

If you are in any doubt as to any aspect of this circular, or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in Nanjing Leads Biolabs Co., Ltd., you should at once hand this circular, together with the form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Nanjing Leads Biolabs Co., Ltd.
南京维立志博生物科技股份有限公司

(A joint stock company established in the People's Republic of China with limited liability)

(Stock Code: 9887)

- (1) PROPOSED ADOPTION OF THE H SHARE AWARD SCHEME;
(2) PROPOSED AUTHORIZATION TO THE BOARD OF DIRECTORS
AND/OR THE DELEGATEE TO HANDLE MATTERS RELATING TO
THE H SHARE AWARD SCHEME;
(3) PROPOSED CANCELLATION OF THE SUPERVISORY COMMITTEE
AND PROPOSED AMENDMENTS TO
THE ARTICLES OF ASSOCIATION;
AND
(4) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

All capitalized terms used in this circular have the meanings set out in the section headed "Definitions" in this circular. A letter from the Board is set out on pages 7 to 27 of this circular.

The Company will convene the EGM at 10:00 a.m. on Wednesday, December 17, 2025 at Floor 8, Building 03, 18E, Jialingjiang Street, Nanjing, PRC. The notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use at the EGM is published on the website of the HKEX (www.hkexnews.hk) and the website of the Company (www.leadsbiolabs.com). If you intend to appoint a proxy to attend the EGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

November 28, 2025

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DEFINITIONS

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

“Actual Selling Price”	according to the instruction, the cash value to be allocated and payable to the Grantees with respect to the Awarded Shares vested, at which corresponding relevant Target Shares with respect to the Awarded Shares vested are sold by the Trustee (net of brokerage, the Stock Exchange trading fee, SFC transaction levy, Accounting and Financial Reporting Council (AFRC) transaction levy, stamp duty and any other applicable costs) under the H Share Award Scheme
“Adoption Date”	the date on which the H Share Award Scheme is approved by the Shareholders at the EGM
“Articles of Association”	the articles of association of the Company as amended, modified or otherwise supplemented from time to time
“Audit Committee”	the audit committee of the Board
“Award(s)”	award(s) granted by the Board and/or its Delegatee to a Grantee under the H Share Award Scheme, which may vest in the form of Awarded Shares or the Actual Selling Price of the Awarded Shares in cash in accordance with the terms of the H Share Award Scheme
“Award Letter”	a letter issued by the Company to each Grantee in such form as the Board and/or the Delegatee(s) may from time to time determine, specifying the name of the Grantee, the number of Awarded Shares granted, the vesting criteria and conditions, the vesting date, the grant price, the conditions for the lapse of Awarded Shares and such other terms and conditions to be determined by the Board and/or the Delegatee(s) that are not inconsistent with the H Share Award Scheme
“Awarded Shares”	any award of H Shares granted pursuant to the H Share Award Scheme
“Board”	the board of Directors of the Company or, as the case may be, the Delegatee

DEFINITIONS

“China” or “PRC”	The People’s Republic of China, excluding, for the purposes of this circular only, Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Chairman”	the chairman of the Board, Dr. Kang Xiaoqiang
“Clawback”	the Company’s priority right, authorization and power to clawback or withhold the Awards (and relevant Awarded Shares) (as the case may be) granted to any Participant in circumstances set out in the H Share Award Scheme Rules, which includes without limitation, (i) requiring the return or repayment of all or any specified portion of any Awards (and relevant Awarded Shares to be issued and allotted to any participant) (as the case may be); and/or (ii) terminating or modifying the participant’s right to receive or vest in all or any specified portion of any Awards
“Company”	Nanjing Leads Biolabs Co., Ltd., a joint stock company with limited liability incorporated in the PRC, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 9887)
“Delegatee(s)”	the Board committee(s) and/or person(s) delegated by the Board. Unless otherwise determined by the Board, the delegatee shall be the Chairman
“Director(s)”	director(s) of the Company
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held at 10:00 a.m. on Wednesday, December 17, 2025 at Floor 8, Building 03, 18E, Jialingjiang Street, Nanjing, the PRC or any adjournment thereof
“Eligible Participant(s)”	for the H Share Award Scheme, including Employee Participants, Related Entity Participants and Service Provider Participants
“Employee Participants”	director(s) and employee(s) (whether full time or part time employees) of the Company and/or of any of its subsidiaries (including persons who are granted Awards under the H Share Award Scheme as an inducement to enter into employment contracts with these companies)

DEFINITIONS

“employee(s)”	employee(s) who have entered into formal employment contracts with the relevant members of the Group
“Grant Date”	the date on which the Awarded Shares are granted to a Grantee, being the date of issuance of the Award Letter
“Grant Price”	the grant price of each Target Share in relation to Awarded Shares to be determined by the Board and/or the Delegatee when granting Awarded Shares, which can be nil
“Grantee(s)”	any Participant(s) who is granted the Awarded Shares in accordance with the terms of the H Share Award Scheme, holder of any outstanding Award, or (where the context so permits) a Personal Representative of such Grantee
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the Company’s ordinary share capital, with a nominal value of RMB1.00 each, which were listed on the Stock Exchange and traded in Hong Kong dollars
“H Share Award Scheme” or “Scheme”	H share award scheme proposed to be adopted by the Company which is subject to the resolution being passed and approved by the Shareholders at the EGM
“H Share Award Scheme Rules” or “Scheme Rules”	the rules of the H Share Award Scheme which are set out in Appendix I to this circular
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Individual Limit”	has the meaning as defined in the paragraph headed “Source of Funds” in Appendix I to this circular
“Latest Practicable Date”	November 26, 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing”	the listing of the H Shares on the Main Board of the Stock Exchange on July 25, 2025
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, modified or otherwise supplemented from time to time
“Other Schemes”	all the schemes or arrangements involving the grant by the Company or any member of the Group of awards, options over Shares or other securities of the Company to, or for the benefit of, specified participants of such schemes or arrangements which, in the opinion of the Stock Exchange, is analogous to a share scheme as described in Chapter 17 of the Listing Rules, other than the H Share Award Scheme (as the case may be). As at the Latest Practicable Date, the Company does not have any share schemes subject to the provisions of Chapter 17 of the Listing Rules
“Personal Representative(s)”	in case of the death, physical or mental disability or incapacity of a Grantee or other events which, in the opinion of the Board, deprive a Grantee of his capacity to act (other than in the case of insolvency, bankruptcy or liquidation of the Grantee), such person(s) recognized by the Company as the representative(s) to be assigned or vested with the Award(s) granted to such Grantee or otherwise acting on behalf of the Grantee in consequence of such events by operation of law and subject to provision of such evidence as to his or her entitlement as may from time to time be required by and to the satisfaction of the Board and/or the Delegatee
“Pre-IPO Share Incentive Plan”	the pre-IPO share incentive plan of the Company adopted on September 16, 2020 and further amended and approved on April 17, 2024
“Related Entity(ies)”	the holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company

