the overall strategic development and planning, the risk management, and the investments, mergers and acquisitions of the Group. He is one of the founders and a director of Genscript Corporation.

He was a director and chairman of our non-wholly-owned subsidiary Legend Biotech Corporation (NASDAQ: LEGN) from 27 May 2015 to 22 November 2020 and was its chief executive officer from 2 August 2020 to 22 November 2020. He was reappointed as a director of Legend Biotech Corporation on 2 August 2022 and was reappointed as chairman of Legend Biotech Corporation on the same day. Dr. Zhang is currently a director of the following members of the Group: GenScript Bioscience (BVI) Limited, Genscript USA Incorporated, GenScript USA Holding, Inc., CustomArray, Inc., GenScript (Hong Kong) Limited, GenScript Biotech (Singapore) Pte. Ltd., GenScript Biotech (Netherlands) B.V., Bestzyme Biotech Corporation, Bestzyme Biotech Limited, Bestzyme USA Inc., Bestzyme Biotech HK Limited, Bestzyme Hongkong Limited (previously named GenScript International Limited), Bestzyme Biotech Inc., Genscript Biotech (Spain), S.L., Legend Biotech Limited, Legend Biotech HK Limited, Legend Biotech USA Inc., Legend Biotech Ireland Limited, Legend Biotech Belgium BV, Yangtze Investment (BVI) Limited, Yangtze Investment USA, Inc., Yangtze Holdings (BVI) Limited, Yangtze Investment (HK) Limited, Curegene Biotech Corporation, Curegene Biotech (BVI) Limited, Curegene Biotech (HK) Limited, Probio Technology Limited and Nanjing Bestzyme Bio-Engineering Co., Ltd.* (南京百斯傑生物工程有限公司). Dr. Zhang is the chairman of our risk management and ESG committee and our strategy committee.

Dr. Zhang has over 26 years of experience in the biotechnology industry. Prior to joining the Group, from 1995 to 2002, he worked as a postdoctoral research fellow and an associate principal scientist at Schering-Plough. Dr. Zhang worked in the tumour biology department during his postdoctoral research at Schering-Plough. Dr. Zhang was also one of the key team members for an anti-cancer drug, farnesyl transferase inhibitor. After Dr. Zhang's postdoctoral studies, he was recruited to the department of central nervous system and cardiovascular system at Schering-Plough. He became one of the project leaders focusing on G-protein coupled receptors and led a group of scientists to discover the drug target for a billion-dollar drug. As a result of this discovery, Dr. Zhang won a Presidential Award at Schering-Plough in 2001. From 2002 to August 2020, Dr. Zhang worked as the

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

chief executive officer of the Company, where he was involved in a variety of key biotechnological research projects and provided guidance and directions to those biotechnological research projects.

Dr. Zhang obtained a Bachelor of Engineering degree from Chengdu College of Geology* (成都地質學院) (currently known as Chengdu University of Technology* (成都理工大學)) in the PRC in July 1984 and a Master of Science degree from Nanjing University in the PRC in July 1987. He also obtained a Doctor of Philosophy degree from Duke University in the U.S. in September 1995.

As at 31 December 2023, Dr. Zhang has interest in 839,743,753 Shares. Save as disclosed herein, Dr. Zhang does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, Dr. Zhang does not hold any directorship in any listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed herein, Dr. Zhang does not hold any other positions with the Company and its subsidiaries.

Save as disclosed herein, Dr. Zhang does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

The Company has entered into a service contract with Dr. Zhang for a fixed term of three years commencing from 17 December 2022 which can be terminated before the expiration of the term by not less than six months' notice in writing served by either party on the other. Dr. Zhang is entitled to a remuneration of US\$550,000 per annum or such higher sum as the remuneration committee of the Company may from time to time decide for the directorship position.

Save as disclosed above, in relation to the re-election of Dr. Zhang as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Mr. Meng Jiange (孟建革), aged 55, is the chairman and an executive Director. He was appointed as an executive Director on 24 August 2015 and was appointed as the chairman of the Board with effect from 22 November 2020. He is primarily responsible for the development, positioning, and strategy planning of the Group. He was appointed as the vice president of finance of the Group in April 2010 when he joined the Group, was the vice president of investor relations between 1 December 2017 and 31 December 2019 and was the secretary of the Board between 1 January 2020 and 22 November 2020. Mr. Meng is currently a director of Probio Technology I Limited, Probio Technology Limited, Probio Technology (BVI) Limited, Probio Technology HK Limited and Nanjing Bestzyme Bio-Engineering Co., Ltd.* (南京百斯傑生物工程有有限公司). Mr. Meng is the chairman of the Nomination Committee.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Meng has over 29 years of experience in finance and accounting. Prior to joining the Group, from July 1990 to October 1997, Mr. Meng worked at CCCC Guangzhou Dredging Co., Ltd.* (中交廣州航道局有限公司). From January 1999 to May 2000, Mr. Meng worked as the national finance manager at Guangdong Whirlpool Home Appliance Group* (廣東惠而浦家電集團). From May 2000 to July 2004, Mr. Meng worked at Schering-Plough China* (先靈葆雅中國公司) as a branch finance manager and the accounting and IT manager in the head office. From September 2004 to December 2007, Mr. Meng worked as the Asia finance controller of Saint Gobain Grains and Powder Division. From March 2008 to March 2010, Mr. Meng worked as the chief financial officer of Quay Magnesium.

Mr. Meng graduated from Changsha Communications Institute* (長沙交通學院) (currently known as Changsha University of Science Technology* (長沙理工大學)) in the PRC with a Bachelor of Engineering degree in July 1990. He obtained a master of finance degree from Queen's university at Kingston, Canada in October 2022.

As at 31 December 2023, Mr. Meng has interests in 2,115,893 Shares including 1,643,320 options granted under the Pre-IPO Share Option Scheme, 160,000 restricted shares under the 2019 Restricted Share Award Scheme of the Company and 312,573 Shares. Save as disclosed herein, Mr. Meng does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, Mr. Meng does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed herein, Mr. Meng does not hold any other positions with the Company and its subsidiaries.

Save as disclosed herein, Mr. Meng does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

The Company has entered into a service contract with Mr. Meng for a fixed term of three years commencing from 1 December 2021 which can be terminated before the expiration of the term by not less than six months' notice in writing served by either party on the other. Mr. Meng is entitled to a remuneration of RMB10,000 per annum or such higher sum as the remuneration committee of the Company may from time to time decide for the directorship position.

Save as disclosed above, in relation to the re-election of Mr. Meng as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Dr. Zhu Li (朱力), aged 74, is an executive Director and chief strategy officer of the Company. He is primarily responsible for strategy planning of the Company. Dr. Zhu was the vice president of strategy of the Group from March 2010 to February 2017, the chief strategy officer of the Company from February 2017 to July 2019, and a consultant for the Company from 16 July 2019 to 21 November 2020. He was appointed as an executive Director with effect from 22 November 2020. Upon his appointment as executive Director, he resumed his role as the chief strategy officer of the Company. Dr. Zhu is a director of GoldenStar Investment Incorporation since February 2022 and an independent director of Adagene Inc., the shares of which are listed on the Nasdaq Global Selected Market (stock code: ADAG) with since 30 August 2023. Dr. Zhu is currently a director of the following members of the Group: Novagene Biotech (Cayman) Corporation, GenScript Diagnostics Corporation, GenScript Diagnostics (BVI) Inc., GenScript Diagnostics HK Limited, Probio Technology I Limited, Probio Technology (BVI) Limited, Probio Technology HK Limited, GenScript Probio USA Inc., Nanjing Legend Biotech Co., Ltd.* (南京傳奇生物科技有限公司). Dr. Zhu is also a director of GoldenStar Investment Incorporation.

Before joining the Group, Dr. Zhu worked at Clontech Laboratories, Inc. in California, USA as a director of molecular biology from January 1990 to March 2000, where he pioneered the commercialization of yeast two-hybrid system and a series of other advanced molecular biology techniques. Dr. Zhu founded Genetastix Corporation, Inc. and acted as the president and chief executive officer from May 2000 to December 2005. Genetastix Corporation, Inc. is a biotech company with a focus in creating a human antibody library in yeast and applying the genetic method in screening such antibody. Dr. Zhu then worked at biotech companies in China, serving as vice president of research at Cathay Biotech, Inc. from July 2006 to December 2008, and as vice president of HUYA Biomedical Technology (Shanghai) Co., Limited* (滬亞生物醫藥技術(上海)有限公司) from January 2009 to December 2009. Dr. Zhu was appointed as an independent director of Adagene Inc., the shares of which are listed on the Nasdaq Global Selected Market (stock code: ADAG) with effect from August 2023.

Dr. Zhu obtained a Bachelor of Science of Biology degree from the East China Normal University (華東師範大學) in June 1982 and a Doctor of Philosophy in molecular biology and immunology from Stanford University in July 1989.

As at 31 December 2023, Dr. Zhu has interests in 2,063,674 Shares including 634,000 options granted under the Share Option Scheme, 140,000 restricted shares under the 2019 Restricted Share Award Scheme of the Company, and 1,289,674 Shares. Save as disclosed herein, Dr. Zhu does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, Dr. Zhu does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed herein, Dr. Zhu does not hold any other positions with the Company and its subsidiaries.

Save as disclosed herein, Dr. Zhu does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Dr. Zhu has entered into a service contract with the Company for his role as the executive Director for an initial term of three years commencing on 22 November 2023 which can be terminated before the expiration of the term by not less than six months' notice in writing served by either party on the other. Dr. Zhu is not entitled to remuneration for the directorship position.

Save as disclosed above, in relation to the re-election of Dr. Zhu as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Mr. Cheung Yiu Leung Andy (張耀樑), aged 64, was appointed as an independent non-executive Director on 12 April 2024. Mr. Cheung is a member of the Nomination Committee.

Mr. Cheung has over 30 years of professional accounting and auditing experience. He has been a member of Hong Kong Institute of Certified Public Accountants since October 1986 and was a member of its disciplinary panel from January 2015 to December 2020.

Mr. Cheung is currently serving as a director in various public companies in Hong Kong and the United States. Mr. Cheung has been an independent non-executive director and chairman of the audit committee of each of JW (Cayman) Therapeutics Co. Ltd and Hua Medicine, companies the shares of which are listed on the Stock Exchange (stock codes 2126 and 2552 respectively) since October 2020 and January 2023 respectively. In addition, Mr. Cheung has been an independent non-executive director and chairman of the audit committee of CanSino Biologics Inc., a company the shares of which are listed on the Stock Exchange (stock code: 6185) and the Shanghai Stock Exchange (stock code: 688185), since February 2024. He is also an independent director and the chairman of the audit committee of Adagene Inc., a company the shares of which are listed on Nasdaq Stock Market (stock code: ADAG), since February 2021.

From July 2018 to June 2020, Mr. Cheung was the deputy area managing partner of Ernst & Young (“EY”) in Asia Pacific, overseeing its business operations, finance, information technology and risk management functions. During the same period, Mr. Cheung was a member of each of the EY Asia Pacific’s Area Operating Executives, EY’s Global Accounts Committee and EY’s Global Markets and Investment Committee. From July 2013 to June 2018, Mr. Cheung was EY’s assurance managing partner in Greater China, managing its audit, financial accounting advisory, forensic and climate changes and sustainability services. During that period, he was also a member of EY Greater China’s leadership team. Mr. Cheung’s other prior responsibilities with EY include his service as the chief operating officer of EY Hua Ming LLP from July 2011 to June 2013, an assurance partner of EY China from July 2010 to June 2011 and the area chief financial officer of EY Asia Pacific from July 2009 to June 2010. Prior to joining EY in September 2006, Mr. Cheung was an assurance partner with PricewaterhouseCoopers Zhong Tian LLP and an assurance partner with Arthur Andersen in China and Hong Kong successively.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Mr. Cheung obtained a bachelor's degree in accounting and finance from the University of Lancaster in the United Kingdom in June 1982, and a master's degree in accounting and finance from London School of Economics in the United Kingdom in August 1983.

As at the Latest Practicable Date, Mr. Cheung does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, Mr. Cheung does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

Save as disclosed herein, Mr. Cheung does not hold any other positions with the Company and its subsidiaries.

Save as disclosed herein, Mr. Cheung does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Mr. Cheung has signed an appointment letter with the Company for a term of three years with effect from 12 April 2024 and is subject to retirement by rotation and eligible for re-election pursuant to the Articles of Association of the Company and the Listing Rules. Mr. Cheung is entitled to an annual remuneration of HK\$480,000, which has been recommended by the Remuneration Committee of the Company and approved by the Board with reference to his duties and responsibilities in the Company and the prevailing market conditions.

Although Mr. Cheung was the former deputy area managing partner at EY, which is the auditor of the Company as at the Latest Practicable Date, before his retirement in June 2020, the Nomination Committee and the Board are of the view that Mr. Cheung has satisfied the independence requirements for independent non-executive Directors under Rule 3.13 of the Listing Rules taking into account the following factors: (i) Mr. Cheung has ceased to be a partner of EY for more than two years immediately prior to his proposed appointment as an independent non-executive Director, (ii) throughout his service in EY, Mr. Cheung (a) did not serve as a member or leader of the execution team in providing audit or consulting services to the Company, (b) did not serve as an audit partner or engagement partner of EY in providing services to the Company, and (c) had never been consulted on or involved in providing technical supports related to EY's audit services to the Company, (iii) since his retirement from EY, Mr. Cheung has not been involved nor has he participated in any transaction between the Company and EY, and (iv) Mr. Cheung has met all of the requirements under Rule 3.13 of the Listing Rules. The Company has demonstrated to the satisfaction of the Stock Exchange that Mr. Cheung is independent and fulfills all independence requirements under Rule 3.13 of the Listing Rules.

