

GENSCRIPT BIOTECH CORPORATION
金斯瑞生物科技股份有限公司*

POST-IPO SHARE OPTION SCHEME

Conditionally approved pursuant to a written resolution
passed by the sole shareholders of the Company on December 7, 2015,
adopted by the Board of Directors of the Company on December 7, 2015
and
amended by the Shareholders of the Company on [May 17], 2024

** For identification purposes only.*

TABLE OF CONTENTS

	Page
TABLE OF CONTENTS.....	2
1. DEFINITIONS	3
2. APPROVAL CONDITIONS.....	6
3. PURPOSE, DURATION AND ADMINISTRATION	6
4. GRANT OF OPTION.....	7
5. SUBSCRIPTION PRICE	8
6. VESTING AND PERFORMANCE TARGET	9
7. EXERCISE OF OPTIONS	10
8. LAPSE OF OPTION	13
9. MAXIMUM NUMBER OF SHARES SUBJECT TO OPTIONS.....	14
10. REORGANISATION OF CAPITAL STRUCTURE AND SPECIAL DIVIDENDS..	15
11. CLAWBACK	16
12. SHARE CAPITAL	17
13. ALTERATION OF THIS SCHEME.....	17
14. TERMINATION	18
15. MISCELLANEOUS.....	18

GENSCRIPT BIOTECH CORPORATION
金斯瑞生物科技股份有限公司
(incorporated in the Cayman Islands with limited liability)

SHARE OPTION SCHEME

1. DEFINITIONS

1.1 In this Scheme, save where the context otherwise requires, the following expressions have the respective meanings set opposite them:-

“Adoption Date”	December 7, 2015, being the date of adoption of this Scheme by the board of directors of the Company;
“Approval Date”	[May 17], 2024, being the date on which the Scheme is approved by the Shareholders in general meeting;
“associate”	has the meaning ascribed to it in Rule 14A.06(2) of the Listing Rules;
“Associated Company(ies)”	means any company in which the Group has a direct or indirect investment and controls 20% or more of its voting powers;
“Auditors”	the auditors for the time being of the Company;
“Board”	the board of directors of the Company or a committee thereof appointed for the purpose of administering this Scheme;
“business day”	any day on which the Stock Exchange is open for the business of trading in securities;
“close associate”	has the meaning ascribed to it in the Listing Rules;
“Company”	Genscript Biotech Corporation (金斯瑞生物科技股份有限公司*), an exempted company incorporated under the laws of the Cayman Islands with limited liability on May 21, 2015;
“connected person(s)”	has the meaning ascribed to it in Rule 14A.06(7)

	of the Listing Rules;
“Date of Grant”	in respect of an Option, the date on which the Board resolves to make an Offer of that Option to the Eligible Participant, which date must be a business day;
“Eligible Participant(s)”	any directors (including executive directors, non-executive directors and independent non-executive directors) and employees of any member of the Group;
“Grantee(s)”	any Eligible Participant who accepts an Offer in accordance with the terms of this 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”	the Company and its Subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
“Offer”	the offer of the grant of an Option made in accordance with Section 4.1 by way of a notice (the “ Notice of Grant ”) in substantially the form set out in Exhibit 1;
“Option”	a right granted for the subscription of Shares pursuant to this Scheme;
“Option Period”	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 ten (10) years from the Date of Grant;
“Remuneration Committee”	means the remuneration committee of the Company;
“Scheme”	this share option scheme in its present form or as amended from time to time in accordance with the

	provisions hereof;
“Scheme Mandate Limit”	the meaning given to that term in Section 9.1;
“Section”	means a section of this Scheme;
“Share Registrar”	the Hong Kong branch share registrar of the Company from time to time;
“Share(s)”	means shares of US\$0.001 each in the share capital of the Company (or of such other nominal amount as may result from a sub-division, consolidation, reclassification or reconstruction of such share capital from time to time) that are listed on the Stock Exchange;
“Shareholder(s)”	the holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in Section 5;
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“substantial shareholder”	the meaning given to that term in Rule 1.01 of the Listing Rules; and
“US\$”	U.S. dollar, the lawful currency of the United States of America.

In this Scheme, save where the context otherwise requires:-

- (a) the headings are inserted for convenience only and shall not limit, vary, extend or otherwise affect the construction of any provision of this Scheme;
- (b) references to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended, consolidated or re-enacted, or as its operation is modified by any other statute or statutory provision (whether with or without modification), and shall include any subsidiary legislation enacted under the relevant statute;
- (c) expressions in the singular shall include the plural and vice versa;
- (d) expressions in any gender or the neuter shall include other genders and the neuter; and

- (e) references to persons shall include bodies corporate, corporations, partnerships, sole proprietorships, organisations, associations, enterprises, branches and entities of any other kind whether or not having separate legal identity.