DEFINITIONS

“Related Entity Participant(s)”	director(s) and employee(s) (whether full time or part time employees) of the Related Entities
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme Funds”	has the meaning ascribed to it under “II. Proposed Adoption of the H Share Award Scheme – 3. Sources of Funds” in this circular
“Scheme Mandate Limit”	has the meaning ascribed to it under “II. Proposed Adoption of the H Share Award Scheme – 5. Scheme Mandate Limit and Service Provider Sublimit” in this circular
“Scheme Period”	has the meaning ascribed to it under “II. Proposed Adoption of the H Share Award Scheme – 2. Duration” in this circular
“Service Provider Participants”	individual(s) or entity(ies) (not being an Employee Participant and a Related Entity Participant) that provide services to any member of the Group on a continuing or recurring basis in its ordinary and usual course of business, which are in the interest of the long term growth of the Group. For the avoidance of doubt, Service Provider Participants shall mean consultants engaged to provide advisory, consultancy services or other professional services to any members of the Group (such as scientific and clinical advisors who provide consultancy services to assist the Group in formulating its discovery, clinical development and commercialization strategies), where the continuity and frequency of their services are akin to those of employees, but exclude (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity

DEFINITIONS

“Service Provider Sublimit”	has the meaning ascribed to it under “II. Proposed Adoption of the H Share Award Scheme – 5. Scheme Mandate Limit and Service Provider Sublimit” in this circular
“Share(s)”	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, comprising Unlisted Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisory Committee”	the supervisory committee of our Company
“Target Share(s)”	H Share(s) of the Company involved in the H Share Award Scheme
“Trust”	the trust constituted under the Trust Agreement
“Trust Agreement(s)”	the trust management agreement(s) to be entered into between the Company and the Trustee pursuant to the H Share Award Scheme
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee pursuant to the Scheme (as may be restated, supplemented and amended from time to time)
“Trustee(s)”	the trustee(s) to be appointed by the Company for the purpose of the Trust
“Unlisted Share(s)”	ordinary share(s) issued by our Company with a nominal value of RMB1.0 each, which is/are not listed on any stock exchange
“%”	per cent

LETTER FROM THE BOARD



Nanjing Leads Biolabs Co., Ltd.
南京维立志博生物科技股份有限公司

(A joint stock company established in the People's Republic of China with limited liability)

(Stock Code: 9887)

Executive Directors:

Dr. Kang Xiaoqiang

*(Chairman of the Board, chief executive officer and
general manager)*

Dr. Lai Shoupeng

Mr. Zuo Honggang (左鴻剛)

Non-executive Directors:

Mr. Zhang Yincheng (張銀成)

Dr. Chen Renhai (陳仁海)

Dr. Ni Jia (倪佳)

Independent non-executive Directors:

Dr. Zhang Hongbing

Mr. Du Yilong (杜以龍)

(Lead independent non-executive director)

Ms. Du Jiliu (杜季柳)

Registered Office:

Building 05, Accelerator IV

No. 122 Huakang Road

Jiangbei New District

Nanjing

Jiangsu Province

PRC

Principal place of business

in Hong Kong:

40/F, Dah Sing Financial Centre

248 Queen's Road East

Wan Chai

Hong Kong

November 28, 2025

To the Shareholders,

Dear Sir or Madam,

- (1) PROPOSED ADOPTION OF THE H SHARE AWARD SCHEME;**
(2) PROPOSED AUTHORIZATION TO THE BOARD OF DIRECTORS
AND/OR THE DELEGATEE TO HANDLE MATTERS RELATING TO
THE H SHARE AWARD SCHEME;
(3) PROPOSED CANCELLATION OF THE SUPERVISORY COMMITTEE
AND PROPOSED AMENDMENTS TO
THE ARTICLES OF ASSOCIATION;
AND
(4) NOTICE OF THE EXTRAORDINARY GENERAL MEETING

LETTER FROM THE BOARD

I. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information on, among other things, the following resolutions to be put forward at the EGM: (i) the proposed adoption of the H Share Award Scheme; (ii) the proposed authorization to the Board and/or the Delegatee to handle matters relating to the H Share Award Scheme; (iii) the proposed cancellation of the Supervisory Committee and amendments to the articles of association; and (iv) other matters contained in the notice of EGM, so that the Shareholders may make an informed decision on voting in respect of the resolutions to be tabled at the EGM.

II. PROPOSED ADOPTION OF THE H SHARE AWARD SCHEME

Reference is made to the announcement of the Company dated November 25, 2025. The Board proposed the adoption of the H Share Award Scheme. The provisions of the H Share Award Scheme will comply with the requirements of Chapter 17 of the Listing Rules. The proposed adoption of the H Share Award Scheme and the proposed authorization to the Board to handle matters relating to the H Share Award Scheme are subject to the approval of the Shareholders by special resolution(s) at the EGM. As at the Latest Practicable Date, the Company has no specific intention to grant any Awards under the H Share Award Scheme. In accordance with Rule 10.08 of the Listing Rules, no new Shares will be issued under the H Share Award Scheme within six months from July 25, 2025, being the date of the commencing of dealings in the H Shares on the Stock Exchange. The H Share Award Scheme Rules are set out in Appendix I to the circular.

1. Purposes of the H Share Award Scheme

The purposes of the H Share Award Scheme are: to promote the achievement of long-term sustainable development and performance goals of the Company; to closely align the interests of the Grantees with those of the Shareholders, investors and the Company, thereby enhancing the cohesion of the Company and facilitating the maximization of the value of the Company; and to improve the Company's incentive mechanism to attract, motivate and retain Directors, senior management and employees of the Group who have made outstanding contributions to the sustainable operation, development and long-term growth of the Company.

2. Duration

Subject to any early termination as may be determined by the Board according to the Scheme Rules, the H Share Award Scheme shall be valid and effective for a term of seven (7) years commencing on the Adoption Date (i.e. the date on which the adoption of the Scheme is approved by the Shareholders' general meeting) (the "**Scheme Period**"), after which no further Awarded Shares shall be granted. If there are any Awarded Shares that are granted but unvested by the end of the Scheme Period, the H Share Award Scheme and the Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting of any Awarded

LETTER FROM THE BOARD

Shares granted prior to the end of the Scheme Period and the expiry of the Scheme Period shall not affect any subsisting rights already granted to any Grantee thereunder.

3. Sources of Funds

The sources of funds for funding the H Share Award Scheme are (i) internal funds of the Company; and/or (ii) amounts payable by the Grantees to the Company (or such other persons as the Board and/or the Delegatee(s) may instruct) in accordance with the terms of the respective Award Letter and/or the Scheme Rules in order to receive the Awarded Shares (the “**Scheme Funds**”). The Grantees who pay the amounts shall ensure the funds are obtained from legal sources, and shall not engage in arrangements of holding by proxy or trust under which shareholdings are not actually attributable to the Grantees. The Board and/or the Delegatee shall ensure that the Trustee obtains the necessary funds for the establishment of the Trust, the amount of which shall be the sum of the following:

- (a) the amount for purchasing or acquiring the Target Shares under the Scheme, or such equivalent amount as the Board and/or the Delegatee may determine at their sole discretion; and
- (b) expenses related to the purchase of the Target Shares (including brokerage fees, stamp duty, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee at that time), and other necessary expenses to complete the purchase of the Target Shares under the Scheme.

The Board and/or the Delegatee(s) may from time to time adjust the Scheme Funds in accordance with the terms of the Trust Deed.

4. Source and Maximum Number of Target Shares

The Target Shares under the H Share Award Scheme shall be funded by two sources (i) 50% by new H Shares to be issued by the Company to the Eligible Participants; and (ii) 50% by existing Shares to be acquired by the Trustee through on-market and/or off-market transactions on the secondary market at the prevailing market price by utilizing the Scheme Funds in accordance with the instructions of the Company and the relevant provisions of the Scheme Rules. The Company shall adopt the necessary procedures to comply with the provisions relating to off-market share buy-backs as set out in the Code on Share Buy-Backs issued by the Securities and Futures Commission (as amended, supplemented or otherwise modified from time to time). None of the Target Shares will be satisfied by treasury Shares under the H Share Award Scheme. The maximum number of Target Shares to be granted under the H Share Award Scheme shall not exceed 10% of the total number of Shares in issue (excluding treasury Shares) as at the Adoption Date, which is 19,889,180 H Shares.