Mr. Cheung has obtained legal advice pursuant to Rule 3.09D of the Listing Rules and has confirmed that he understood his obligations as a director of the Company.

The Company has received written confirmations of independence according to Rule 3.13 of the Listing Rules from Mr. Cheung.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed above, in relation to the re-election of Mr. Cheung as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

Dr. Shi Chenyang (施晨陽), aged 56, was appointed as an independent non-executive Director on 12 April 2024. Dr. Shi is a member of the Nomination Committee.

Dr. Shi has over 30 years of experience in life science research and development, sales and marketing, business development and investment. Since January 2017, Dr. Shi has been the managing partner of Serica Partners, a China-based venture fund focused on the investment in vitro diagnostics (“IVD”) and medical devices in China. Dr. Shi has been the chairperson of careLYFE Co., Ltd., a company dedicated to innovating medical technologies such as new cancer oncology biomarkers, precision diagnosis, and internet medical services, since December 2017. Dr. Shi has been a board member of Guangzhou AnchorDx Medical Co., Ltd., a diagnostics company focused on developing cancer early detection tests, since October 2017.

Dr. Shi previously served as executive director and chief executive officer of Adicon International Limited, a leading independent clinical laboratory in China, from October 2018 to April 2019, and from April 2019 to May 2020, respectively. From February 2017 to March 2019, Dr. Shi served as director and chief executive officer of NuProbe Global, Inc., a liquid biopsy technology company which he co-founded. He was the president of Asia Pacific of QIAGEN N.V., a leading company focused on IVDs and life science research tools whose shares are listed on NASDAQ (stock code: QGEN) and the Frankfurt Stock Exchange (stock code: QIA) respectively, from October 2005 to February 2015. Prior to joining QIAGEN N.V., Dr. Shi held senior positions at Bridge Pharmaceuticals, GenoSpectra Inc. (renamed as Panomics Inc. since February 2006) and A.M. Pappas&Associates, and served as a faculty member at the School of Medicine of the National University of Singapore.

Dr. Shi was a founding director of BayHelix Group, a global association of Chinese life science business executives, and was elected its chairman from January 2017 to January 2019. Dr. Shi has been a member on the Biotech Advisory Panel of the Stock Exchange since April 2018.

Dr. Shi obtained his doctoral degree in biophysics and master’s degree in science from the University of Rochester in New York, the United States in April 1991 and January 1989 respectively, and a bachelor’s degree in science from the University of Science and Technology of China, the PRC in July 1986.

As at the Latest Practicable Date, Dr. Shi does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed herein, Dr. Shi does not hold any directorships in other listed public companies in Hong Kong or overseas, in the last three years.

APPENDIX I DETAILS OF DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed herein, Dr. Shi does not hold any other positions with the Company and its subsidiaries.

Save as disclosed herein, Dr. Shi does not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Dr. Shi has signed an appointment letter with the Company for a term of three years with effect from 12 April 2024 and is subject to retirement by rotation and eligible for re-election pursuant to the Articles of Association of the Company and the Listing Rules. Dr. Shi is entitled to an annual remuneration of HK\$480,000, which has been recommended by the Remuneration Committee of the Company and approved by the Board with reference to his duties and responsibilities in the Company and the prevailing market conditions.

Dr. Shi has obtained legal advice pursuant to Rule 3.09D of the Listing Rules and has confirmed that he understood his obligations as a director of the Company.

The Company has received written confirmations of independence according to Rule 3.13 of the Listing Rules from Dr. Shi.

Save as disclosed above, in relation to the re-election of Dr. Shi as Director, there is no other information which is required to be disclosed pursuant to any of the requirements of paragraph 13.51(2) of the Listing Rules; and there is no other matter which needs to be brought to the attention of the Shareholders.

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

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,124,052,670 Shares.

As at the Latest Practicable Date, all Shares repurchased by the Company have been cancelled.

Subject to the passing of the resolution granting of the Proposed Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to repurchase a maximum of 212,405,267 Shares representing 10% of the number of issued shares of the Company (excluding Treasury Shares, if any) during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period with which the next annual general meeting of the Company is required to be held by any applicable laws or the Articles of Association; or (iii) the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

REASONS AND FUNDING OF REPURCHASES

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

Repurchases of Shares will be financed out of funds legally available for the purpose and in accordance with the Articles of Association and the Cayman Companies Act. The Cayman Companies Act provides that the amount of capital payable on a share repurchase may be paid out of the profits of the Company, out of the share premium account, out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Cayman Companies Act. The amount of premium payable on repurchase may only be paid out of either or both the profits of the Company or out of the share premium account before or at the time the Shares are repurchased, or out of capital subject to and in the manner provided for in the Cayman Companies Act.

Subject to the compliance with the Listing Rules and all applicable laws and regulations, the Company may cancel any shares it repurchased and/or hold such shares as treasury shares for subsequent re-issue or sale subject to consideration of factors including market conditions and the Group's capital management needs at the relevant time of the repurchases.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the current prevailing market value, it may not have a material adverse impact on the working capital and the gearing position of the Group, as compared with the positions disclosed in the audited consolidated financial statements of the Group as at 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

GENERAL

The Directors will exercise the Proposed Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

To the best of their knowledge, having made all reasonable enquiries, none the Directors or any of their close associates, as defined in the Listing Rules, currently intends to sell any Shares to the Company or its subsidiaries, if the Proposed Repurchase Mandate is approved by the Shareholders.

No core connected person, as defined in the Listing Rules, has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Proposed Repurchase Mandate is approved by the Shareholders.

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

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

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Proposed Repurchase Mandate.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, each of Dr. Zhang Fangliang, Ms. Wang Ye and Dr. Wang Luquan was interested in 839,713,753 Shares, representing approximately 39.53% of the issued share capital of the Company, respectively. In the event that the Directors should exercise in full the Proposed Repurchase Mandate, the shareholding of each of Dr. Zhang Fangliang, Ms. Wang Ye and Dr. Wang Luquan in the Company will be increased to approximately 43.93% of the issued share capital of the Company, respectively. To the best knowledge and belief of the Directors, such increase would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors do not propose to exercise the Proposed Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

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

The Company confirms that neither this explanatory statement nor the proposed share repurchase has any unusual features.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on the Stock Exchange or otherwise) have been made by the Company during the six months preceding the Latest Practicable Date.

SHARE PRICES

The highest and lowest traded prices for Shares recorded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest traded prices <i>HK\$</i>	Lowest traded prices <i>HK\$</i>
2023		
April	23.80	16.00
May	21.60	16.90
June	20.35	17.02
July	21.60	16.10
August	20.70	17.34
September	22.00	17.66
October	23.40	18.50
November	24.95	20.70
December	22.05	18.50
2024		
January	19.84	12.86
February	17.12	12.56
March	18.00	13.80
April (up to the Latest Practicable Date)	14.72	11.32

The following is a summary of the principal terms of the Share Option Scheme to be approved at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the Share Option Scheme. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any materials aspects with the summary in this Appendix.

1. PURPOSE OF THE SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to provide Eligible Participants with the opportunity to acquire proprietary interests in the Company and to encourage Eligible Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The Share Option Scheme will provide the Company with a flexible means of retaining, incentivising, compensating or providing benefits to certain Eligible Participants.

2. ELIGIBLE PARTICIPANTS AND BASIS OF ELIGIBILITY OF THE PARTICIPANTS

The Eligible Participants under the Share Option Scheme shall comprise of any directors (including executive directors, non-executive directors and independent non-executive directors) and employees of any member of the Group.

The eligibility of any Eligible Participant to an Option shall be determined by the Board as to his or her contribution or potential contribution to the development of the Group. In determining the eligibility of an Eligible Participant, the Board may consider the following factors: (i) his or her skill, knowledge, experience, expertise and other relevant personal qualities, (ii) educational and professional qualifications, and knowledge in the industry, (iii) performance, the length of employment with the Group, nature of duties and position within the Group, (iv) his or her adherence to the Group's culture and values, or (v) the contribution and potential contribution to the development of the Group.

3. GRANT OF OPTION

- (i) On and subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years after the adoption date of the Share Option Scheme to make an Offer to any Eligible Participant, as the Board may in its absolute discretion select, to take up an Option pursuant to which such Eligible Participant may, during the Option Period (as defined below), subscribe for such number of Shares as the Board may determine at the Subscription Price. The Offer shall specify the terms on which the Option is to be granted. Such terms may include any minimum vesting period(s) for which an Option must be held (which shall not be less than 12 months) and/or any minimum performance target(s) that must be reached, before the Option can be exercised in whole or in part, and may include at the discretion of the Board other terms imposed (or not imposed) either on a case by case basis or generally.

- (ii) “**Option Period**” is a period to be notified by the Board to each Grantee at the time of making an Offer, within which an Option may be exercised by the Grantee under the Scheme, which must not be more than 10 years from the date of grant.
- (iii) Each grant of Options to any director, chief executive or substantial shareholder of the Company (or any of their respective associates) shall be approved by the independent non-executive directors of the Company (excluding any independent non-executive director of the Company who is a proposed recipient of the grant of Options).
- (iv) Where any grant of Options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all options and awards involving issue of new Shares granted under the Share Option Scheme or any other share schemes of the Company (excluding any Options or awards lapsed in accordance with the terms of the Share Option Scheme or any other share schemes of the Company) to such person in the 12-month period (or such other period as may from time to time be specified by the Stock Exchange) up to and including the date of grant, representing in aggregate over 0.1% (or such other percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue as at the date of grant, such further grant of Options shall be approved by the Shareholders in general meeting with his or her associates and all core connected persons (as defined in the Listing Rules) of the Company abstaining from voting in favour at such general meeting.
- (v) No Offer shall be made and no Option shall be granted to any Eligible Participant after inside information has come to the Company’s knowledge until (and including) the trading day after such inside information has been published in an announcement in accordance with the Listing Rules. In particular, the Company shall not grant any Option during the period commencing one month immediately preceding the earlier of:
 - (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the requirements of the Listing Rules) for the approval of the Company’s results for any year, half year, quarter or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to publish an announcement of, its results for any year or half-year under the Listing Rules, or quarter or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. For the avoidance of doubt, the period during which no Option shall be granted mentioned above shall include any period of delay in the publication of a results announcement.

- (vi) An Offer shall be deemed to have been accepted and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the Offer comprising acceptance of the Offer duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company. Such remittance shall not be refundable in any circumstances. To the extent that the Offer is not accepted within 21 days from the date on the notice of grant is delivered to that Eligible Participant in the manner indicated in this paragraph 3(vi), it shall be deemed to have been irrevocably declined.

4. SUBSCRIPTION PRICE

The subscription price shall be such price determined by the Board at its absolute discretion and notified to the Eligible Participant in the Offer at the time of the Offer and shall be no less than the higher of:

- (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant, which must be a business day; and
- (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant.

5. VESTING AND PERFORMANCE TARGET

- (i) Vesting shall only occur upon satisfaction (or where applicable, waiver by the Board) of the conditions set forth in the notice of grant issued to the Grantees, unless otherwise permitted, and shall be subject to a vesting period as determined by the Board, which shall be at least 12 months commencing from (and including) the date of grant.
- (ii) Options granted to a Grantee (being an Eligible Participant who is a director (including executive directors, non-executive directors and independent non-executive directors) or employee of any member of the Group) may be subject to a shorter vesting period in the following circumstances at the sole discretion of the Board:
 - (a) grants of “make-whole” Options to an Eligible Participant who is a new joiner to replace the share awards or options they forfeited when leaving their previous employers;
 - (b) the unvested Options granted to an Eligible Participant who is an individual may vest with the Grantee or the legal personal representatives of the Grantee (in the case of death) within a period of 12 months from the date of termination of the employment or engagement of the Grantee if such

termination is due to disability or death of the Grantee, provided that the Grantee had been continuously a Director or an employee of any member of the Group;

- (c) in the event that it is not practicable for the Eligible Participant to be granted the Option in a planned grant period due to legal or regulatory restrictions, such that the Option which should have been granted earlier are granted together with a subsequent batch of Options to the remaining Eligible Participants during a calendar year, the vesting period for the Option underlying the delayed grant can be shorter than 12 months from the date of grant to reflect the time from which such Option would have been granted;
 - (d) grants with a mixed or accelerated vesting schedule such as where the Option may vest evenly over a period of 12 months, or where the Option may vest by several batches with the first batch to vest within 12 months of the date of grant and the last batch to vest 12 months after the date of grant;
 - (e) grants with performance-based vesting conditions provided in the Share Option Scheme or as set out in the notice of grant in lieu of time-based vesting criteria; or
 - (f) grants with a total vesting and holding period of more than 12 months.
- (iii) The Board may, on a case-by-case basis and at its sole and absolute discretion when offering the grant of an Option, determine performance targets, criteria or conditions for vesting of Option as it deems appropriate. Any such Performance Targets shall be set out in the notice of grant. For the avoidance of doubt, an Option shall not be subject to any Performance Targets if none is set out in the notice of grant. The Board shall have the authority, after the grant of any Option which is performance-linked, to make fair and reasonable adjustments to the prescribed Performance Targets during the vesting period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the prescribed Performance Targets and are considered fair and reasonable by the Board.

The Performance Targets may comprise a mixture of achieving key performance indicators component including, without limitation, (a) the overall business goals of the Group by reference to annual revenue growth rate, gross profit and/or the Group's core competitiveness goals attained, (b) individual performance based on the performance appraisal within a specific period (such as in the previous year), which may vary among the Grantees considering their different roles and contributions, and/or (c) the individual's adherence to the Company's culture and values.