2. APPROVAL CONDITIONS

- 2.1 This Scheme shall take effect subject to the Listing Committee (as defined in the Listing Rules) of the Stock Exchange granting approval of this Scheme and the granting of Options hereunder, and the listing of and permission to deal in the Shares to be issued pursuant to the exercise of Options and the commencement of dealings in the Shares on the Stock Exchange.
- 2.2 If all of the above conditions are not satisfied on or before the date following six months after the Adoption Date (or such later date as the Board may decide), the Scheme shall forthwith determine, and any Option granted or agreed to be granted pursuant to the Scheme and any offer of such grant shall be of no effect and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Scheme or any such Option.

3. PURPOSE, DURATION AND ADMINISTRATION

- 3.1 The purpose of this 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. This Scheme will provide the Company with a flexible means of retaining, incentivising, compensating or providing benefits to certain Eligible Participants.
- 3.2 Subject to Sections 2 and 14, this Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date. After the expiry of the 10 year period, no further Options shall be offered or granted, but in all other respects the provisions of this 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 this Scheme shall continue to be exercisable in accordance with their terms of issue after the end of the 10 year period.
- 3.3 This Scheme shall be subject to the administration of the Board, and the decision of the Board shall be final and binding on all parties. The Board shall have the right to (i) interpret and construe the provisions of this Scheme, (ii) determine the persons who will be offered Options under this Scheme, the number of Shares and the Subscription Price, subject to Section 5, and other terms and conditions (such as vesting conditions, performance targets and clawback provisions) in relation to such Options, (iii) subject to Sections 10 and 13, make such appropriate and equitable adjustments to the terms of the Options granted under this Scheme as it deems necessary, and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of this Scheme.
- 3.4 No member of the Board shall be personally liable by reason of any contract or other instrument executed by such member or on his or her behalf in his or her capacity as a

member of the Board or for any mistake of judgment made in good faith for the purposes of this Scheme, and the Company shall indemnify and hold harmless each employee, officer or director of the Company to whom any duty or power relating to the administration or interpretation of this Scheme may be allocated or delegated, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such person's own fraud or bad faith.

4. GRANT OF OPTION

- 4.1 On and subject to the terms of this Scheme, the Board shall be entitled at any time within 10 years after the Adoption Date 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, 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.
- 4.2 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.
- 4.3 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).
- 4.4 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 Scheme or any other share schemes of the Company (excluding any Options or awards lapsed in accordance with the terms of the 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.

4.5 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:-

- (1) 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
- (2) 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.

4.6 An Offer shall be made to a Eligible Participant by letter in duplicate in such form as the Board may from time to time determine requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme and shall remain open for acceptance by the Eligible Participant to whom the Offer is made for a period of 21 days from the date on the Notice of Grant is delivered to that Eligible Participant, provided that no such Offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after this Scheme has been terminated in accordance with the provisions hereof or after the person/entity to whom the Offer is made has ceased to be a Eligible Participant.

4.7 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.

4.8 Any Offer may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. 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 Section 4.7, it shall be deemed to have been irrevocably declined.

5. **SUBSCRIPTION PRICE**

- 5.1. 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:
- (a) 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
 - (b) 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.

6. VESTING AND PERFORMANCE TARGET

- 6.1 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 under Section 6.2 and Section 7.3(b), and shall be subject to a vesting period as determined by the Board, which shall be at least twelve (12) months commencing from (and including) the Date of Grant.
- 6.2 Options granted to a Grantee 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 twelve (12) months from the date of termination of the employment 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 from the date of grant until the date of termination of employment of such Eligible Participant;
 - (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 twelve (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 twelve (12) months, or where the Option may vest by several batches with the first batch to vest within twelve (12) months of the Date of Grant and the last batch to vest twelve (12) months after the Date of Grant;

- (e) grants with performance-based vesting conditions provided in the 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 twelve (12) months.

6.3 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 (the “**Performance Target(s)**”). 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, (i) 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, (ii) 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 (iii) 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. EXERCISE OF OPTIONS

7.1 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 this 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.

7.2 An Option may, subject to the terms and conditions upon which such Option is granted, be exercised in whole or in part in the manner as set out in Section 7.3 by the Grantee giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the aggregate amount of the Subscription Price multiplied by the number of Shares in respect of which the notice is given. Within 15 business days after receipt of the notice and, where appropriate, receipt of the Auditors’ or the relevant financial advisor’s (retained for such purpose) certificate pursuant to Section 10.1, the Company shall allot and issue, and shall instruct the Share Registrar to issue, the relevant Shares to the Grantee credited as fully paid and issue to the Grantee a share certificate in respect of the Shares so

allotted.

7.3 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 Section 8.1(f), 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 Section 8.1(f) 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 Section 7.3(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 Section 7.4(b) 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 Section 7.4(b);
- (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 Section 7.4(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 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 Section 7.3(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 Section 7.4(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.

7.4 For the purpose of this Section 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 Sections 7.3 (c), (d), (e) and (f), 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 Sections, 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.

7.5 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.