5. Scheme Mandate Limit and Service Provider Sublimit

As at the Latest Practicable Date, there were 198,891,800 Shares in issue. Assuming that (a) no further Shares will be allotted, issued, repurchased or cancelled prior to the EGM and (b) the resolutions regarding the proposed adoption of the H Share Award Scheme with the relevant Scheme Mandate Limit are passed at the EGM, the total number of new Shares which may be issued under the H Share Award Scheme in respect of all Awards that may be granted under the H Share Award Scheme would be no more than 9,944,590 Shares (the “**Scheme Mandate Limit**”), representing no more than 5% of the total number of Shares in issue (excluding any treasury Shares) as at the Adoption Date.

As at the Latest Practicable Date, the Company does not have any share schemes subject to the provisions of Chapter 17 of the Listing Rules. The Company adopted the Pre-IPO Share Incentive Plan which was approved on April 17, 2024, for the purpose of attracting and retaining talents who promote the success of the Group’s operations. The terms of the Pre-IPO Share Incentive Plan are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Incentive Plan does not involve the grant of new options or awards by the Company to subscribe for H Shares after the Listing. As disclosed in the Company’s interim report for the six months ended June 30, 2025 (the “**2025 Interim Report**”), prior to the Listing an aggregate of 16,429,382 Shares (representing approximately 8.26% of total issued Shares of the Company as at the date of the 2025 Interim Report) underlying the share awards available for grant under the Pre-IPO Share Incentive Plan had been granted to 195 eligible participants (being the individuals who are the limited partners or shareholders of the Share Incentive Platforms) under the Pre-IPO Share Incentive Plan. After the Listing, no further grant has been or will be made under the Pre-IPO Share Incentive Plan. Given the underlying Shares under the Pre-IPO Share Incentive Plan had been issued by the Company to the relevant Share Incentive Platforms, there will be no dilutive effect to the issued Shares upon unlocking of awards granted under the Pre-IPO Share Incentive Plan. For further details, please refer to the 2025 Interim Report.

Within the Scheme Mandate Limit, the total number of new Shares which may be issued in respect of all Awards to be granted to Service Provider Participants under the H Share Award Scheme shall not exceed 1% of the total number of Shares in issue as at the Adoption Date (excluding any treasury Shares) (the “**Service Provider Sublimit**”), provided that Awards lapsed in accordance with the terms of the H Share Award Scheme will not be regarded as utilized for the purpose of calculating the Service Provider Sublimit. The Service Provider Sublimit is subject to separate approval by the Shareholders at general meeting.

LETTER FROM THE BOARD

The Service Provider Sublimit was determined with reference to the following factors:

- (i) the purposes of the H Share Award Scheme, that this sublimit provides the Group with flexibility to provide incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or directors of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, and that a lower sublimit (1%) is consistent with the level generally adopted by other listed issuers and accepted by the Stock Exchange as an appropriate balancing mechanism between incentivization and dilution control;
- (ii) the rationale behind the scope and eligibility criteria of Service Provider Participants, as detailed in this circular;
- (iii) the Group's business needs and plannings with respect to the use of Service Provider Participants; and
- (iv) the service provider sublimits (as a percentage of the scheme mandate limit) proposed or adopted by other companies listed on the Stock Exchange.

The Board is of the view that the Service Provider Sublimit (namely, 20% of the Scheme Mandate Limit) is fair and reasonable, taking into account the following factors:

- (i) the potential dilutive effect (i.e. a maximum of approximately 1% of the issued Shares as at the Adoption Date) from grants to Service Provider Participants is minimal and would not lead to an excessive dilution of shareholding of the existing Shareholders;
- (ii) the importance of the balance between the H Share Award Scheme being able to achieve its purposes efficiently and protecting Shareholders from the dilution effect arising from granting substantial amount of Shares to Service Provider Participants. In particular, the Service Provider Sublimit has been set at 1% of the issued Shares, which the Board considers sufficient to cover the Group's foreseeable needs to incentivize Service Provider Participants, while reserving the major portion of the Scheme Mandate Limit for Awards to Eligible Participants other than Service Provider Participants. The 1% sublimit was adopted as a conservative and appropriate level;

LETTER FROM THE BOARD

- (iii) the rationale and eligibility criteria with respect to inclusion of Service Provider Participants as Eligibility Participants in the H Share Award Scheme discussed in this circular, in particular, the significance of Service Provider Participants' participation and contribution in the Group's long-term and sustainable development;
- (iv) the ability and flexibility to provide equity incentives (instead of expending cash or other financial resources) to incentivize and reward participations and contributions from persons who are not employees or officers of the Group, including persons who have expertise in their field, persons who by business nature, customary practices and/or costs considerations are not employees or officers but the continuity and stability in supply of services are of great importance to the Group, and persons who may provide valuable contribution to the Group;
- (v) that the Service Provider Sublimit represents a maximum limit and the Company's discretion as to the extent of using such Service Provider Sublimit, including the flexibility of allocating the portion under this limit to other Eligible Participants with reference to the Group's business and needs in the future;
- (vi) the discretion of the Board and/or the Delegatee to include additional granting and/or vesting condition(s); and
- (vii) the applicable requirements under the Listing Rules, practices commonly adopted, as well as the service provider sublimits set by other companies listed on the Stock Exchange, which are generally not more than 30% of the relevant scheme mandate limit.

In addition, in the event the Company conducts a share subdivision or consolidation, the number of shares comprising the Scheme Mandate Limit and the Service Provider Sublimit shall be adjusted to the effect that such limits as a percentage of the total number of issued shares of the Company at the date immediately before and the date immediately after such share consolidation or subdivision shall be the same, rounded to the nearest whole share.

6. Eligible Participants and Grantees

Eligible Participants of the H Share Award Scheme include any Employee Participants, Related Entity Participants and Service Provider Participants.

In assessing the eligibility of Employee Participants, the Board and/or the Delegate will consider all relevant factors as appropriate, including, among others (i) their skills, knowledge, experience, expertise and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard; (iii) their contribution made or expected to be made to the growth of the Group; (iv) their length of engagement or employment with the Group; and (v) their educational and professional qualifications, and knowledge in the industry.

In assessing the eligibility of Related Entity Participants, the Board and/or the Delegate will consider all relevant factors as appropriate, including, among others (i) the positive impacts (including support, assistance, guidance, advice, efforts and/or contributions) brought by, or expected from, the Related Entity Participant on the Group's research and development, innovation, pipeline advancement or future commercialization efforts; (ii) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Related Entity Participant has established with the Group via its role and position held with the Related Entity; (iii) the number, scale and nature of the projects which promote the business, research and development and growth of the Group in which the Related Entity Participant is involved; (iv) whether the Related Entity Participant has referred or introduced opportunities (such as research collaborations, licensing, strategic alliances, new technology platforms or joint R&D ventures) to the Group which have materialized into further collaboration relationships; (v) whether the Related Entity Participant has assisted the Group in entering into new research areas, accessing new scientific or technological platforms, or enhancing the Group's competitive position in its field of endeavour; and (vi) the materiality and nature of the business relation between the Related Entity of which the Related Entity Participant holds office or position on the one hand and the Group on the other hand, and the Related Entity Participant's contribution in such Related Entity which may benefit the core research and development, innovation or future commercialization of the Group through a collaborative relationship.