The Board will conduct assessment at the end of the performance period by comparing the actual performance level against the pre-agreed goals to determine whether the targets and the extents to which have been met.

6. TRANSFERABILITY OF OPTIONS

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 in favour of any other person over or in relation to any Option, except for the transmission of an Option on the death of the Grantee to his or her personal representative(s) on the terms of the Share Option Scheme or as permitted under the Listing Rules. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee without incurring any liability on the part of the Company.

7. EXERCISE OF OPTION

- (i) Subject to the terms and conditions upon which such Option was granted, an Option may be exercised by the Grantee at any time during the Option Period, provided that:
 - (a) in the event the Grantee ceases to be an Eligible Participant for any reason other than (i) his or her death or (ii) on one or more of the grounds of termination of employment or engagement specified in paragraph 9(i)(f) below, the Option shall lapse on the date of cessation of such employment or engagement and not be exercisable unless the Board otherwise determines in which event the Option shall be exercisable to the extent and within such period as the Board may determine. The date of cessation of employment of a Grantee (being an employee and who may or may not be a director of any member of the Group) shall be the last actual working day on which the Grantee was physically at work with the Company or the relevant Subsidiary, whether salary is paid in lieu of notice or not;
 - (b) in the event the Grantee dies before exercising the Option in full and none of the events for termination of employment or engagement under paragraph 9(i)(f) below then exists with respect to such Grantee, the personal representative(s) of the Grantee shall be entitled within a period of 12 months from the date of death to exercise the Option up to the entitlement of such Grantee as at the date of death;
 - (c) if a general offer by way of voluntary offer, takeover or otherwise (other than by way of scheme of arrangement pursuant to paragraph 7(i)(d) below) is made to all the holders of Shares (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Company shall forthwith give notice thereof to the Grantee and the Grantee shall be entitled to exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company pursuant to paragraph 7(ii)(b) below at any time within such period as shall be notified by the Company;

- (d) if a general offer for Shares by way of scheme of arrangement is made to all the holders of Shares and has been approved by the necessary number of holders of Shares at the requisite meetings, the Company shall forthwith give notice thereof to the Grantee and the Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company pursuant to paragraph 7(ii)(b) below;
 - (e) in the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to the Grantee and the Grantee may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company pursuant to paragraph 7(ii)(b) below, and the Company shall as soon as possible and in any event no later than 3 days prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such Option; and
 - (f) in the event of a compromise or arrangement, other than a scheme of arrangement contemplated in paragraph 7(i)(d) above, between the Company and its members and/or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it first gives notice of the meeting to its members and/or creditors to consider such a scheme or arrangement and the Grantee may at any time thereafter but before such time as shall be notified by the Company exercise the Option to its full extent or, if the Company shall give the relevant notification, to the extent notified by the Company pursuant to paragraph 7(ii)(b), and the Company shall as soon as possible and in any event no later than 3 days prior to the date of the proposed meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such Option.
- (ii) For the purpose of this paragraph 7:
- (a) any references to exercising an Option shall refer to exercising that Option to the extent not already exercised, notwithstanding that the Option Period has not come into effect; and
 - (b) pursuant to paragraphs 7(i)(c), (d), (e) and (f) above, the Company may in its discretion notwithstanding the terms of the relevant Option, at the same time as giving the notice provided for under each of those paragraphs, also give notice to a Grantee that his or her Option may be exercised at any time

within such period as shall be notified by the Company and/or to the extent (not being less than the extent to which it could then be exercised in accordance with its terms) notified by the Company.

8. CANCELLATION OF OPTION

Any Options granted but not exercised may be cancelled if the Grantee so agrees and new Options may be granted to the Grantee provided such new Options are granted within the Scheme Mandate Limit and otherwise comply with the terms of the Share Option Scheme. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

9. LAPSE OF OPTION

- (i) An Option shall lapse automatically (to the extent not already exercised) on the earliest of:
 - (a) the expiry of the Option Period (subject to paragraph 13 below);
 - (b) the date or the expiry of the periods for exercising the Option as referred to in paragraph 7(i) above;
 - (c) subject to the scheme of arrangement (referred to in paragraph 7(i)(d) above) becoming effective, the expiry of the period for exercising the Option as referred to in paragraph 7(i)(d) above;
 - (d) subject to paragraph 7(i)(e) above, the date of the commencement of the winding-up of the Company;
 - (e) the date on which the Grantee commits a breach of paragraph 6 above;
 - (f) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his or her employment or engagement on the grounds that he or she has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his or her debts or has become bankrupt or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty, or on any other ground on which an employer would be entitled to terminate his or her employment summarily;
 - (g) the date on which the Grantee (being a corporation) appears either to be unable to pay or to have no reasonable prospect of being able to pay its debts or has become insolvent or has made any arrangement or composition with its creditors generally;

- (h) where the Grantee is a director or employee of a member of the Group (other than the Company), the date on which such member ceases to be a Subsidiary; and
- (i) unless the Board otherwise determines, and other than in the circumstances referred to in paragraph 7(i)(a) or (b) above, the date the Grantee ceases to be an Eligible Participant (as determined by a Board resolution) for any reason.
- (ii) if the Company gives notice under the provision of paragraph 7(ii)(b) above that an Option can be exercised in part only, the balance of the Option shall lapse.
- (iii) Transfer of employment or engagement or relationship from one member of the Group to another member of the Group shall not be considered as a cessation of employment, engagement or relationship.
- (iv) The Board shall have the power to decide whether an Option shall lapse pursuant to this paragraph 9 and its decision be binding and conclusive on all parties. The Company shall not owe any liability to any Grantee for the lapse of any such Option.

10. MAXIMUM NUMBER OF SHARES SUBJECT TO OPTIONS

- (i) The total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted pursuant to the Share Option Scheme and any other share schemes adopted by the Company shall not exceed 10% of the aggregate of the Shares in issue as at the date of the Shareholders' approval of the limit, being 212,405,267¹ Shares, unless otherwise permitted by the Listing Rules or the Company obtains the approval of the Shareholders to refresh the Scheme Mandate Limit. Options and awards lapsed in accordance with the terms of the Share Option Scheme and any other share schemes of the Company shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- (ii) The Company may refresh the Scheme Mandate Limit subject to prior Shareholders' approval at general meeting after 3 years from the date of the Shareholders' approval for the last refreshment. However, the Scheme Mandate Limit as refreshed shall not exceed 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. Options and awards lapsed under the Share Option Scheme or any other share schemes adopted by the Company shall not be counted for the purpose of calculating the limit as refreshed. A circular containing the number of options and awards that were already granted under the existing

¹ The number of Shares stated here is calculated based on the number of Shares in issue of the Company as at the Latest Practicable Date, which may be subject to further changes. The number of Shares which represents 10% of the Shares in issue and 1% of the Shares in issue will be confirmed at the Amendment Date of the Share Option Scheme.

Scheme Mandate Limit, and the reason for the refreshment must be sent to Shareholders in connection with the meeting at which their approval will be sought.

- (iii) Any refreshment within any 3 year period as provided in paragraph 10(ii) above must be approved by the Shareholders subject to the following provisions:
 - (a) any controlling shareholder(s) of the Company and their respective associates, or if there is no controlling shareholder(s) of the Company, Directors (excluding independent non-executive Directors) and the chief executives of the Company and their respective associates must abstain from voting in favor of the relevant resolution at the general meeting; and
 - (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

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

- (iv) Without prejudice to paragraph 10(iii) above, the Company may also seek separate Shareholders' approval for granting Options beyond the Scheme Mandate Limit, or if applicable, the refreshed limit as referred to in paragraph 10(ii) above, to Eligible Participants specifically identified by the Company before the aforesaid Shareholders' meeting where such approval is sought. A circular shall be sent to Shareholders containing the name of the identified Eligible Participants, the number and terms of the Options to be granted, the purpose of granting Options to the identified Eligible Participants, and how those Options serve such purpose. The number and terms of the Options to be granted to such Participant must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating subscription price.
- (v) The total number of Shares issued and to be issued in respect of all options and awards granted under the Share Option Scheme and any other share schemes of the Company to each Eligible Participant in any 12-month period shall not exceed 1% of the Shares in issue. Where any grant of the Options under the Share Option Scheme to a Grantee would result in the aggregate number of Shares issued and to be issued in respect of all options and awards granted under the Share Option Scheme or any other share schemes of the Company to such Grantee (excluding any options and awards lapsed in accordance with the terms of the Share Option Scheme or any other share schemes of the Company) in the 12-month period up to

and including the date of such grant exceeding the Individual Limit, such grant shall be subject to separate approval of the Shareholders in general meeting with such Grantee and his or her close associates (or his or her associates if the Grantee is a connected person of the Company) abstaining from voting. A circular must be sent to the Shareholders disclosing the identity of Grantee, the number and terms of the Options to be granted (and those Options and awards previously granted to such Grantee in the 12-month period), the purpose of granting the Options to the Grantee and an explanation as to how the terms of the Options serve such purpose, and all other information as required under the Listing Rules. The number and terms of Options to be granted to such Grantee 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 subscription price.

- (vi) The Scheme Mandate Limit is subject to the adjustment in the event of consolidation or subdivision of Shares. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under the Share Option Scheme and any other share schemes of the Company that involve(s) the issuance of new Shares under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

11. CLAWBACK

- (i) Notwithstanding the terms and conditions of the Share Option Scheme, the Board has the authority to provide that any Option (vested and/or unvested) prior to it being exercised shall be subject to a clawback if any of the following events occurs:
 - (a) if the Grantee ceases to be an Eligible Participant by reason of the termination of his or her employment or engagement with any member of the Group on the grounds that (i) he or she has been guilty of fraud or dishonesty or persistent or serious misconduct or commits any wilful disobedience or non-compliance with the terms of such employment or engagement, whether the Group suffers any loss from such misconduct or not, (ii) he or she commits any wilful disobedience or non-compliance with instructions given by any member of the Group or engages in any other conduct that results in significant damage to the reputation or standing of the Group or causes damages to the Group, (iii) appears either to be unable to pay or to have no reasonable prospect of being able to pay his or her debts or has become bankrupt or has made any arrangement or composition with his or her creditors generally, or (iv) he or she has been convicted of any criminal

offence involving his or her integrity or honesty or on any other ground on which an employer would be entitled to terminate his or her employment summarily;

- (b) if there being a material misstatement in the audited financial statements of the Company that requires a restatement; and
 - (c) if any other clawback event implicitly or explicitly characterized in the notice of grant occurs.
- (ii) The Board may by notice in writing to the Grantee concerned claw back such number of Options (vested and/or unvested but to the extent not being exercised) granted as the Board may consider appropriate, without liability on the part of the Company. The Options that are clawed back will be regarded as cancelled and the Options so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.
- (iii) In the event the Company exercises its right to claw back the Options from a Grantee, such Grantee shall not be entitled to any compensation or damages in consequence of his or her Options having been clawed back by the Company.

12. DURATION

The Share Option Scheme shall be valid and effective for a period of 10 years commencing on the adoption date of the Share Option Scheme. After the expiry of the 10 year period, no further Options shall be offered or granted, but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect. Options complying with the provisions of Chapter 17 of the Listing Rules which are granted during the life of the Share Option Scheme shall continue to be exercisable in accordance with their terms of issue after the end of the 10 year period.

13. TERMINATION

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

14. ALTERATION OF THIS SCHEME

- (i) Subject to the paragraph 14(ii) below, the Board may amend any of the provisions of the Share Option Scheme (including without limitation amendments in order to comply with changes in legal or regulatory requirements and amendments in order

to waive any restrictions, imposed by the provisions of the Share Option Scheme, which are not found in Chapter 17 of the Listing Rules) at any time (but not so as to affect adversely any rights which have accrued to any Grantee at that date).

- (ii) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature, or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantee, must be approved by the Shareholders in general meeting. The Board's determination as to whether any proposed alteration to the terms of the Share Option Scheme is material shall be conclusive. Any change to the terms of Options granted to a Grantee shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors of the Company and/or the Shareholders in general meeting (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors of the Company and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the Share Option Scheme. The amended terms of the Scheme or Options shall comply with Chapter 17 of the Listing Rules. Any change to the authority of the Board or other administrator of the Share Option Scheme in relation to any alteration to the terms of the Share Option Scheme shall be approved by the Shareholders in general meeting.

15. VOTING, DIVIDEND AND OTHER RIGHTS

The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank *pari passu* with the fully paid Shares in issue on the date the name of the Grantee is registered on the register of members of the Company. Prior to the Grantee being registered on the register of members of the Company, the Grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company), in respect of the Shares to be issued upon the exercise of the Option.

16. REORGANISATION OF CAPITAL STRUCTURE AND SPECIAL DIVIDENDS

In the event of an alteration in the capital structure of the Company whilst any Option remains exercisable by way of capitalisation issue, rights issue, sub-division or consolidation of shares, or reduction of the share capital of the Company (other than an issue of Shares as consideration in a transaction), such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the Option so far as unexercised; or
- (ii) the Subscription Price; or
- (iii) the method of exercise of the Option,

or any combination thereof, as the auditor(s) for the time being of the Company (the “**Auditor**”) or a financial advisor engaged by the Company for such purpose shall, at the request of the Company, certify in writing, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided that any such adjustments give a Grantee the same proportion of the equity capital of the Company as that to which that Grantee was previously entitled, but so that no such adjustments be made to the extent that a Share would be issued at less than its nominal value. The capacity of the Auditors or financial advisor (as the case may be) in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the Auditors or financial advisor (as the case may be) shall be borne by the Company.

To the extent not otherwise determined by the Board in accordance with paragraph 16, the method of adjustment of the number of Option to the extent outstanding is set out as below:

Capitalization issue

$$Q = Q0 \times (1 + n)$$

Where: “Q0” represents the number of Option before the adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “Q” represents the number of Option after the adjustment.