7.6 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 prescribed by Section 9 and otherwise comply with the terms of this Scheme. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

8. LAPSE OF OPTION

- 8.1 An Option shall lapse automatically (to the extent not already exercised) on the earliest of:
- (a) the expiry of the Option Period (subject to the provisions of Sections 2.2 and 14.1);
 - (b) the date or the expiry of the periods for exercising the Option as referred to in Section 7.3;
 - (c) subject to the scheme of arrangement (referred to in Section 7.3(d)) becoming effective, the expiry of the period for exercising the Option as referred to in Section 7.3(d);
 - (d) subject to Section 7.3(e), the date of the commencement of the winding-up of the Company;
 - (e) the date on which the Grantee commits a breach of Section 7.1;
 - (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 Section 7.3(a) or (b), the date the Grantee ceases to be an Eligible Participant (as determined by a Board resolution) for any reason.

- 8.2 If the Company gives notice under the provision of Section 7.4(b) that an Option can be exercised in part only, the balance of the Option shall lapse.
- 8.3 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.
- 8.4 The Board shall have the power to decide whether an Option shall lapse pursuant to this Section 8 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.

9. MAXIMUM NUMBER OF SHARES SUBJECT TO OPTIONS

- 9.1 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 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 Approval Date (the “**Scheme Mandate Limit**”), being [212,405,257] 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 Section 9.2. Options and awards lapsed in accordance with the terms of the Scheme and any other share schemes of the Company shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- 9.2 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 this 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 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.
- 9.3 Any refreshment within any 3 year period as provided in Section 9.2 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.

- 9.4 Without prejudice to Section 9.3, 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 Section 9.2 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.
- 9.5 The total number of Shares issued and to be issued in respect of all Options and awards granted under this 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 (the "**Individual Limit**"). Where any grant of the Options under the 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 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 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.
- 9.6 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 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.

10. REORGANISATION OF CAPITAL STRUCTURE AND SPECIAL DIVIDENDS

10.1 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;
- (ii) the Subscription Price; or
- (iii) the method of exercise of the Option,

or any combination thereof, as the Auditors 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 Section 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.

11. **CLAWBACK**

11.1 Notwithstanding the terms and conditions of the 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 statement of the Company that requires restatement;

- (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 Grant occurs.
- 11.2 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 pursuant to Section 11.1 will be regarded as cancelled and the Options so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.
- 11.3 In the event the Company exercises its right to claw back the Options from a Grantee pursuant to Section 11.1, 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. SHARE CAPITAL

- 12.1 The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.
- 12.2 The Options do not carry any right to vote in general meeting of the Company, or any right to dividend, or any other rights whether or not arising on the liquidation of the Company.

13. ALTERATION OF THIS SCHEME

- 13.1 Subject to Section 13.2 below, the Board may amend any of the provisions of the 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 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).
- 13.2 Any alterations to the terms and conditions of the 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 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 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 Scheme in relation to any alternation to the terms of the Scheme shall be approved by the Shareholders in general meeting.

- 13.3 Notwithstanding any approval obtained pursuant to Section 13.1, no amendment shall operate to adversely affect the terms of issue of any Option granted or agreed to be granted prior to such amendment except with the consent or sanction in writing of such number of Grantees as shall together hold Options in respect of not less than three-fourths in nominal value of all Shares then subject to the options granted under this Scheme, except where such amendment takes effect automatically under the existing terms of this Scheme.

14. TERMINATION

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

15. MISCELLANEOUS

- 15.1 This Scheme shall not form part of any contract of employment between the Company or any Subsidiary and any Grantee, and the rights and obligations of any such Grantee under the terms of his or her office or employment or engagement shall not be affected by his or her participation in this Scheme and this Scheme shall afford such Grantee no additional rights to compensation or damages in consequence of the termination of such office or employment or engagement for any reason.
- 15.2 This Scheme shall not confer on any person any legal or equitable right (other than those rights constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company or any Subsidiary.
- 15.3 The Company shall bear the costs of establishing and administering this Scheme.
- 15.4 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to holders of Shares generally.
- 15.5 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong or such other address as notified to the Grantee from time to time and, in the case of the Grantee, his or her address in Hong Kong as notified to the Company from time to time.
- 15.6 Any notice or other communication served by post:-

- (a) by the Company shall be deemed to have been served 24 hours after the same was put in the post; and
 - (b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.
- 15.7 All allotments and issues of Shares will be subject to all necessary consents under any relevant legislation for the time being in force in Hong Kong and in the Cayman Islands, and a Grantee shall be responsible for obtaining any governmental or other official consent or approval that may be required by any country or jurisdiction in order to permit the grant, holding or exercise of the Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or approval or for any tax or other liability to which a Grantee may become subject as a result of his or her participation in this Scheme.
- 15.8 Each Grantee shall pay all taxes and discharge all other liabilities to which he or she may become subject as a result of his or her participation in this Scheme or the exercise of any Option.
- 15.9 The Board shall have the power from time to time to make or vary regulations for the administration and operation of this Scheme, provided that the same are not inconsistent with the provisions of this Scheme. The Board shall also have the power to delegate its powers to grant Options to Eligible Participants and to determine the Subscription Price, to the Company's chief executive officer or managing director from time to time.
- 15.10 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.