In assessing the eligibility of Service Provider Participants, the Board and/or the Delegate will consider all relevant factors as appropriate, including, among others: (i) their actual or expected contribution (including but not limited to of service, support, assistance, guidance, advice and efforts) to the Company's research and development activities and the advancement of its product pipeline; (ii) the scope, duration and intensity of the services provided, as well as the prevailing market practice and industry standard; (iii) their professional expertise, technical knowledge, scientific background and other relevant qualities that supplement the Group or otherwise significant to the Group's business; and (iv) the significance of their engagement to the Group's innovation and growth strategy.

LETTER FROM THE BOARD

With reference to the scope of the Eligible Participants and the corresponding eligibility criteria, and considering the Company's hiring practices and organizational structures, the Board (including the independent non-executive Directors) are of the view that it would be in the Group's interest to permit the Company such flexibility in granting Awarded Shares to the Related Entity Participants and Service Provider Participants in recognition of their contribution to the Group's long-term growth and development, given those which will be selected are those which maintain a close collaborative business relationship with the Group.

For Related Entity Participants, the Board considered that the Company's business model, which focuses on innovation, research and development-driven growth, and collaborative development, would benefit from their contributions. They facilitate research collaborations, licensing arrangements, joint R&D ventures and strategic partnerships, all of which directly support the advancement of the Group's research pipeline and commercialization efforts, and are therefore fully aligned with its business needs. As for Service Provider Participants, the advisory, consultancy or professional services provided by them, in connection with the areas including discovery, clinical development and commercialization strategies, etc., are considered to be an integral part of the Group's operations, which are expected to continue to contribute to the Group's future and long-term success. It also enables the Group to preserve its cash resources and use share-based incentives to encourage persons outside of the Group to contribute to the Group. A sustainable and stable relationship with the Related Entity Participants and Service Provider Participants is vital for the Group and the inclusion of non-employee participants under the H Share Award Scheme would align their interest with the interest of the Group and incentivize them to provide better services to create more opportunities for and/or contribute to the success of the Group in the long run, and thus promoting the growth and development of the Group, and enabling the purpose of the H Share Award Scheme to be achieved. Therefore, the Directors consider that the inclusion of the Related Entity Participants and Service Provider Participants aligns with the long-term interests of the Company and the Shareholders.

On top of the above, the Board will take into account different factors when assessing the eligibility of and contribution (or potential contribution) made or to be made by Eligible Participants. The Board also has the discretion to impose different terms and conditions (including but not limited to performance targets) on the Awarded Shares to be granted to the Eligible Participants, which provides the Board with greater flexibility to impose appropriate conditions in light of the particular circumstances of each grant so that it would become a more meaningful reward for the contribution or potential contribution made by each Eligible Participant.

As a result, the Board (including independent non-executive Directors) consider that the proposed categories of and assessment criteria for the Related Entity Participants are in line with the purpose of the H Share Award Scheme, the Company's business needs and the industry norm, desirable and necessary from a commercial perspective and help maintain and/or enhance the competitiveness of the Group. Through the grant of the Awarded Shares, such participants and the Group will have a common goal in the growth and development of the Group's

LETTER FROM THE BOARD

business, and could participate in the future prospect of the Group and share the additional reward through their sustainable contribution, which is in the interest of the Company and the Shareholders as a whole.

The Board (including independent non-executive Directors) recognizes the importance of engaging and retaining capable Service Providers Participants which can perform in a competitive business environment and ever-changing industry landscape, and is of the view that the proposed categories of Service Provider Participants are in line with the Company's business needs referencing to the Company's nature of operation and relationship with the Service Provider Participants. Having the flexibility to remunerate Service Provider Participants by equity-based payment is considered to be in interest of the Company and Shareholders as a whole as it can provide the Group means to incentivize the Service Provider Participants to be more dedicated to Group's innovation and growth strategy.

A person shall not be considered as an Eligible Participant of the H Share Award Scheme if, as at the Grant Date:

- (i) he/she has been publicly censured or declared inappropriate by any securities regulatory authority in the past 12 months;
- (ii) he/she has been imposed an administrative punishment by any securities regulatory authority or administrative authority, or prosecuted for criminal liabilities by any judicial authority in the past 12 months due to any serious violation of laws and regulations;
- (iii) he/she is prohibited from participating in the H Share Award Scheme as stipulated by laws and regulations;
- (iv) he/she has committed any other act that seriously violates the relevant provisions of the Group or causes significant damage to the interests of the Group as determined by the Board; or
- (v) has any other circumstance as determined by the Board for safeguarding the interests of the Group and ensuring compliance with the applicable laws and regulations relating to the operation of the H Share Award Scheme.

The Board and/or the Delegatee(s) may select any Eligible Participant to be a Grantee of the H Share Award Scheme in accordance with the H Share Award Scheme Rules.

7. Administration of the H Share Award Scheme

The H Share Award Scheme shall be subject to the administration of the following administrative bodies:

- (i) the shareholders' meeting of the Company is the highest authority of the Company and is responsible for considering and approving the

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adoption of the H Share Award Scheme, while the Delegatee retains sole discretion over, among other things, the administration of the Scheme. The Board is responsible for formulating and revising the Scheme. Upon the consideration and approval of the Scheme by the Board, the H Share Award Scheme will be implemented after being approved at the shareholders' meeting. The Delegatee may handle and implement all relevant matters of the H Share Award Scheme within the authorization of the shareholders' meeting;

- (ii) the independent non-executive Directors on whether the H Share Award Scheme is conducive to the sustainable development of the Company, whether the H Share Award Scheme damages the overall interests of the Company and its Shareholders, and whether the implementation of the H Share Award Scheme complies with the applicable laws, regulations and normative documents and the regulatory rules of the places where the Company is registered and listed;
- (iii) any grant of Awards to the directors or senior management of the Group shall obtain the approval of the Remuneration Committee and the Board in advance, and any grant of Awards to the directors or other connected persons of the Company shall comply with all applicable laws, rules and regulations, including the Listing Rules and the codes or securities trading restrictions adopted by the Company;
- (iv) any grant of existing Shares to connected persons of the Company shall comply with applicable provisions under Chapter 14A of the Listing Rules;
- (v) the Trust is established to serve the H Share Award Scheme, and pursuant to the relevant provisions of the Trust Deed and at the instruction of the Company, the Trustee shall acquire the Target Shares and shall hold any Awarded Shares acquired in accordance with the terms of the H Share Award Scheme and the provisions of the Trust Deed. For the purposes of the H Share Award Scheme, the Trustee is required to implement the vesting, sale and other matters in respect of the Awarded Shares in accordance with the terms of the Scheme and the provisions of the Trust Deed and at the instructions given by the Board, the Delegatee and/or Grantees (if applicable) through the Company; and
- (vi) without prejudice to the general management power of the Board, the Board may delegate the power to manage the H Share Award Scheme (including the power to grant Awards under the Scheme) to the Delegatee designated by it. The term of office, authority and remuneration (if any) of the Delegatee shall be determined by the Board from time to time at their sole discretion.

For the avoidance of doubt, any decisions made by the Board and/or the Delegatee(s) shall be final and binding on all persons under the H Share Award Scheme.

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The Company will appoint the Trustee(s) and establish the Trust to facilitate the administration of the H Share Award Scheme. Such Trustee(s) will not be a Director and no Director will have any direct or indirect interest in the Trustee(s).