Rights issue

$$Q = Q0 \times P1 \times (1 + n) \div (P1 + P2 \times n)$$

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

Consolidation of Shares or share subdivision or reduction of the share capital

$$Q = Q0 \times n$$

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

To the extent not otherwise determined by the Board in accordance with paragraph 16, the method of adjustment of the exercise price of Option is set out as below:

Capitalization issue

$$P = P0 \div (1 + n)$$

Where: “P0” represents the exercise price of Option before the adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “P” represents the exercise price of Option after the adjustment.

Rights issue

$$P = P0 \times (P1 + P2 \times n) \div (P1 \times (1 + n))$$

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

Consolidation of Shares or share subdivision or reduction of the share capital

$$P = P0 \div n$$

Where: “P0” represents the exercise price of Option before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “P” represents the exercise price of Option after the adjustment.

The following is a summary of the principal terms of the 2019 Restricted Share Award Scheme to be approved at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the 2019 Restricted Share Award Scheme. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the 2019 Restricted Share Award Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix.

1. PURPOSE OF THE 2019 RSA SCHEME

The purposes of the 2019 RSA Scheme are (i) to provide the Selected Participants with the opportunity to acquire proprietary interests in the Company, (ii) to encourage the Selected Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole, and (iii) to provide the Company with a flexible means of retaining, incentivizing, compensating or providing benefits to the Selected Participants.

2. ELIGIBLE PARTICIPANTS AND BASIS OF ELIGIBILITY OF THE PARTICIPANTS

The Eligible Participants under the 2019 RSA Scheme include (i) Employee Participants, (ii) Related Entity Participants, and (iii) Service Providers.

Service Providers are dispatched workers, outsourced workers, consultants, advisers, and suppliers who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in relation to the Group's principal business or business development of any member of the Group, as determined by the Board in its sole and absolute discretion (excluding any placing agent or financial adviser providing advisory services to the Group for fundraising, mergers or acquisitions, or professional services providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity).

The eligibility of any Eligible Participant to an Award shall be determined by the Board as to his/her contribution or potential contribution to the development of the Group. In determining the eligibility of an Eligible Participant, the Board may consider the following factors:

- (i) for an Employee Participant, (a) his/her skill, knowledge, experience, expertise and other relevant personal qualities, (b) educational and professional qualifications, and knowledge in the industry, (c) performance, length of employment with the Group, nature of duties and position within the Group, (d) his/her adherence to the Group's culture and values, or (e) the contribution and potential contribution to the development of the Group;
- (ii) for a Related Entity Participant, (a) his/her actual or potential degree of involvement in and/or cooperation with the Group, and/or (b) the contribution or potential contribution to the development of the Group;

- (iii) for a Service Provider, in general: (a) the actual or potential degree of involvement in or cooperation with the Group and length of collaborative relationship with the Group, (b) the background, reputation and track record of the Eligible Participant, or (c) the amount of actual or potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the development of the Group;
- (iv) specifically in respect of Service Providers in the category of dispatched workers and outsourced workers: (a) the individual performance of the Service Providers; (b) the length of providing services and collaboration with the Group; (c) his/her adherence to the Group's culture and values; (d) the materiality and nature of duties and services providing to the Group; (e) whether such services form part of or are directly ancillary to the business conducted by the Group;
- (v) specifically in respect of Service Providers in the category of consultants and advisers: (a) the expertise, skills, technical know-how and professional qualification, (b) the experience and network of the Service Provider in the relevant industry; (c) the prevailing market fees chargeable by other consultants and advisers; and (d) the benefits and strategic value brought by the Service Provider to the Group's development and future prospects align with the needs of Group's principal business and strategic development goals; and
- (vi) specifically in respect of Service Providers in the category of suppliers: (a) the reliability and quality of the services supplied to the Group; (b) the frequency of collaboration and length of business relationship with the Group; (c) the scale and type of the Service Providers' collaboration and business dealings with the Group (such as whether they established or potential to establish long-term and strategic collaboration with the Group relate to the core business of the Group).

3. GRANT OF AWARDS UNDER THE 2019 RSA SCHEME

- (i) The Company will notify each relevant Selected Participant of his/her entitlement to the Restricted Shares by way of a notice. A Selected Participant may accept the grant of an Award by delivering a duly completed acknowledgement form, together with the relevant payment (if any) and provision of documents (if any) as stipulated in the notice within 21 calendar days after the delivery of the relevant notice, pursuant to which the Selected Participant agrees to the terms and conditions of that notice and the 2019 RSA Scheme. Upon the reception of the duly completed acknowledgement form from the Selected Participant, the Company will inform the Trustee in writing of the following information:
 - (a) the name and passport or identity card number (or the number of such other personal identity document), together with a copy of the relevant personal identity document, of the Selected Participant and whether the Selected Participant is a connected person of the Company;

- (b) the number and tranches of the Restricted Shares to be granted to the Selected Participant;
 - (c) the vesting scale and date(s) of each tranche of the Restricted Shares to be granted to the Selected Participant; and
 - (d) other terms and conditions of the grant of the Restricted Shares as may be imposed by the Board (if any), including any performance targets relating to the achievement of Company-wide, business unit or individual goals, provided such terms and conditions shall not be inconsistent with any other terms and conditions of the Scheme.
- (ii) No grant of any Restricted Share shall be made to any Selected Participant under the 2019 RSA Scheme after inside information has come to the knowledge of the Company until (and including) the trading day after such inside information has been published in an announcement in accordance with the Listing Rules.
 - (iii) Unless otherwise determined by the Board at its sole discretion or as required by applicable law in respect of the consideration (if any) for the acceptance of any particular Award which shall be stated in the notice of award, the Selected Participant is not required to pay any grant price or make any other payment to the Company to accept an Award granted.
 - (iv) Any proposed grant of the Restricted Shares to any Director, chief executive or substantial Shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the proposed Selected Participant of the Restricted Shares).

4. MAXIMUM NUMBER OF SHARE GRANTS

- (i) The total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted pursuant to the 2019 RSA Scheme and any other share schemes of the Company adopted by the Company shall not exceed in total 10% of the Shares in issue as at the date of the Shareholders' approval of the limit, being 212,405,267² Shares, unless otherwise permitted by the Listing Rules or the Company obtains the approval of the Shareholders to refresh the Scheme Mandate Limit in accordance with paragraph 4(iii) below. Restricted Shares which have lapsed in accordance with the terms of the 2019 RSA Scheme without Shares being issued and options and awards lapsed

² The number of Shares stated here is calculated based on the number of Shares in issue of the Company as at the Latest Practicable Date, which may be subject to further changes. The number of Shares which represents 10% of the Shares in issue and 1% of the Shares in issue will be confirmed at the Amendment Date of the 2019 RSA Scheme.

in accordance with any other share schemes of the Company shall not be counted for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder).

- (ii) Subject to paragraph 4(i) above, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the 2019 RSA Scheme and any other share schemes adopted by the Company to the Service Providers shall not exceed in total 21,240,526² Shares, representing 1% of the Shares in issue as at the date of the Shareholders' approval of the limit.
- (iii) The Company may seek the approval of the Shareholders at a general meeting to refresh the Scheme Mandate Limit (and the Service Provider Sublimit thereunder) after 3 years from the date of the Shareholders' approval for the last refreshment, such that the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the 2019 RSA Scheme and any other share schemes of the Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of the aforesaid approval for refreshment by the Shareholders in a general meeting. Options and awards lapsed in accordance with the terms of the 2019 RSA Scheme or any other share schemes of the Company will not be regarded as utilized for the purpose of calculating the limit as refreshed. The Company shall send a circular to the Shareholders containing the number of options and awards that were already granted under the existing Scheme Mandate Limited and the existing Service Provider Sublimit, and the reason for the refreshment.
- (iv) Any refreshment within any 3-year period as provided in paragraph 4(iii) above must be approved by the Shareholders subject to the following provisions:
 - (a) any controlling Shareholder(s) of the Company and their respective associates, or if there is no controlling Shareholder(s) of the Company, Directors (excluding independent non-executive Directors) and the chief executives of the Company and their respective associates must abstain from voting in favor of the relevant resolution at the general meeting; and
 - (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

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

- (v) The Company may also seek separate approval of the Shareholders in general meeting for granting any Awards beyond the Scheme Mandate Limit, or if applicable, the refreshed limit as referred to in paragraph 4(iii) above, provided that the Awards in excess of the Scheme Mandate Limit are granted only to Selected Participants specifically identified by the Company before the aforesaid Shareholders' meeting where such approval is sought. A circular shall be sent to Shareholders containing the name of each specified Selected Participant who may be granted such Awards, the number and terms of the Awards to be granted to each specified Selected Participant, the purpose of granting Awards to the specified Selected Participants with an explanation as to how the terms of the Awards serve such purpose, and all other information as required under the Listing Rules. The number and terms of the Awards to be granted to such Participant must be fixed before Shareholders' approval.
- (vi) Unless approved by the Shareholders, the total number of Shares issued and to be issued in respect of all options and awards granted under the 2019 RSA Scheme and any other share schemes of the Company to each Selected Participant in any 12-month period shall not exceed 1% of the Shares in issue. Where any grant of the Award under the Scheme to a Selected Participant would result in the aggregate number of Shares issued and to be issued in respect of all options and awards granted under the 2019 RSA Scheme and any other share schemes of the Company to such Selected Participant (excluding any options and awards lapsed in accordance with the terms of the 2019 RSA Scheme or any other share schemes of the Company) in the 12-month period up to and including the date of such grant exceeding the Individual Limit, such grant shall be subject to separate approval of the Shareholders in general meeting with such Selected Participant and his/her close associates (or his/her associates if the Selected Participant is a connected person of the Company) abstaining from voting. A circular shall be sent to the Shareholders disclosing the identity of such Selected Participant, the number and terms of the Award to be granted (and those options and awards previously granted to such Selected Participant in the 12-month period), the purpose of granting the Award to the Selected Participant and an explanation as to how the terms of the Restricted Shares serve such purpose, and all other information as required under the Listing Rules. The number and terms of the Award to be granted to such Selected Participant shall be fixed before the Shareholders' approval is sought.
- (vii) Where any grant of the Award to a Director (other than an independent non-executive Director) or chief executive of the Company (or any of their associates) would result in the number of Shares issued and to be issued in respect of all options and awards involving issue of new Shares already granted under the 2019 RSA Scheme and any other share schemes of the Company (excluding any options or awards lapsed in accordance with the terms of the 2019 RSA Scheme or any other share schemes of the 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 as at the date of grant, such further grant of Award shall be

approved by the Shareholders (voting by way of poll) in general meeting with his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.

- (viii) Where any grant of the Award to an independent non-executive Director or a substantial Shareholder of the Company (or any of their respective associates) would result in number of the Shares issued and to be issued in respect of all options and awards involving issue of new Shares already granted under the 2019 RSA Scheme and any other share schemes of the Company (excluding any options or awards lapsed in accordance with the terms of the 2019 RSA Scheme or any other share schemes of the 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 as at the date of grant, such further grant of Award shall be approved by the Shareholders in general meeting with his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.
- (ix) The Scheme Mandate Limit is subject to the adjustment in the event of consolidation or subdivision of Shares. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit and the Service Provider Sublimit have been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under the 2019 RSA Scheme and any other share schemes of the Company that involve the issuance of new Shares under the Scheme Mandate Limit and the Service Provider Sublimit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

5. REORGANISATION OF CAPITAL STRUCTURE

- (i) In the event of an alteration in the capital structure of the Company whilst any Award remains outstanding by way of capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of the share capital of the Company (other than an issue of Shares as consideration in a transaction), such corresponding alterations (if any) shall be made to the number or nominal amount of Shares comprised in each Award to the extent outstanding (and, if applicable, the purchase price for any Restricted Shares granted under the 2019 RSA Scheme) as the Auditor or an independent financial advisor engaged by the Company for such purpose shall, at the request of the Company, certify in writing to the Board, either generally or as regards any particular Selected Participant, to be in their opinion fair and reasonable, provided that any such adjustments give each Selected Participant the same proportion of the equity capital, rounded to the nearest whole Share, of the Company as that to which that the Selected Participant was previously entitled prior to such adjustments, so that no such adjustments be made to the extent that a Share would be issued at less than its nominal value. The capacity of the Auditors or independent financial advisor (as

the case may be) in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Selected Participants. The costs of the Auditors or independent financial advisor (as the case may be) shall be borne by the Company.

- (ii) To the extent not otherwise determined by the Board in accordance with paragraph 5, the method of adjustment of the number of Award to the extent outstanding is set out as below:

Capitalization issue

$$Q = Q0 \times (1 + n)$$

Where: “Q0” represents the number of Award before the adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “Q” represents the number of Award after the adjustment.

Rights issue

$$Q = Q0 \times P1 \times (1 + n) \div (P1 + P2 \times n)$$

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

Consolidation of Shares or share subdivision or reduction of the share capital

$$Q = Q0 \times n$$

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

- (iii) In the event the Company undertakes a consolidation of the Shares, all fractional share arising out of such consolidation in respect of all Restricted Shares and Related Income relating thereto of a Selected Participant shall be deemed as Returned Shares for the purposes of the 2019 RSA Scheme and shall not be transferred to the relevant Selected Participant at any time.

6. VESTING OF RESTRICTED SHARES AND PERFORMANCE TARGET

- (i) Vesting shall only occur upon satisfaction (or where applicable, waiver by the Board) of the conditions set forth in the notice of award issued to the Selected Participants, unless otherwise permitted, and shall be subject to a vesting period as determined by the Board, which shall be at least 12 months commencing from (and including) the date of grant.

- (ii) Awards granted to an Employee Participant may be subject to a shorter vesting period in the following circumstances at the sole discretion of the Board:
 - (a) grants of “make-whole” Awards to an Employee Participant who is a new joiner to replace the share awards or options they forfeited when leaving their previous employers;
 - (b) the unvested Awards granted to an Employee Participant may vest with the Employee Participant or the legal personal representatives of the Employee Participant (in the case of death) within a period of 12 months from the date of termination of the employment of the Employee Participant if such termination is due to disability or death of the Employee Participant, provided that the Employee Participant had been continuously a Director or an employee of any member of the Group from the date of grant until the date of termination of employment of such Employee Participant;
 - (c) in the event that it is not practicable for the Employee Participant to be granted the Award in a planned grant period due to legal or regulatory restrictions, such that the Award which should have been granted earlier are granted together with a subsequent batch of Awards to the remaining Employee Participants during a calendar year, the vesting period for the Award underlying the delayed grant can be shorter than 12 months from the date of grant to reflect the time from which such Award would have been granted;
 - (d) grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months, or where the Awards may vest by several batches with the first batch to vest within 12 months of the date of grant and the last batch to vest 12 months after the date of grant;
 - (e) grants with performance-based vesting conditions provided in the 2019 RSA Scheme or as set out in the notice of award in lieu of time-based vesting criteria; or
 - (f) grants with a total vesting and holding period of more than 12 months.
- (iii) The Board may, on a case-by-case basis and at its sole and absolute discretion when offering the grant of an Award, determine the performance targets, criteria or conditions for vesting of Restricted Shares as it deems appropriate. Any such Performance Targets shall be set out in the notice of award. For the avoidance of doubt, an Award shall not be subject to any Performance Targets if none is set out in the notice of award. The Board shall have the authority, after the grant of any Award which is performance-linked, to make fair and reasonable adjustments to the prescribed Performance Targets during the vesting period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the prescribed Performance Targets and are considered fair and reasonable by the Board.

The Performance Targets may comprise a mixture of achieving key performance indicators component including, without limitation, (a) the overall business goals of the Group by reference to annual revenue growth rate, gross profit and/or the Group's core competitiveness goals attained, (b) individual performance based on the performance appraisal within a specific period (such as in the previous year), which may vary among the Selected Participants considering their different roles and contributions, and/or (c) the individual's adherence to the Company's culture and values.

The Board will conduct assessment at the end of the performance period by comparing the actual performance level against the pre-agreed goals to determine whether the targets and the extents to which have been met.

7. CANCELLATION OF THE RESTRICTED SHARES

Subject to the terms of the 2019 RSA Scheme, any Restricted Shares granted but not vested may be cancelled if the Selected Participant so agrees and new Restricted Shares may be granted to the Selected Participant provided such new Restricted Shares are granted within the Scheme Mandate Limit and the Service Provider Sublimit and in compliance with the terms of the Scheme. The Restricted Shares so cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder).

8. LAPSE OF RESTRICTED SHARES

- (i) If the Company does not receive a properly completed acknowledgement form from any Selected Participant together with the relevant payment (if any) and provision of documents as may be stipulated in the related notice of award within 21 calendar days after the delivery of that notice of award to such Selected Participant, the grant of Restricted Shares to such Selected Participant shall be deemed to have lapsed.
- (ii) In the event that prior to or on the vesting date in respect of a Selected Participant: (a) the relevant Selected Participant ceases to be an Eligible Participant for the reasons of, among others, the employment or service contract of the Selected Participant is terminated for whatever reason; (b) the Selected Participant has been convicted for any criminal offence involving his/her integrity or honesty; (c) the Selected Participant has been charged, convicted or held liable for any offence under the relevant securities laws in the PRC, Hong Kong or any other applicable laws or regulations in force from time to time; (d) the Selected Participant has committed any material breach of any contract entered into between the Selected Participant on the one hand and any member of the Group on the other hand; (e) the Selected Participant has become bankrupt or unable to pay his/her debts, or is subject to any bankruptcy or analogous proceedings or has made any arrangement or composition with his/her creditors generally; (f) the Selected Participant is deceased or becomes mentally incapacitated, subject to the provisions of paragraph 8(iii) below; (g) an order

for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company); or (h) the Selected Participant retires by agreement with the Company at any time prior to or on the vesting date, save as determined otherwise by the Board at its sole discretion, the Award (to the extent not already vested) shall automatically lapse and the Restricted Shares will not vest on the relevant vesting date. The Board shall have the power to decide whether an Award shall lapse pursuant to this paragraph 8(ii) and its decision be binding and conclusive on all parties. The Company shall not owe any liability to any Selected Participant for the lapse of any such Award.

- (iii) In the event of the death or incapacitation of a Selected Participant, the Trustee shall hold (a) the Restricted Shares vested before the death or incapacitation of such Selected Participant, (b) the Restricted Shares to be vested within a period of twelve (12) months following the death or incapacitation of such Selected Participant, and (c) the Related Income relating to items (a) and (b) accrued after vesting (hereinafter referred to as the “**Benefits**”) on trust, and will transfer the same to the legal personal representatives of the Selected Participant, subject to and to the extent permitted under all applicable laws and regulations, provided that if the Trustee is not allowed or otherwise unable to transfer the Benefits to the legal personal representatives of the Selected Participant within (i) two (2) years of the death of the Selected Participant (or such longer period as the Trustee and the Board shall agree in writing from time to time) or (ii) the trust period as defined in the Trust Deed (whichever is shorter) whereupon, or if the Benefits would otherwise become *bona vacantia*, the Benefits shall be immediately forfeited and cease to be transferable to the legal personal representatives of the Selected Participant, and such Benefits shall be held as Returned Shares for the purposes of the Scheme.

9. CLAWBACK

- (i) Notwithstanding the terms and conditions of the 2019 RSA Scheme, the Board has the authority to provide that any Award shall be subject to a clawback if any of the following events occurs:
- (a) if the Selected ceases to be an Eligible Participant by reason of the termination of his/her employment or engagement with the Group or any Related Entity on the grounds that (i) he/she has been guilty of fraud or dishonesty or persistent or serious misconduct or commits any wilful disobedience or non-compliance with the terms of such employment or engagement, whether the Group or any Related Entity suffers any loss from such misconduct or not, (ii) for an Employee Participant or Related Entity Participant, he/she commits any wilful disobedience or non-compliance with instructions given by any member of the Group or engages in any other

conduct that results in significant damage to the reputation or standing of the Group or causes damages to the Group, (iii) appears either to be unable to pay or to have no reasonable prospect of being able to pay his/her debts or has become bankrupt or has made any arrangement or composition with his/her creditors generally, or (iv) for an Employee Participant or Related Entity Participant, he/she has been convicted of any criminal offence involving his/her integrity or honesty or on any other ground on which an employer would be entitled to terminate his/her employment summarily;

- (b) if the Selected Participant (being a Service Provider) commits any serious misconduct, fraud, criminal wrongdoing, wilful misconduct, gross negligence, material breach of the terms of his/her or its consultation or service or other contract with any member of the Group, which entitle any member of the Company to terminate the contracts with such Service Provider on ground(s) for breach of contracts;
 - (c) if there being a material misstatement in the audited financial statements of the Company that requires restatement; and
 - (d) if any other clawback event implicitly or explicitly characterized in the notice of award occurs.
- (ii) The Board may by notice in writing to the Selected Participant concerned claw back such number of Restricted Shares (vested and/or unvested) granted as the Board may consider appropriate, without liability on the part of the Company. The Restricted Shares that are clawed back pursuant to paragraph 9(i) above will be regarded as cancelled and the Restricted Shares so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder).
- (iii) Where any Award granted to the Selected Participant has already been vested at the time when such Award is clawed back pursuant to paragraph 9(i) above, the Selected Participant shall return, by the Board's determination at its sole and absolute discretion, either (a) the exact number of vested and clawed back Share(s), (b) the monetary amount equivalent to the value of the relevant Share(s) on the date of grant, (c) the monetary amount equivalent to the value of the relevant Share(s) on the vesting date, or (d) the monetary amount equivalent to the value of the relevant Share(s) on the date of such clawback.
- (iv) Where any Award granted to a Selected Participant is unvested at the time when such Award is clawed back pursuant to paragraph 9(i) above, such Award subject to clawback will be cancelled on the date as determined by the Board and the relevant Restricted Shares will not vest on the relevant vesting date.

- (v) In the event the Company exercises its right to claw back the Restricted Shares from a Selected Participant pursuant to paragraph 9(i) above, such Selected Participant shall not be entitled to any compensation or damages in consequence of his/her Restricted Shares having been clawed back by the Company.

10. VOTING, DIVIDEND AND OTHER RIGHTS

- (i) In respect of any Restricted Shares that have not yet vested and transferred, the Selected Participant may not exercise any of the voting rights on such Restricted Shares. For the avoidance of doubt, whilst and for so long as the Restricted Shares are held by the Trustee, the Trustee shall not exercise any voting rights in respect of any Shares held under the Trust (including but not limited to the Restricted Shares, the Shares underlying the Restricted Shares, the Returned Shares, any bonus Shares and script Shares derived therefrom. In particular, the Trustee holding unvested Restricted Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner's direction and such direction is given. Any Awards do not carry any right to vote in general meeting of the Company, or the right to dividend and other rights, including those arising on a liquidation of the Company until such Awards have been vested as Shares.
- (ii) Subject to the terms of the 2019 RSA Scheme, the Shares to be allotted and issued pursuant to any Award shall be identical to the then existing issued Shares of the Company and subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the other fully paid Shares in issue on the date on which those Shares are allotted and/or transferred upon the vesting of the Award and accordingly shall entitle the holders the same voting right, the right of transfer, the right to the Selected Participate in all dividends or other distributions paid or made after the date on which the underlying Shares are allotted and/or transferred, and other rights, including those arising on liquidation as attached to other fully-paid Shares in issue upon vesting, save and except in respect of any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are allotted and/or transferred, provided always that when the vesting date of the Award falls on a date upon which the register of members is closed then the vesting of the Award shall become effective on the first Business Day in Hong Kong on which the register of members is re-opened.

11. TRANSFERABILITY OF AWARDS

Any Award granted under the 2019 RSA Scheme is personal to such Selected Participant and cannot be assigned or transferred.

12. DURATION AND TERMINATION

The 2019 RSA Scheme shall commence on the effective date and terminate upon the expiry of the period of ten (10) years from such date, unless terminated earlier by a resolution of the Board. In the event of any termination of the operation of the 2019 RSA Scheme before the end of its life, the provisions of the 2019 RSA Scheme shall remain in full force to the extent necessary to give effect to the settlement of any Awards granted prior thereto or otherwise as may be required in accordance with the provisions of this 2019 RSA Scheme. Awards which are granted during the life of the 2019 RSA Scheme and remain outstanding immediately prior to the termination of the operation of the 2019 RSA Scheme shall continue to be valid and eligible to vest in accordance with their terms of issue after the termination of the 2019 RSA Scheme.

13. ALTERATION OF THE SCHEME

- (i) Subject to paragraph 13(ii) below, any provision of the 2019 RSA Scheme may be altered or varied in any respect by a resolution of the Board, provided that such alterations or variations are made in compliance with the memorandum and articles of association of the Company, the Listing Rules and applicable laws.
- (ii) Any alterations to the terms and conditions of the 2019 RSA Scheme which are of a material nature, or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Selected Participants, must be approved by the Shareholders in general meeting. The Board's determination as to whether any proposed alteration to the terms of the 2019 RSA Scheme is material shall be conclusive. Any change to the terms of Awards granted to a Selected Participant shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors of the Company and/or the Shareholders in general meeting (as the case may be) if the initial grant of the Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors of the Company and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the Scheme. The amended terms of the Scheme or Award shall comply with Chapter 17 of the Listing Rules. Any change to the authority of the Board, the trustee or other administrator of the 2019 RSA Scheme in relation to any alternation to the terms of the 2019 RSA Scheme shall be approved by the Shareholders in general meeting.

The following is a summary of the principal terms of the 2021 Restricted Share Award Scheme to be approved at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the 2021 Restricted Share Award Scheme. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the 2021 Restricted Share Award Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix.

1. PURPOSE OF THE 2021 RSA SCHEME

The purposes of the 2021 RSA Scheme are (i) to provide the Selected Participants with the opportunity to acquire proprietary interests in the Company, (ii) to encourage the Selected Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole, and (iii) to provide the Company with a flexible means of retaining, incentivizing, compensating or providing benefits to the Selected Participants.

2. ELIGIBLE PARTICIPANTS AND BASIS OF ELIGIBILITY OF THE PARTICIPANTS

The Eligible Participants under the Share Option Scheme include (i) Employee Participants, (ii) Related Entity Participants, and (iii) Service Providers, provided that such entity (if applicable) under (iii) above is not a U.S. resident and/or is subject to U.S. tax pursuant to the United States Internal Revenue Code of 1986, as amended (the “**US Participant(s)**”).

Service Providers are dispatched workers, outsourced workers, consultants, advisers and suppliers who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in relation to the Group’s principal business or business development of any member of the Group, as determined by the Board in its sole and absolute discretion (excluding any placing agent or financial adviser providing advisory services to the Group for fundraising, mergers or acquisitions, or professional services providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity).