8. Grant of Awarded Shares

Subject to the terms and conditions of the H Share Award Scheme, the Delegatee may at its sole discretion and on such terms and conditions as it may think fit, grant Awarded Shares to any Eligible Participant at the Grant Price and the amount of the relevant Grant Price shall be determined by the Delegatee(s) and set forth in the Award Letter. The Grant Price shall be determined by the Delegatee(s) from time to time based on considerations such as the characteristics and profile of the Eligible Participant. Such room for discretion provides the Delegatee(s) with flexibility while balancing the purpose of the Award, and the Board considers that it is in line with the purpose of the H Share Award Scheme and in the interests of Group and the Shareholders as a whole.

Any grant of Awarded 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. In addition:

- (a) If the grant of any Awarded Shares to any Director (other than an independent non-executive Director) or senior management member of the Company (or any of their respective associates) would result in the total number of Shares (excluding lapsed awards under this Scheme or any other share schemes of the Company) issued and to be issued in respect of all Awarded Shares granted under this Scheme and any other share schemes of the Company to such person in the 12-month period up to and including the proposed grant date exceeding 0.1% (or such higher percentage as may be permitted under the Listing Rules from time to time) of the total issued Shares as at the proposed Grant Date (excluding treasury Shares), such further grant must be approved by the Shareholders in general meeting in advance and must comply with the requirements set out in the Listing Rules; or
- (b) If the grant of any Awarded Shares to an independent non-executive Director or a substantial Shareholder of the Company (or any of their respective associates) would result in the total number of Shares (excluding lapsed awards under this Scheme or any other share schemes of the Company) issued and to be issued in respect of Awarded Shares granted under this Scheme and any other share schemes of the Company to such person in the 12-month period up to and including the proposed grant date exceeding 0.1% (or such higher percentage as may be permitted under the Listing Rules from time to time) of the total issued Shares as at the proposed grant date (excluding treasury Shares), such further grant must be approved by the Shareholders in general meeting in advance and must comply with the requirements set out in the Listing Rules.

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In the circumstances set out above, the Company shall despatch a circular to the Shareholders. The selected Grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour of the resolution(s) at such general meeting.

Any Awarded Shares that lapse or for any other reason may, at the absolute discretion of the Board and/or the Delegatee(s), be re-granted.

After the Delegatee(s) has decided to make a grant of Awarded Shares to any Grantee, the Company shall issue an Award Letter to such Grantee, which shall set out details of the grant, including but not limited to the name of the Grantee, the number of Awarded Shares granted, the vesting criteria and conditions, the vesting date, Grant Price, the conditions for the lapse of Awarded Shares and other terms and conditions to be determined by the Delegatee(s) that are not inconsistent with the H Share Award Scheme. The Grantee shall confirm in writing his/her acceptance of such grant.

Subject to the rules of the Scheme, the Listing Rules, in particular note (2) to Rule 17.03(18) of the Listing Rules, namely being subject to approval by the Board, the Remuneration Committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be) if the initial grant of the Awards was approved in such way, and the applicable laws and regulations, (i) the Delegatee(s) shall have the absolute discretion from time to time to impose any conditions (including, among others, a continued period of service with the Group after the Grant Date) on the vesting of the Awarded Shares by the Grantee as it/he/she considers appropriate, and shall notify the Trustee and the relevant Grantee of the applicable vesting conditions of the Awarded; and (ii) the Delegatee(s) shall have the discretion to waive any vesting conditions set out in the Award Letter. The Delegatee 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 considered fair and reasonable by the Delegatee. The performance targets may include the attainment of financial indicators and business plan milestones by the Group, which may vary among the Grantees. The Delegatee will conduct assessment from time to time by comparing the performance with the preset targets to determine whether such targets and the extents to which have been met. If, after the assessment, the Delegatee determines that any prescribed performance targets have not been met, the unvested Awards shall lapse automatically. Hence, the Board is of the view that this is appropriate and consistent with the purpose of the H Share Award Scheme.

9. Vesting of Awarded Shares

Subject to all applicable laws, rules or regulations, the Delegatee(s) may determine the vesting criteria and conditions and the vesting periods for the Awarded Shares to be granted to each Grantee pursuant to the H Share Award Scheme. Save for any other resolution of the Board, the vesting period in respect of any Awarded Shares granted shall be no less than 12 months from (and including) the Grant Date.

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Awarded Shares may be subject to a shorter vesting period as determined by (i) the Remuneration Committee if such Grantee is a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, or (ii) the Board if such Grantee of the H Share Award Scheme is not a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, provided that such Grantee is an Employee Participant, under any of the following circumstances:

- (a) grants of Awards to a new Employee Participant to replace the share awards that such Employee Participant of the H Share Award Scheme forfeited when leaving his or her previous employer;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control events;
- (c) grants of Awards with performance-based vesting conditions as determined by the Board, in lieu of time-based vesting criteria;
- (d) grants of Awards that are made in batches during a year for administrative and compliance reasons;
- (e) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;
- (f) grants of Awards with a total vesting and holding period of more than 12 months; and
- (g) occurrence of corporate events as set out in paragraphs 9.2 (Change in Control), 9.4 (Voluntary Liquidation) and 9.5 (Compromise or Arrangement) of Appendix I to this circular.

The Board considers that such discretion gives the Company more flexibility to attract talents or reward Eligible Participants with exceptional performance or contribution to the Group with accelerated vesting. Hence, the Board (and the Remuneration Committee in respect of grants of Awarded Shares to the Directors and/or senior management) is of the view that the shorter vesting period is in line with market practice, appropriate and consistent with the purpose of the H Share Award Scheme.

Unless otherwise notified in writing by the Board and/or the Delegatee(s), the vesting of each Grantee shall be subject to the vesting conditions as set out in the Award Letter and the provisions of the H Share Award Scheme.

Vesting of the Awarded Shares are subject to, among other things, the performance targets as described in “10. Performance Target” below and any other conditions as may be specified in the Award Letter. If a selected Grantee fails to meet any vesting condition applicable to the vesting of Awarded Shares, unless such vesting condition is waived by the Board and/or the Delegatee, Awarded Shares that would otherwise be vested during the vesting period shall not be vested and

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cannot be vested in respect of the Grantee and shall be returned to the Trustee for satisfying other Awards under the Scheme. In such case, the Board and/or the Delegatee shall have the authority to give notice to and instruct the Trustee to sell the aforesaid unvested Awarded Shares on the open market at the market price or to grant to other Grantees within a reasonable period of time after the receipt of such notice, which shall be determined by the Board and/or the Delegatee at their sole and absolute discretion.

The Board and/or the Delegatee will, except in any unforeseen circumstances, direct and procure the Trustee to give a Vesting Notice (the “**Vesting Notice**”) to the relevant Grantee within such reasonable period as the Trustee and the Board and/or the Delegatee may agree from time to time before any Vesting Date, and the Vesting Notice shall contain a confirmation of the satisfaction of the vesting conditions by the Grantee and the Vesting Date, a confirmation of the payment method of the Grant Price and a confirmation of the details of the Grantee’s bank account to pay the cash corresponding to the Actual Selling Price (after deducting the Grant Price and the Taxes borne by the Grantee, if applicable) to the Grantee. The Board and/or the Delegatee(s) will notify the Trustee of the Vesting Notice within such reasonable period as the Trustee and the Board and/or the Delegatee(s) may agree from time to time before any Vesting Date.