The eligibility of any Eligible Participant to an Award shall be determined by the Board as to his/her contribution or potential contribution to the development of the Group. In determining the eligibility of an Eligible Participant, the Board may consider the following factors:

- (i) for an Employee Participant, (a) his/her skill, knowledge, experience, expertise and other relevant personal qualities, (b) educational and professional qualifications, and knowledge in the industry, (c) performance, length of employment with the Group, nature of duties and position within the Group, (d) his/her adherence to the Group’s culture and values, or (e) the contribution and potential contribution to the development of the Group;

- (ii) for a Related Entity Participant, (a) his/her actual or potential degree of involvement in and/or cooperation with the Group, and/or (b) the contribution or potential contribution to the development of the Group;
- (iii) for a Service Provider, in general: (a) the actual or potential degree of involvement in or cooperation with the Group and length of collaborative relationship with the Group, (b) the background, reputation and track record of the Eligible Participant, or (c) the amount of actual or potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the development of the Group;
- (iv) specifically in respect of Service Providers in the category of dispatched workers and outsourced workers: (a) the individual performance of the Service Providers; (b) the length of providing services and collaboration with the Group; (c) his/her adherence to the Group's culture and values; (d) the materiality and nature of duties and services providing to the Group; (e) whether such services form part of or are directly ancillary to the business conducted by the Group;
- (v) specifically in respect of Service Providers in the category of consultants and advisers: (a) the expertise, skills, technical know-how and professional qualification, (b) the experience and network of the Service Provider in the relevant industry; (c) the prevailing market fees chargeable by other consultants and advisers; and (d) the benefits and strategic value brought by the Service Provider to the Group's development and future prospects align with the needs of Group's principal business and strategic development goals; and
- (vi) specifically in respect of Service Providers in the category of suppliers: (a) the reliability and quality of the services supplied to the Group; (b) the frequency of collaboration and length of business relationship with the Group; (c) the scale and type of the Service Providers' collaboration and business dealings with the Group (such as whether they established or potential to establish long-term and strategic collaboration with the Group relate to the core business of the Group).

3. GRANT OF AWARDS UNDER THE 2021 RSA SCHEME

- (i) The Company will notify each relevant Selected Participant of his/her entitlement to the Restricted Shares by way of a notice. A Selected Participant may accept the grant of an Award by delivering a duly completed acknowledgement form, together with the relevant payment (if any) and provision of documents (if any) as stipulated in the notice within 21 calendar days after the delivery of the relevant notice, pursuant to which the Selected Participant agrees to the terms and

conditions of that notice and the 2021 RSA Scheme. Upon the reception of the duly completed acknowledgement form from the Selected Participant, the Company will inform the Trustee in writing of the following information:

- (a) the name and passport or identity card number (or the number of such other personal identity document), together with a copy of the relevant personal identity document, of the Selected Participant and whether the Selected Participant is a connected person of the Company;
 - (b) the number and tranches of the Restricted Shares to be granted to the Selected Participant;
 - (c) the vesting scale and date(s) of each tranche of the Restricted Shares to be granted to the Selected Participant; and
 - (d) other terms and conditions of the grant of the Restricted Shares as may be imposed by the Board (if any), including any performance targets relating to the achievement of Company-wide, business unit or individual goals, provided such terms and conditions shall not be inconsistent with any other terms and conditions of the Scheme.
- (ii) No grant of any Restricted Share shall be made to any Selected Participant under the 2021 RSA Scheme after inside information has come to the knowledge of the Company until (and including) the trading day after such inside information has been published in an announcement in accordance with the Listing Rules.
- (iii) Unless otherwise determined by the Board at its sole discretion or as required by applicable law in respect of the consideration (if any) for the acceptance of any particular Award which shall be stated in the notice of award, the Selected Participant is not required to pay any grant price or make any other payment to the Company to accept an Award granted.
- (iv) Any proposed grant of the Restricted Shares to any Director, chief executive or substantial Shareholder of the Company (or any of their respective associates) shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the proposed Selected Participant of the Restricted Shares).

4. MAXIMUM NUMBER OF SHARE GRANTS

- (i) The total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted pursuant to the 2021 RSA Scheme and any other share schemes of the Company adopted by the Company shall not exceed in total 10% of the Shares in issue as at the date of the Shareholders' approval of the limit, being 212,405,267³ Shares, unless otherwise permitted by the Listing Rules or the Company obtains the approval of the Shareholders to refresh the Scheme Mandate Limit in accordance with paragraph 4(iii) below. Restricted Shares which have lapsed in accordance with the terms of the 2021 RSA Scheme without Shares being issued and options and awards lapsed in accordance with any other share schemes of the Company shall not be counted for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder).
- (ii) Subject to paragraph 4(i) above, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the 2021 RSA Scheme and any other share schemes adopted by the Company to the Service Providers shall not exceed in total 21,240,526³ Shares, representing 1% of the Shares in issue as at the date of the Shareholders' approval of the limit.
- (iii) The Company may seek the approval of the Shareholders at a general meeting to refresh the Scheme Mandate Limit (and the Service Provider Sublimit thereunder) after 3 years from the date of the Shareholders' approval for the last refreshment, such that the total number of Shares which may be issued in respect of all options and awards involving issue of new Shares that may be granted under the 2021 RSA Scheme and any other share schemes of the Company under the Scheme Mandate Limit as refreshed must not exceed 10% of the Shares in issue as at the date of the aforesaid approval for refreshment by the Shareholders in a general meeting. Options and awards lapsed in accordance with the terms of the 2021 RSA Scheme or any other share schemes of the Company will not be regarded as utilized for the purpose of calculating the limit as refreshed. The Company shall send a circular to the Shareholders containing the number of options and awards that were already granted under the existing Scheme Mandate Limited and the existing Service Provider Sublimit, and the reason for the refreshment.

³ *The number of Shares stated here is calculated based on the number of Shares in issue of the Company as at the Latest Practicable Date, which may be subject to further changes. The number of Shares which represents 10% of the Shares in issue and 1% of the Shares in issue will be confirmed at the Amendment Date of the 2021 RSA Scheme.*

- (iv) Any refreshment within any 3-year period as provided in paragraph 4(iii) above must be approved by the Shareholders subject to the following provisions:
 - (a) any controlling Shareholder(s) of the Company and their respective associates, or if there is no controlling Shareholder(s) of the Company, Directors (excluding independent non-executive Directors) and the chief executives of the Company and their respective associates must abstain from voting in favor of the relevant resolution at the general meeting; and
 - (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

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

- (v) The Company may also seek separate approval of the Shareholders in general meeting for granting any Awards beyond the Scheme Mandate Limit, or if applicable, the refreshed limit as referred to in paragraph 4(iii) above, provided that the Awards in excess of the Scheme Mandate Limit are granted only to Selected Participants specifically identified by the Company before the aforesaid Shareholders' meeting where such approval is sought. A circular shall be sent to Shareholders containing the name of each specified Selected Participant who may be granted such Awards, the number and terms of the Awards to be granted to each specified Selected Participant, the purpose of granting Awards to the specified Selected Participants with an explanation as to how the terms of the Awards serve such purpose, and all other information as required under the Listing Rules. The number and terms of the Awards to be granted to such Participant must be fixed before Shareholders' approval.
- (vi) Unless approved by the Shareholders, the total number of Shares issued and to be issued in respect of all options and awards granted under the 2021 RSA Scheme and any other share schemes of the Company to each Selected Participant in any 12-month period shall not exceed 1% of the Shares in issue. Where any grant of the Award under the Scheme to a Selected Participant would result in the aggregate number of Shares issued and to be issued in respect of all options and awards granted under the 2021 RSA Scheme and any other share schemes of the Company to such Selected Participant (excluding any options and awards lapsed in accordance with the terms of the 2021 RSA Scheme or any other share schemes of the Company) in the 12-month period up to and including the date of such grant exceeding the Individual Limit, such grant shall be subject to separate approval of the Shareholders in general meeting with such Selected Participant

and his/her close associates (or his/her associates if the Selected Participant is a connected person of the Company) abstaining from voting. A circular shall be sent to the Shareholders disclosing the identity of such Selected Participant, the number and terms of the Award to be granted (and those options and awards previously granted to such Selected Participant in the 12-month period), the purpose of granting the Award to the Selected Participant and an explanation as to how the terms of the Restricted Shares serve such purpose, and all other information as required under the Listing Rules. The number and terms of the Award to be granted to such Selected Participant shall be fixed before the Shareholders' approval is sought.

- (vii) Where any grant of the Award to a Director (other than an independent non-executive Director) or chief executive of the Company (or any of their associates) would result in the number of Shares issued and to be issued in respect of all options and awards involving issue of new Shares already granted under the 2021 RSA Scheme and any other share schemes of the Company (excluding any options or awards lapsed in accordance with the terms of the 2021 RSA Scheme or any other share schemes of the 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 as at the date of grant, such further grant of Award shall be approved by the Shareholders (voting by way of poll) in general meeting with his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.
- (viii) Where any grant of the Award to an independent non-executive Director or a substantial Shareholder of the Company (or any of their respective associates) would result in number of the Shares issued and to be issued in respect of all options and awards involving issue of new Shares already granted under the 2021 RSA Scheme and any other share schemes of the Company (excluding any options or awards lapsed in accordance with the terms of the 2021 RSA Scheme or any other share schemes of the 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 as at the date of grant, such further grant of Award shall be approved by the Shareholders in general meeting with his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting.
- (ix) The Scheme Mandate Limit is subject to the adjustment in the event of consolidation or subdivision of Shares. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit and the Service Provider Sublimit have been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under the 2021 RSA Scheme and any other share schemes of the Company that involve the issuance of new Shares under the Scheme Mandate Limit and the

Service Provider Sublimit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

5. REORGANISATION OF CAPITAL STRUCTURE

- (i) In the event of an alteration in the capital structure of the Company whilst any Award remains outstanding by way of capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of the share capital of the Company (other than an issue of Shares as consideration in a transaction), such corresponding alterations (if any) shall be made to the number or nominal amount of Shares comprised in each Award to the extent outstanding (and, if applicable, the purchase price for any Restricted Shares granted under the 2021 RSA Scheme) as the Auditors or an independent financial advisor engaged by the Company for such purpose shall, at the request of the Company, certify in writing to the Board, either generally or as regards any particular Selected Participant, to be in their opinion fair and reasonable, provided that any such adjustments give each Selected Participant the same proportion of the equity capital, rounded to the nearest whole Share, of the Company as that to which that the Selected Participant was previously entitled prior to such adjustments, so that no such adjustments be made to the extent that a Share would be issued at less than its nominal value. The capacity of the Auditors or independent financial advisor (as the case may be) in this paragraph 5(i) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Selected Participants. The costs of the Auditors or independent financial advisor (as the case may be) shall be borne by the Company.

To the extent not otherwise determined by the Board in accordance with paragraph 5, the method of adjustment of the number of Award to the extent outstanding is set out as below:

Capitalization issue

$$Q = Q0 \times (1 + n)$$

Where: “Q0” represents the number of Award before the adjustment; “n” represents the ratio per Share resulting from the capitalization issue; “Q” represents the number of Award after the adjustment.

Rights issue

$$Q = Q0 \times P1 \times (1 + n) \div (P1 + P2 \times n)$$

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

Consolidation of Shares or share subdivision or reduction of the share capital

$$Q = Q0 \times n$$

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

- (ii) In the event the Company undertakes a consolidation of the Shares, all fractional share arising out of such consolidation in respect of all Restricted Shares and Related Income relating thereto of a Selected Participant shall be deemed as Returned Shares for the purposes of the 2021 RSA Scheme and shall not be transferred to the relevant Selected Participant at any time.

6. VESTING OF RESTRICTED SHARES AND PERFORMANCE TARGET

- (i) Vesting shall only occur upon satisfaction (or where applicable, waiver by the Board) of the conditions set forth in the notice of award issued to the Selected Participants, unless otherwise permitted, and shall be subject to a vesting period as determined by the Board, which shall be at least 12 months commencing from (and including) the date of grant.
- (ii) Awards granted to an Employee Participant may be subject to a shorter vesting period in the following circumstances at the sole discretion of the Board:
 - (a) grants of “make-whole” Awards to an Employee Participant who is a new joiner to replace the share awards or options they forfeited when leaving their previous employers;
 - (b) the unvested Awards granted to an Employee Participant may vest with the Employee Participant or the legal personal representatives of the Employee Participant (in the case of death) within a period of 12 months from the date of termination of the employment or engagement of the Employee Participant if such termination is due to disability or death of the Employee Participant, provided that the Employee Participant had been continuously a Director or an employee of any member of the Group from the date of grant until the date of termination of employment of such Employee Participant;
 - (c) in the event that it is not practicable for the Employee Participant to be granted the Award in a planned grant period due to legal or regulatory restrictions, such that the Award which should have been granted earlier are granted together with a subsequent batch of Awards to the remaining Employee Participants during a calendar year, the vesting period for the Award underlying the delayed grant can be shorter than 12 months from the date of grant to reflect the time from which such Award would have been granted;

- (d) grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months, or where the Awards may vest by several batches with the first batch to vest within 12 months of the date of grant and the last batch to vest 12 months after the date of grant;
 - (e) grants with performance-based vesting conditions provided in the 2021 RSA Scheme or as set out in the notice of award in lieu of time-based vesting criteria; or
 - (f) grants with a total vesting and holding period of more than 12 months.
- (iii) The Board may, on a case-by-case basis and at its sole and absolute discretion when offering the grant of an Award, determine the performance targets, criteria or conditions for vesting of Restricted Shares as it deems appropriate. Any such Performance Targets shall be set out in the notice of award. For the avoidance of doubt, an Award shall not be subject to any Performance Targets if none is set out in the notice of award. The Board shall have the authority, after the grant of any Award which is performance-linked, to make fair and reasonable adjustments to the prescribed Performance Targets during the vesting period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the prescribed Performance Targets and are considered fair and reasonable by the Board.

The Performance Targets may comprise a mixture of achieving key performance indicators component including, without limitation, (a) the overall business goals of the Group by reference to annual revenue growth rate, gross profit and/or the Group's core competitiveness goals attained, (b) individual performance based on the performance appraisal within a specific period (such as in the previous year), which may vary among the Selected Participants considering their different roles and contributions, and/or (c) the individual's adherence to the Company's culture and values.

The Board will conduct assessment at the end of the performance period by comparing the actual performance level against the pre-agreed goals to determine whether the targets and the extents to which have been met.

7. CANCELLATION OF THE RESTRICTED SHARES

Subject to the terms of the 2021 RSA Scheme, any Restricted Shares granted but not vested may be cancelled if the Selected Participant so agrees and new Restricted Shares may be granted to the Selected Participant provided such new Restricted Shares are granted within the Scheme Mandate Limit and the Service Provider Sublimit and in compliance with the terms of the Scheme. The Restricted Shares so cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder).

8. LAPSE OF RESTRICTED SHARES

- (i) If the Company does not receive a properly completed acknowledgement form from any Selected Participant together with the relevant payment (if any) and provision of documents as may be stipulated in the related notice of award within 21 calendar days after the delivery of that notice of award to such Selected Participant, the grant of Restricted Shares to such Selected Participant shall be deemed to have lapsed.
- (ii) In the event that prior to or on the vesting date in respect of a Selected Participant: (a) the relevant Selected Participant ceases to be an Eligible Participant for the reasons of, among others, the employment or service contract of the Selected Participant is terminated for whatever reason; (b) the Selected Participant has been convicted for any criminal offence involving his/her integrity or honesty; (c) the Selected Participant has been charged, convicted or held liable for any offence under the relevant securities laws in the PRC, Hong Kong or any other applicable laws or regulations in force from time to time; (d) the Selected Participant has committed any material breach of any contract entered into between the Selected Participant on the one hand and any member of the Group on the other hand; (e) the Selected Participant has become bankrupt or unable to pay his/her debts, or is subject to any bankruptcy or analogous proceedings or has made any arrangement or composition with his/her creditors generally; (f) the Selected Participant is deceased or becomes mentally incapacitated, subject to the provisions of paragraph 8(iii) below; (g) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company); or (h) the Selected Participant retires by agreement with the Company at any time prior to or on the vesting date, save as determined otherwise by the Board at its sole discretion, the Award (to the extent not already vested) shall automatically lapse and the Restricted Shares will not vest on the relevant vesting date. The Board shall have the power to decide whether an Award shall lapse pursuant to this paragraph 8(ii) and its decision be binding and conclusive on all parties. The Company shall not owe any liability to any Selected Participant for the lapse of any such Award.
- (iii) In the event of the death or incapacitation of a Selected Participant, the Trustee shall hold the Benefits on trust, and will transfer the same to the legal personal representatives of the Selected Participant, subject to and to the extent permitted under all applicable laws and regulations, provided that if the Trustee is not allowed or otherwise unable to transfer the Benefits to the legal personal representatives of the Selected Participant within (i) two (2) years of the death of the Selected Participant (or such longer period as the Trustee and the Board shall agree in writing from time to time) or (ii) the trust period as defined in the Trust Deed (whichever is shorter) whereupon, or if the Benefits would otherwise become

bona vacantia, the Benefits shall be immediately forfeited and cease to be transferable to the legal personal representatives of the Selected Participant, and such Benefits shall be held as Returned Shares for the purposes of the Scheme.

- (iv) The US Participant must continue to have employment or service with the Company through the vesting condition(s) set forth in the US Participant's form of notice of award, in order for the specified portion of the US Participant's Restricted Shares to become "fully vested". Upon the termination of the US Participant's employment or service with the Company, any Restricted Shares that have not become "fully vested" shall immediately be forfeited and the US Participant shall cease immediately to be entitled to any of his/her rights and benefits to the Restricted Shares previously granted that were not "fully vested."

9. CLAWBACK

- (i) Notwithstanding the terms and conditions of the 2021 RSA Scheme, the Board has the authority to provide that any Award shall be subject to a clawback if any of the following events occurs:
 - (a) If the Selected Participant ceases to be an Eligible Participant by reason of the termination of his/her employment or engagement with the Group or any Related Entity on the grounds that (i) he/she has been guilty of fraud or dishonesty or persistent or serious misconduct or commits any wilful disobedience or non-compliance with the terms of such employment or engagement, whether the Group or any Related Entity suffers any loss from such misconduct or not, (ii) for an Employee Participant or Related Entity Participant, he/she commits any wilful disobedience or non-compliance with instructions given by any member of the Group or engages in any other conduct that results in significant damage to the reputation or standing of the Group or causes damages to the Group, (iii) appears either to be unable to pay or to have no reasonable prospect of being able to pay his/her debts or has become bankrupt or has made any arrangement or composition with his/her creditors generally, or (iv) for an Employee Participant or Related Entity Participant, he/she has been convicted of any criminal offence involving his/her integrity or honesty or on any other ground on which an employer would be entitled to terminate his/her employment summarily;
 - (b) if the Selected Participant (being a Service Provider) commits any serious misconduct, fraud, criminal wrongdoing, wilful misconduct, gross negligence, material breach of the terms of his/her or its consultation or service or other contract with any member of the Group, which entitle any member of the Company to terminate the contracts with such Service Provider on ground(s) for breach of contracts;
 - (c) if there being a material misstatement in the audited financial statements of the Company that requires a restatement; and

- (d) if any other clawback event implicitly or explicitly characterized in the Notice of Award occurs.
- (ii) The Board may by notice in writing to the Selected Participant concerned claw back such number of Restricted Shares (vested and/or unvested) granted as the Board may consider appropriate, without liability on the part of the Company. The Restricted Shares that are clawed back will be regarded as cancelled and the Restricted Shares so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder).
- (iii) Where any Award granted to the Selected Participant has already been vested at the time when such Award is clawed back, the Selected Participant shall return, by the Board's determination at its sole and absolute discretion, either (a) the exact number of vested and clawed back Share(s), (b) the monetary amount equivalent to the value of the relevant Share(s) on the date of grant, (c) the monetary amount equivalent to the value of the relevant Share(s) on the vesting date, or (d) the monetary amount equivalent to the value of the relevant Share(s) on the date of such clawback.
- (iv) Where any Award granted to a Selected Participant is unvested at the time when such Award is clawed back, such Award subject to clawback will be cancelled on the date as determined by the Board and the relevant Restricted Shares will not vest on the relevant vesting date.
- (v) In the event the Company exercises its right to claw back the Restricted Shares from a Selected Participant, such Selected Participant shall not be entitled to any compensation or damages in consequence of his/her Restricted Shares having been clawed back by the Company.

10. VOTING, DIVIDEND AND OTHER RIGHTS

In respect of any Restricted Shares that have not yet vested and transferred, the Selected Participant may not exercise any of the voting rights on such Restricted Shares. For the avoidance of doubt, whilst and for so long as the Restricted Shares are held by the Trustee, the Trustee shall not exercise any voting rights in respect of any Shares held under the Trust (including but not limited to the Restricted Shares, the Shares underlying the Restricted Shares, the Returned Shares, any bonus Shares and script Shares derived therefrom). In particular, the Trustee holding unvested Restricted Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner's direction and such direction is given. Any Awards do not carry any right to vote in general meeting of the Company, or the right to dividend and other rights, including those arising on a liquidation of the Company until such Awards have been vested as Shares.

Subject to the terms of the 2021 RSA Scheme, the Shares to be allotted and issued pursuant to any Award shall be identical to the then existing issued Shares of the Company and subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the other fully paid Shares in issue on the date on which those Shares are allotted and/or transferred upon the vesting of the Award and accordingly shall entitle the holders the same voting right, the right of transfer, the right to the Selected Participate in all dividends or other distributions paid or made after the date on which the underlying Shares are allotted and/or transferred, and other rights, including those rising on liquidation as attached to other fully-paid Shares in issue upon vesting, save and except in respect of any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are allotted, and/or transferred, provided always that when the vesting date of the Award falls on a date upon which the register of members is closed then the vesting of the Award shall become effective on the first Business Day in Hong Kong on which the register of members is re-opened.

11. TRANSFERABILITY OF AWARDS

Any Award granted under the 2021 RSA Scheme is personal to such Selected Participant and cannot be assigned or transferred.

12. DURATION AND TERMINATION

The 2021 RSA Scheme shall commence on the adoption date and terminate upon the expiry of the period of ten (10) years from such date, unless terminated earlier by a resolution of the Board. In the event of any termination of the operation of the 2021 RSA Scheme before its life, the provisions of the 2021 RSA Scheme shall remain in full force to the extent necessary to give effect to the settlement of any Awards granted prior thereto or otherwise as may be required in accordance with the provisions of 2021 RSA Scheme. Awards which are granted during the life of the 2021 RSA Scheme and remain outstanding immediately prior to the termination of the operation of the 2021 RSA Scheme shall continue to be valid and eligible to vest in accordance with their terms of issue after the termination of the 2021 RSA Scheme.

13. ALTERATION OF THE SCHEME

- (i) Subject to paragraph 13(ii) below, any provision of the Scheme may be altered or varied in any respect by a resolution of the Board, provided that such alterations or variations are made in compliance with the memorandum and articles of association of the Company, the Listing Rules and Applicable Laws.
- (ii) Any alterations to the terms and conditions of the 2021 RSA Scheme which are of a material nature, or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Selected Participants, must be approved by the Shareholders in general meeting. The Board's determination as to whether any proposed alteration to the terms of the 2021 RSA Scheme is material shall be conclusive. Any change to the terms of

Awards granted to a Selected Participant shall be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors of the Company and/or the Shareholders in general meeting (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors of the Company and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2021 RSA Scheme. The amended terms of the 2021 RSA Scheme or Award shall comply with Chapter 17 of the Listing Rules. Any change to the authority of the Board, the trustee or other administrator of the 2021 RSA Scheme in relation to any alternation to the terms of the 2021 RSA Scheme shall be approved by the Shareholders in general meeting.

The details of the Proposed Amendments to the Existing Memorandum and Articles are as follows:

- 1. (b) Any marginal notes, titles or lead in references to Articles and the index of the Memorandum and Articles of Association shall not form part of the Memorandum or Articles of Association and shall not affect their interpretation. In interpreting these Articles of Association, unless there be something in the subject or context inconsistent therewith:

...

<u>electronic communication:</u>	<u>a communication sent, transmitted, conveyed and received by wire, by radio, by optical means or by other similar means in any form through any medium;</u>
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...

- (c) In these Articles, unless there be something in the subject or context inconsistent herewith:

...

- (iv) references to a document (including, but without limitation, a resolution in writing) being signed or executed include references to it being signed or executed under hand or under seal or by electronic signature or by electronic communication or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not;

- (v) sections 8 and 19 of the Electronic Transactions Act (except any statutory modification thereof not in force when these Articles become binding on the Company), shall not apply to these Articles to the extent it imposes obligations or requirements in addition to those set out in these Articles; and

- (vi)-(iv) references to any statute or statutory provision shall be construed as relating to any statutory modification or re-enactment thereof for the time being in force.

175. (b) Subject to paragraph (c) below, every balance sheet of the Company shall be signed on behalf of the Board by two of the Directors and a copy of every balance sheet (including every document required by law to be comprised therein or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the Auditors' report thereon, shall, not less than 21 days before the date of the meeting be delivered or sent ~~by post~~ together with the notice of annual general meeting to every Shareholder and every Debenture Holder of the Company and every other person entitled to receive notices of general meetings of the Company under the provisions of these Articles, provided that this Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders of any Shares or Debentures, but any Shareholder or Debenture Holder to whom a copy of those documents has not been sent shall be entitled to receive a copy free of charge on application at the Head Office or the Registration Office. If all or any of the Shares or Debentures or other securities of the Company shall for the time being be (with the consent of the Company) listed or dealt in on any stock exchange or market, there shall be forwarded to such stock exchange or market such number of copies of such documents as may for the time being be required under its regulations or practice.

180. (b) Except where otherwise expressly stated, any notice or document to be given to or by any person pursuant to these Articles (including any corporate communications and actionable corporate communication within the meaning ascribed thereto under the Listing Rules) may be ~~served on or delivered~~ given, or issued, subject to compliance with the Listing Rules, to any Shareholder either by serving it personally on the relevant person; or by sending it through the post in a prepaid envelope or wrapper addressed to such Shareholder at his registered address as appearing in the register; or by delivering or leaving it at that address addressed to the Shareholder or any address supplied by him to the Company for the purpose under Article 180(d); ~~or by any other means authorised in writing by the Shareholder concerned~~ or (other than share certificate) by publishing it by way of advertisement in the Newspapers or other publication and where applicable, in accordance with the requirements of the HK Stock Exchange. In case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders. Without limiting the generality of the foregoing but subject to the Companies Act and the Listing Rules, ~~a~~ any notice or document may be served or delivered by the Company to any ~~person~~ Shareholder by electronic means by sending or transmitting it as an electronic communication to the relevant person at such electronic address as he may provide, subject to the Company complying with Cayman Islands law and any other applicable laws, rules and regulations with regard to any requirements for obtaining of consent from such person; ~~to such address as may from time to time be authorised by the Shareholder concerned~~ or by publishing it on a website or by sending or otherwise making it available to such person through such other means to the extent permitted by the applicable Cayman Islands law, rules and regulations ~~and notifying the Shareholder concerned that it has been so published.~~

...

(d) Every Shareholder or a person who is entitled to receive notice from the Company under the provisions of the Cayman Islands law or these Articles may register with the Company an electronic address to which notices can be served upon him.