After the relevant Awarded Shares are duly vested in accordance with the aforementioned procedures, subject to compliance with the relevant laws, regulations, rules and regulatory documents of the places where the Company is established and listed, as well as the articles of association of the Company, the Trustee shall, as requested by the Company and/or the Grantee, sell all or part of the Awarded Shares that have been vested in the Grantee through on-floor trading at the prevailing market price and pay the cash corresponding to the Actual Selling Price (after deducting the taxes borne by the Grantee, if applicable) to the Grantee, and/or transfer all or part of the Awarded Shares that have been vested in the Grantee to the Grantee.

10. Performance targets and Clawback mechanism

Vesting of the Awarded Shares shall be subject to the performance targets, if any, to be satisfied by the Grantees as determined by the Board from time to time. The Board and/or the Delegatee 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 considered fair and reasonable by the Board. The performance targets may be a combination of qualitative and quantitative requirements, which include annual appraisal results of a Grantee (such as skill, expertise, key performance indicator of his/her respective department, and contribution to the Group) and/or the performance of the Group (such as the attainment of financial indicators, advancement of the pipeline candidates, business and market capitalisation milestones). The Board will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether such targets and the extents to which have

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been met. If, after the assessment, the Board determines that any prescribed performance targets have not been met, the unvested Awarded Shares shall lapse automatically. For the avoidance of doubt, any grant of Awards to an independent non-executive Director is not subject to any performance targets.

The Board believes that the above will provide the Board with more flexibility in setting the performance targets under particular circumstances of each grant and facilitate the Board to offer suitable incentives to attract and retain quality personnel that are valuable to the development of the Group. Further, the Board is of the view that the setting of performance targets can provide ample motivations and incentives for the Grantees to improve their performance and contribute to the Group's overall development and business success. Considering the aforesaid, the Board considers that the performance targets are in line with the purpose of the H Share Award Scheme and in the interests of the Group and the Shareholders as a whole.

In circumstances where it, in the absolute opinion of the Board, may be regarded as inequitable for any Awards/Awarded Shares to be vested (as the case may be), including but not limited to (i) where there has been a material misstatement or omission in the financial reports of the Group; (ii) if the relevant Grantee has committed any fraud or serious misconduct; or (iii) any of the circumstances set forth in the Scheme Rules, such Awards/Awarded Shares (as the case may be) shall be subject to Clawback pursuant to the Scheme Rules, as amended from time to time. The Board considers that the Clawback mechanism is in line with the purpose of the H Share Award Scheme and in the interests of the Group and the Shareholders as a whole.

11. Interests in the Awarded Shares

During the Scheme Period, unless and until the Awarded Shares are vested and actually transferred to the Grantees in accordance with the H Share Award Scheme Rules (if applicable), the Grantees shall not deal with the Awarded Shares granted in any way, including but not limited to the sale, transfer, pledge, mortgage, encumber or to create any benefits for others, or to enter into any agreement to do any of the foregoing.

Any substantial or attempted deal with the Awarded Shares shall entitle the Company to cancel any Awarded Shares that have been granted to the Grantee but not yet vested in the Grantee, without any compensation. In this regard, the decision of the Board and/or the Delegatee as to whether the Grantee has breached any of the above provisions shall be final.

During the Scheme Period, each Grantee shall be entitled to the dividends (if any) of the Target Shares based on his/her Awarded Shares, provided that such dividends shall only be paid to the Grantee when vesting.

For the avoidance of doubt, the Grantee shall have no rights (such as voting right, share allotment right and share subscription right) of the Target Shares except the right to dividend until the Awarded Shares are vested and transferred to the Grantee (where applicable).

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The Trustee shall not exercise any voting rights attached to any Target Shares held by the Trustee under the H Share Award Scheme.

12. Restrictions on Grant and Disposal

The Board and/or the Delegatee shall not grant any Awarded Shares during the following periods:

- (i) from the appearance of any inside information, to the publication date of such inside information;
- (ii) from the 60th day immediately prior to the publication of the annual results, to the publication date of such annual results (both days inclusive);
- (iii) from the 30th day immediately prior to the publication of the interim results to the publication date of such interim results (both days inclusive); or
- (iv) other restrictive circumstances as stipulated by the applicable laws and regulations of the places where the Company is registered and listed, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the stock exchange where the Company's securities are listed.

13. Amendment or Termination of the H Share Award Scheme

Amendments to purpose of the H Share Award Scheme, term of the H Share Award Scheme, Eligible Participants and source and maximum number of the Target Shares, as well as amendment of the scheme rules of the H Share Award Scheme are subject to the decision of the general meeting, and amendments to other clauses of the H Share Award Scheme are subject to the decision of the Board. Any such alteration or supplementation shall be notified in writing to the Trustee and the Grantees. When the Board alters the H Share Award Scheme Rules, the independent non-executive Directors shall supervise whether such alteration is conducive to the sustainable development of the Company, and whether such alteration damages the interests of the Company and its Shareholders as a whole.

Any dispute arising from the Scheme shall be determined by the Board, and the decision of the Board shall be final and binding.

In the absence of the circumstances described in the H Share Award Scheme/ Award Letter that would cause the Awarded Shares to lapse, the Board and/or the Delegatee may, with the consent of the relevant Grantee, decide to cancel any unvested Awarded Shares in accordance with the terms and conditions of the Scheme. The Awarded Shares that are cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit of the H Share Award Scheme Rules.

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The H Share Award Scheme shall be terminated on the following dates, whichever is earlier: (i) the 7th anniversary date of the Adoption Date; and (ii) the early termination date of the H Share Award Scheme as determined by a resolution of the Board.

14. Conditions precedent of the H Share Award Scheme

The adoption of the H Share Award Scheme is conditional upon:

- (i) the passing of special resolution(s) by the Shareholders at a general meeting of the Company to (1) approve and adopt the H Share Award Scheme; (2) authorize the Board to grant Awards under the H Share Award Scheme; and (3) authorize the Board to allot and issue Shares in respect of any Awards to be granted pursuant to the H Share Award Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Share on the Stock Exchange which may be issued in respect of all Awards to be granted in accordance with the terms and conditions of the H Share Award Scheme.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of all Awards to be granted under the H Share Award Scheme.

III. PROPOSED AUTHORIZATION TO THE BOARD AND/OR THE DELEGATEE TO HANDLE MATTERS RELATING TO THE H SHARE AWARD SCHEME

In order to ensure the successful implementation of the H Share Award Scheme, the Board proposed that subject to the approval of the H Share Award Scheme by the Shareholders at the EGM, the Shareholders also grant an authorization to the Board and/or the Delegatee(s) to deal with matters in relation to the H Share Award Scheme, including:

- (i) to authorize the Board and/or the Delegatee(s) to enter into the Trust Agreement on behalf of the Company with the Trustee and to affix the Company seal onto such Trust Agreement, pursuant to which the Trustee will provide trust services for the H Share Award Scheme;
- (ii) to authorize the Board and/or the Delegatee(s) to handle all the matters pertaining to the H Share Award Scheme, including:
 - (a) explain the rules of the H Share Award Scheme and the relevant provisions;

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- (b) make or modify the arrangements, guidelines, procedures and/or regulations for the management, interpretation, implementation and operation of the H Share Award Scheme, provided that such arrangements, guidelines, procedures and/or regulations shall not conflict with the rules of the H Share Award Scheme;
- (c) grant Awards to the Eligible Participants selected by it from time to time;
- (d) approve the form and content of the Award Letter;
- (e) determine, review, approve and adjust the Grant Date, the list of Grantees, Awarded Shares to be granted, the Grant Price and the vesting conditions;
- (f) establish, evaluate and set the vesting conditions, and review the satisfaction of the vesting conditions;
- (g) adjust, evaluate and review any change of the vesting conditions, or adjust the Vesting Date of any Awarded Shares in accordance with the terms of the H Share Award Scheme;
- (h) determine, review, approve and adjust the conditions or circumstances for the lapse of Awarded Shares, and adjust, evaluate and review the effectiveness of any Awarded Shares;
- (i) review and approve the resolution for any special circumstance not specified in the H Share Award Scheme;
- (j) decide other matters related to the implementation of the H Share Award Scheme in accordance with the applicable laws and regulations;
- (k) select and appoint banks, accountants, trustees, lawyers, consultants and other professionals (if any) for the purpose of the H Share Award Scheme;
- (l) sign, execute, amend and terminate all documents related to the H Share Award Scheme, conduct all procedures, filings and approvals related to the H Share Award Scheme, and take other steps or actions to give effect to the provisions, intention and implementation of the rules of the H Share Award Scheme;
- (m) make necessary amendments to the Articles of Association in order to reflect the new shareholding structure of the Company after authorizing the Company to issue H Shares pursuant to this resolution;
- (n) consider and approve all matters related to the trust arrangement;

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- (o) amend this H Share Award Scheme within the scope of authorization granted by the shareholders' meeting; and
- (p) manage and conduct other matters necessary for the implementation of the Scheme, except those matters to be decided by the shareholders' meeting.

The aforementioned authorization to the Board and/or the Delegatee(s) shall be valid for the Scheme Period. The proposed adoption of the H Share Award Scheme and the proposed authorization to the Board to handle matters relating to the H Share Award Scheme are subject to the approval of the Shareholders by special resolution(s) at the EGM.

IV. PROPOSED CANCELLATION OF THE SUPERVISORY COMMITTEE AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated November 25, 2025 in relation to the proposed amendments to the Articles of Association (the “**Proposed Amendments**”). A special resolution will be proposed at the EGM to consider and approve the proposed cancellation of the Supervisory Committee and amendments to the Articles of Association.

In order to further enhance the level of corporate governance, in accordance with the latest Company Law of the People's Republic of China (《中華人民共和國公司法》), the Transitional Period Arrangements for the Implementation of the Rules of the Supporting Systems of the New Company Law (《關於新〈公司法〉配套制度規則實施相關過渡期安排》) issued by the China Securities Regulatory Commission and the relevant laws and regulations, as well as the work norms and reform requirements of the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality in relation to the corporate governance of municipal state-owned enterprises, and taking into account the actual situation of the Company and the needs of its business development, and subject to meeting the level of the core protection of the shareholders, as resolved by the Board on November 25, 2025, the Company intends to (a) cancel the establishment of the Supervisory Committee, with the powers and functions of the Supervisory Committee to be performed by the Audit Committee of the Board, and the Rules and Procedures of the Supervisory Committee will be repealed accordingly; and (b) amend the Articles of Association, making consequential improvements in accordance with the foregoing. The Proposed Amendments and the cancellation of the Supervisory Committee are subject to the approval of the extraordinary general meeting of the Company by way of special resolutions. Meanwhile, as the functions and powers of the Supervisory Committee will be performed by the Audit Committee of the Board after the cancellation of the establishment of the Supervisory Committee, upon consideration and approval of the Board, the Company will also make corresponding amendments to the Terms of Reference of the Audit Committee of the Board and publish the full text at the same time.

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The Proposed Amendments have been considered and approved by the Board and will be adopted by way of a special resolution at the EGM. The Board will also propose at the EGM to authorize itself to make corresponding adjustments to the contents of the Proposed Amendments in accordance with the opinions or requirements of regulatory authorities (if any), and to sub-delegate the chairman to handle all matters related to the regulatory approval and filing with the market supervision and administration department for the Proposed Amendments. Upon the cancellation of the Supervisory Committee taking effect, the rules of procedures of the Supervisory Committee and other corporate governance systems related to the Supervisory Committee will be abolished, and the existing members of the Supervisory Committee shall cease to hold any positions as Supervisors.

The Company's Hong Kong legal adviser has confirmed that the Proposed Amendments comply with the applicable requirements of the Listing Rules. The Company's PRC legal adviser has confirmed that the Proposed Amendments comply with the applicable requirements under the laws of the PRC. The Company confirms that there is nothing unusual about the Proposed Amendments for a listed company in Hong Kong. The Board considers that the Proposed Amendments are in the best interests of the Company and the Shareholders as a whole.

Details of the Proposed Amendments are set out in Appendix II to this circular.

V. NOTICE OF EGM

The EGM will be held at 10:00 a.m. on Wednesday, December 17, 2025 at Floor 8, Building 03, 18E, Jialingjiang Street, Nanjing, PRC. The notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular. The above documents and the proxy of form for use at the EGM are published on the website of the HKEX (www.hkexnews.hk) and the website of the Company (www.leadsbiolabs.com).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in, and would be required to abstain from voting in respect of, the special resolutions to be proposed at the EGM.

The register of members of H shares will be closed from Friday, December 12, 2025 to Wednesday, December 17, 2025 (both days inclusive), during which period no transfer of H Shares will be effected. The record date for the purpose of ascertaining the eligibility of the holders of H shares to attend and vote at the EGM is on Wednesday, December 17, 2025. In order to be eligible to attend and vote at the forthcoming EGM, holders of H Shares must lodge all completed transfer documents accompanied by the relevant share certificates with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before 4:30 p.m. on Thursday, December 11, 2025.

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Shareholders who intend to appoint a proxy to attend the EGM are required to complete and return the form of proxy to Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

VI. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, the resolution set out in the notice of the EGM will be taken by poll. The poll results will be announced by the Company after the EGM in the manner prescribed under Rule 13.39(5) of the Hong Kong Listing Rules.

VII. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, 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 misleading.

VIII. DOCUMENT AVAILABLE ON DISPLAY

A copy of the H Share Award Scheme will be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.leadsbiolabs.com) for at least 14 days prior to the date of the EGM and will be available for inspection at the EGM.

IX. RECOMMENDATIONS

The Directors consider that the proposed resolutions set out in the notice of the EGM and the other matters contained in the notice of EGM, are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

By order of the Board
Nanjing Leads Biolabs Co., Ltd.
南京维立志博生物科技股份有限公司
Dr. KANG XIAOQIANG
*Chairman, Executive Director and
Chief Executive Officer*

Naning Leads Biolabs Co., Ltd.