(e)(d) Any notice or document required to be sent to or served upon the Company, or upon any officer of the Company, may be sent or served by leaving the same or sending it through the post in a prepaid envelope or wrapper addressed to the Company or to such officer at the Head Office or Registered Office.

- (f)~~(e)~~ The Board may from time to time specify the form and manner in which a notice may be given to the Company by electronic means, including one or more addresses for the receipt of an electronic communication, and may prescribe such procedures as they think fit for verifying the authenticity or integrity of any such electronic communication. Any notice may be given to the Company by electronic means only if it is given in accordance with the requirements specified by the Board.
181. (b) Any Shareholder who fails (and, where a Share is held by joint holders, where the first joint holder named on the register fails) to supply his registered address or a correct registered address, or, in case of electronic communications, fails to supply his electronic address or a correct electronic address, to the Company for service of notices and documents on him shall not (and where a Share is held by joint holders, none of the other joint holders whether or not they have supplied a registered address shall) be entitled to service of any notice or documents by the Company and any notice or document which is otherwise required to be served on him may, if the Board in its absolute discretion so elects (and subject to them re-electing otherwise from time to time), be served, in the case of notices, by displaying a copy of such notice conspicuously at the Registered Office and the Head Office or, if the Board sees fit, by publishing or otherwise making available on the Company's website or by advertisement in the Newspapers, and, in the case of documents, by posting up a notice conspicuously at the Registered Office and the Head Office addressed to such Shareholder which notice shall state the address within the Relevant Territory at which he served in the manner so described which shall be sufficient service as regards Shareholders with no registered or incorrect addresses, provided that nothing in this paragraph (b) shall be construed as requiring the Company to serve any notice or document on any Shareholder with no or an incorrect registered address, or in the case of electronic communication, no or an incorrect electronic address, for the service of notice or document on him or on any Shareholder other than the first named on the register of members of the Company.

- (c) If on three consecutive occasions notices or other documents have been sent through electronic means or the post to any Shareholder (or, in the case of joint holders of a share, the first holder named on the register) at his electronic address or registered address but have been returned undelivered, such Shareholder (and, in the case of joint holders of a Share, all other joint holders of the share) shall not thereafter be entitled to receive or be served (save as the Board may elect otherwise pursuant to paragraph (b) of this Article) and shall be deemed to have waived the service of notices and other documents from the Company until he shall have communicated with the Company and supplied in writing a new electronic address or registered address for the service of notices on him.
182. Any notice or other document, if sent by mail, postage prepaid, shall be deemed to have been served or delivered on the day following that on which the letter, envelope, or wrapper containing the same is put into the post. In proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice or document was properly addressed and put into the post as prepaid mail. Any notice or document not sent by post but left by the Company at a registered address shall be deemed to have been served or delivered on the day it was so left. Any notice or document, if sent by electronic means (including through any relevant system), shall be deemed to have been given on the day following that on which the electronic communication was sent by or on behalf of the Company. Any notice or document served or delivered by the Company by any other means authorised in writing by the Shareholder concerned shall be deemed to have been served when the Company has carried out the action it has been authorised to take for that purpose. Any notice, publication or other document published by way of advertisement or on a website shall be deemed to have been published, served or delivered on the day it was so published or it first so appears on the website, unless the Listing Rules specify a different date. In such cases, the deemed date of service shall be as provided or required by the Listing Rules.
183. A notice or document may be given by the Company to the person entitled to a Share in consequence of the death, mental disorder, bankruptcy or liquidation of a Shareholder by sending it through electronic means or the post in a prepaid envelope or wrapper addressed to him by name, or by the title of representative of the deceased, the trustee of the bankrupt or the liquidator of the Shareholder, or by any like description, at the electronic address or address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an electronic address or address has been so supplied) by giving the notice or document in any manner in which the same might have been given if the death, metal disorder, bankruptcy or winding up had not occurred.

185. Any notice or document delivered or sent through electronic means or by post to, or left at the registered address of any Shareholder in pursuance of these Articles, shall notwithstanding that such Shareholder be then deceased, bankrupt or wound up and whether or not the Company has notice of his death, bankruptcy or winding up, be deemed to have duly served in respect of any registered Shares whether held solely or jointly with other persons by such Shareholder until some other person be registered in his stead as the holder or joint holder thereof, and such service shall for all purposes of these Articles be deemed a sufficient service of such notice or document on his personal representatives and all persons (if any) jointly interested with him in any such Shares.



Genscript Biotech Corporation
金斯瑞生物科技股份有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1548)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 2024 Annual General Meeting (the “AGM”) of Genscript Biotech Corporation (the “Company”) will be held at Conference Room, 208 Longmian Avenue, Jiangning District, Nanjing, Jiangsu Province, PRC at 9:30 a.m. on Friday, 17 May 2024 for the following purposes:

ORDINARY RESOLUTIONS

As ordinary business:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and auditors of the Company for the year ended 31 December 2023.
2. (A) To re-elect the following persons as Directors:
 - (i) To re-elect Dr. Zhang Fangliang as executive Director;
 - (ii) To re-elect Mr. Meng Jiange as executive Director;
 - (iii) To re-elect Dr. Zhu Li as executive Director;
 - (iv) To re-elect Mr. Cheung Yiu Leung Andy as independent non-executive Director; and
 - (v) To re-elect Dr. Shi Chenyang as independent non-executive Director;(B) To authorize the board of Directors (the “**Board**”) to fix remuneration of the Directors.
3. To re-appoint Ernst & Young, Certified Public Accountants, as the auditor of the Company and authorize the Board to fix remuneration of auditor.

* For identification purposes only

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As special business:

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

4. (A) **“THAT:**

- (i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (iv) below) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company (including any sale or transfer of treasury shares (“**Treasury Shares**”, which shall have the meaning ascribed to it under the Listing Rules coming into effect on 11 June 2024) out of treasury) in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (including Treasury Shares, if any, sold or transferred or agreed conditionally or unconditionally to be sold or transferred, whether pursuant to options or otherwise) by the Directors during the Relevant Period pursuant to the approval in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as defined in paragraph (iv) below); or (b) the grant or exercise of any option under the option scheme of the Company or any other option scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (c) any scrip dividend or similar arrangements providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (d) any issue of shares in the Company upon the exercise of rights of subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20 per cent of the number of the

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issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing this resolution and the said approval shall be limited accordingly; and

(iv) for the purpose of this resolution:

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

(1) the conclusion of the next annual general meeting of the Company; or

(2) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the articles of association of the Company to be held; or

(3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

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

4. (B) “**THAT:**

(i) subject to paragraph (iii) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (v) below) of all the powers of the Company to purchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission and the Stock Exchange and, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the

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Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as amended from time to time, be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the Directors;
- (iii) the aggregate number of shares of the Company which are authorized to be purchased by the Directors pursuant to the approval in paragraph (i) above shall not exceed 10 per cent of the number of the issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly;
- (iv) subject to the passing of each of the paragraphs (i) to (iii) of this resolution, any prior approvals of the kind referred to in paragraphs (i) to (iii) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (v) for the purpose of this resolution:

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

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

- 4. (C) “**THAT** conditional upon the resolutions numbered 4(A) and 4(B) set out in the notice convening this meeting being passed, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company (including a sale or transfer of Treasury Shares, if any) and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 4(A) set out in the notice convening this meeting be and is hereby extended by the addition to the number of the issued shares of the Company which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued (including Treasury Shares, if any, sold or transferred or agreed conditionally or unconditionally to be sold or transferred) by the Directors pursuant to such

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general mandate an amount representing the number of the issued shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 4(B) set out in the notice convening this meeting, provided that such amount shall not exceed 10 per cent of the number of the issued shares of the Company (excluding Treasury Shares, if any) as at the date of passing of the said resolutions.”

5. **“THAT**

- (i) the proposed amendments to the share option scheme of the Company adopted on 7 December 2015 (the **“Proposed Amendments to the Share Option Scheme”**), the summary of the principal terms of which are set out in the section headed **“APPENDIX III — SUMMARY OF THE PRINCIPAL TERMS OF THE SHARE OPTION SCHEME”** in the circular of the Company dated 22 April 2024, be and are hereby approved, confirmed and adopted in all respects;
- (ii) the proposed amendments to the restricted share award scheme of the Company adopted on 22 March 2019 (the **“Proposed Amendments to the 2019 RSA Scheme”**), the summary of the principal terms of which are set out in the section headed **“APPENDIX IV — SUMMARY OF THE PRINCIPAL TERMS OF THE 2019 RESTRICTED SHARE AWARD SCHEME”** in the circular of the Company dated 22 April 2024, be and are hereby approved, confirmed and adopted in all respects;
- (iii) the proposed amendments to the restricted share award scheme of the Company adopted on 23 August 2021 (as amended on 26 May 2022) (the **“Proposed Amendments to the 2021 RSA Scheme”**), the summary of the principal terms of which are set out in the section headed **“APPENDIX V — SUMMARY OF THE PRINCIPAL TERMS OF THE 2021 RESTRICTED SHARE AWARD SCHEME”** in the circular of the Company dated 22 April 2024, be and are hereby approved, confirmed and adopted in all respects;
- (iv) the proposed refreshment of the Scheme Mandate Limit (as defined in the circular of the Company dated 22 April 2024), be and hereby approved and adopted;
- (v) the proposed adoption of the Service Provider Sublimit (as defined in the circular of the Company dated 22 April 2024), be and hereby approved and adopted; and
- (vi) any directors of the Company be and is hereby authorised to do all such acts and execute all such documents as he/she may deem necessary or expedient to effect the Proposed Amendments to the Share Option Scheme, the Proposed Amendments to the 2019 RSA Scheme, the Proposed Amendments to the 2021 RSA Scheme, the Scheme Mandate Limit and the Service Provider Sublimit and any of the foregoing.”

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SPECIAL RESOLUTION

To consider and, if thought fit, pass, with or without amendments, the following resolution as special resolution:

6. “**THAT** the proposed amendments to the existing third amended and restated memorandum of association and the third amended and restated articles of association of the Company currently in force (the “**Existing Memorandum and Articles**”) set out in Appendix VI to the circular of the Company dated 22 April 2024 of which this notice forms part be and are hereby approved and the fourth amended and restated memorandum of association and the fourth amended and restated articles of association (the “**Amended Memorandum and Articles**”, a copy of which having been produced before the meeting and signed by the chairman of the meeting for the purpose of identification) be and is hereby adopted as the new memorandum and articles of association of the Company; and any one director and/or the registered office provider of the Company be and is hereby authorized severally to do all things necessary or expedient to implement the adoption of the Amended Memorandum and Articles, including without limitation, attending to the necessary filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the Cayman Islands and Hong Kong.”

By Order of the Board
Genscript Biotech Corporation
Meng Jiange
Chairman

Hong Kong, 22 April 2024

Registered office:
4th Floor, Harbour Place
103 South Church Street
George Town, P.O. Box 10240
Grand Cayman KY1-1002
Cayman Islands

Principal place of business in Hong Kong:
40th Floor, Dah Sing Financial Centre
No. 248 Queen’s Road East
Hong Kong

Notes:

- (i) The ordinary resolution numbered 4(C) above will be proposed to the shareholders for approval provided that the ordinary resolutions numbered 4(A) and 4(B) above are passed by the shareholders.
- (ii) Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company.

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- (iii) In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, shall be deposited at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the AGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person if he is subsequently able to be present.
- (iv) A form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorized to sign the same.
- (v) In the case of joint holders of any shares, any one of such joint holders may vote at the AGM, either personally or by proxy, in respect of such shares as if he was solely entitled thereto. However, if more than one of such joint holders is present at the meeting, either personally or by proxy, the joint holder whose name stands first in the register of members of the Company will alone be entitled to vote in respect of such shares.
- (vi) On a poll, every shareholder present at the AGM shall be entitled to one vote for every fully paid-up share of which he is the holder. The result of such poll shall be deemed to be the resolution of the AGM at which the poll was so required or demanded.
- (vii) For determining the entitlement to attend and vote at the AGM, the transfer books and register of members of the Company will be closed from Monday, 13 May 2024 to Friday, 17 May 2024, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending and voting at the AGM, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 10 May 2024.
- (viii) In respect of the ordinary resolution numbered 2 above, Dr. Zhang Fangliang, Mr. Meng Jiange, Dr. Zhu Li, Dr. Wang Luquan, Mr. Cheung Yiu Leung Andy and Dr. Shi Chenyang shall retire and save for Dr. Wang Luquan, being eligible, offered themselves for re-election at the AGM. Details of the above retiring Directors are set out in Appendix I to the accompanied circular of the Company dated 22 April 2024.
- (ix) In respect of the ordinary resolution numbered 4(A) above, the Directors wish to state that they have no immediate plans to issue any new shares of the Company pursuant to such general mandate, other than shares which may fall to be allotted and issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme and the Share Option Scheme or the settlement of any restricted share units granted under the relevant share incentive scheme(s) of the Company. Approval is being sought from the shareholders as a general mandate for the purposes of the Listing Rules.
- (x) In respect of ordinary resolution numbered 4(B) above, the Directors wish to state that they will exercise the powers conferred by the general mandate to repurchase shares of the Company in circumstances which they deem appropriate for the benefits of shareholders. An explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular of the Company dated 22 April 2024.
- (xi) As at the date of this notice, the executive Directors are Dr. Zhang Fangliang, Mr. Meng Jiange, Ms. Wang Ye and Dr. Zhu Li; the non-executive Directors are Dr. Wang Luquan, Mr. Pan Yuexin and Ms. Wang Jiafen; and the independent non-executive Directors are Mr. Guo Hongxin, Mr. Dai Zumian, Mr. Pan Juan, Dr. Wang Xuehai, Mr. Cheung Yiu Leung Andy and Dr. Shi Chenyang.