The H Share Award Scheme

CHAPTER I DEFINITIONS

- 1.1 Unless the context otherwise requires, the following terms or abbreviations shall have the following meanings:

Terms	Definition
Accounting and Financial Reporting Council	the Accounting and Financial Reporting Council of Hong Kong
Actual Selling Price	according to the instruction, the cash value to be allocated and payable to the Grantees with respect to the Awarded Shares vested, at which corresponding relevant Target Shares with respect to the Awarded Shares vested are sold by the Trustee pursuant to Clause 7.7 of the Scheme (net of brokerage, the Stock Exchange trading fee, SFC transaction levy, Accounting and Financial Reporting Council transaction levy, stamp duty and any other applicable costs)
Adoption Date	being the date on which the Scheme is approved at the shareholders' meeting
Articles of Association	articles of association of Nanjing Leads Biolabs Co., Ltd. (南京维立志博生物科技股份有限公司) (as amended from time to time)
Award	an award granted by the Board and/or its Delegatee to a Grantee under the Scheme, which may vest in the form of Awarded Shares or the Actual Selling Price of the Awarded Shares in cash in accordance with the terms of the Scheme Rules
Award Letter	a letter from the Company to the Grantees involving matters under Clause 6.3
Awarded Shares	the H Shares granted to a Grantee in an Award
Board	the board of directors of the Company
Business Day	a day on which the Stock Exchange is open for business of dealing in securities

Terms	Definition
Clawback	the Company's priority right, authorization and power to clawback or withhold the Awards (and relevant Awarded Shares) (as the case may be) granted to any Participant in circumstances set out in the H Share Award Scheme Rules, which includes without limitation, (i) requiring the return or repayment of all or any specified portion of any Awards (and relevant Awarded Shares to be issued and allotted to any participant) (as the case may be); and/or (ii) terminating or modifying the participant's right to receive or vest in all or any specified portion of any Awards
Company	Nanjing Leads Biolabs Co., Ltd. (南京维立志博生物科技股份有限公司) a joint stock company incorporated in the PRC with limited liability on August 14, 2024, or, where the context requires (as the case may be), its predecessor, Nanjing Leads Biolabs Co., Ltd. (南京维立志博生物科技股份有限公司), a limited liability company established under the laws of the PRC on November 27, 2012
Chairman	the chairman of the Board of the Company, Dr. Kang Xiaoqiang
Delegatee(s)	the Board committee(s) and/or person(s) delegated by the Board. Unless otherwise determined by the Board, the delegatee shall be the Chairman
Eligible Participant	has the meaning ascribed to it under Clause 4.1
Employee Participants	director(s), and employee(s) (whether full time or part time employees) of the Company and/or of any of its subsidiaries (including persons who are granted Awards under the H Share Award Scheme as an inducement to enter into employment contracts with these companies)
employee(s)	the employee(s) who have entered into formal employment contracts with the relevant members of the Group and whose employer-employee relationship with the Group continues to exist

Terms	Definition
Grantee(s)	Eligible Participants who are eligible under Chapter IV of the Scheme to participate in the Scheme and have been granted Awarded Shares
Grant Date	the date on which the Awarded Shares are granted to a Grantee, being the date of issuance of an Award Letter
Grant Price	the grant price of each Target Share in relation to Awarded Shares to be determined by the Board (or any committee or person duly authorized by the Board) when granting Awarded Shares, which can be nil
Group	the Company and its subsidiaries from time to time, and the expression of “member of the Group” shall be construed accordingly
H Share(s)	the overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange and traded in Hong Kong dollars
Individual Limit	as defined in Clause 5.2(2) under the Scheme
inside information	has the meaning ascribed to it under the SFO
Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
PRC	the People’s Republic of China, for the purpose of the Scheme, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
Related Entity(ies)	the holding company(ies), fellow subsidiary(ies) or associate(s) of the Company
Related Entity Participant(s)	director(s), employee(s) (whether full-time or part-time employees) of the Related Entities
Remuneration Committee	the remuneration of the Board

Terms	Definition
Scheme	the H Share Award Scheme of Nanjing Leads Biolabs Co., Ltd. (南京维立志博生物科技股份有限公司)
Scheme Funds	have the meaning ascribed to it under Clause 5.1(1) of the Scheme
Scheme Mandate Limit	has the meaning ascribed to it under Clause 5.2(2)
Scheme Period	has the meaning ascribed to it under Clause 2.4
Service Provider Participants	individual(s) or entity(ies) (not being an Employee Participant and a Related Entity Participant) that provide services to any member of the Group on a continuing or recurring basis in its ordinary and usual course of business, which are in the interest of the long term growth of the Group. For the avoidance of doubt, Service Provider Participants shall mean consultants engaged to provide advisory, consultancy services or other professional services to any members of the Group (such as scientific and clinical advisors who provide consultancy services to assist the Group in formulating its discovery, clinical development and commercialization strategies), where the continuity and frequency of their services are akin to those of employees, but exclude (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity;
Service Provider Sublimit	has the meaning ascribed to it under Clause 5.2(2)
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Stock Exchange	The Stock Exchange of Hong Kong Limited
subsidiary	has the meaning ascribed to it under the Listing Rules
Target Share(s)	the H Share(s) of the Company involved in the Scheme

Terms	Definition
Tax	has the meaning ascribed to it under Clause 7.9
Trust	the trust constituted under the Trust Deed
Trustee	the trustee to be appointed by the Company for the purpose of the Trust
Trust Deed	the trust deed to be entered into between the Company and the Trustee pursuant to the Scheme (as may be restated, supplemented and amended from time to time)
Trust Property	the sum of the Scheme Funds and the property gains and losses from the Target Shares invested and the management of the Trust
Vesting Date	the date on which Awarded Shares are vested to the relevant Grantees as determined by the Board and/or the Delegatee from time to time in accordance with Clause 6.5, as set out in the relevant Award Letter
Vesting Notice	has the meaning ascribed to it under Clause 7.5
RMB or RMB(0,000)	Renminbi yuan or ten thousand yuan

CHAPTER II PURPOSE, TERMS AND BASIC PRINCIPLES OF THE SCHEME

- 2.1** The Company has formulated the Scheme in accordance with the Company Law of the People's Republic of China, the relevant regulatory rules of the places where the Company is established and listed and other relevant laws, regulations, rules and normative documents, and the Articles of Association.

2.2 Purpose of the Scheme

The purposes of the Scheme are: to promote the achievement of long-term sustainable development and performance goals of the Company; to closely align the interests of the Grantees with those of the Shareholders, investors and the Company, thereby enhancing the cohesion of the Company and facilitating the maximization of the value of the Company; and to improve the Company's incentive mechanism to attract, motivate and retain Directors, senior management and employees who have made outstanding contributions to the sustainable operation, development and long-term growth of the Company.

2.3 Trustee of the Scheme

The Board and/or the Delegatee may appoint one or more trustees. The Company will enter into a trust deed with the Trustee. The Trust is established for the purpose of managing the Scheme pursuant to the Trust Deed, and the Trustee shall purchase or acquire the relevant H Shares as the Target Shares accordingly in accordance with Clause 5.2(1). Subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee shall perform its rights and obligations in accordance with the Scheme and the Trust Deed. If the Trustee is unable to hold the Awarded Shares due to the restrictions imposed by the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, the Trustee, with the consent of the Board and/or the Delegatee, has the right to sell such Shares.

2.4 Term of the Scheme

Subject to Clauses 2.6 and 10.5, the Scheme shall remain in force and effect for a period of seven (7) years from the Adoption Date (i.e. the date on which the adoption of the Scheme is approved by the Shareholders' meeting) (the "**Scheme Period**"), after which no further Awarded Shares shall be granted. If there are any Awarded Shares that are granted but unvested by the end of the Scheme Period, the Scheme and the Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting of any Awarded Shares granted prior to the end of the Scheme Period and the expiry of the Scheme Period shall not affect any subsisting rights already granted to any Grantee thereunder.

2.5 Basic Principles of the Scheme

(a) *Compliance principle*

The Company implements the Scheme in strict compliance with the requirements and procedures of the Company Law of the People's Republic of China, the relevant laws, regulations, rules and regulatory documents of the places where the Company is established and listed, and makes true, accurate, complete and timely information disclosure. No one shall exploit the Scheme to engage in fraudulent security activities such as insider trading and stock market manipulation.

(b) *Voluntary participation principle*

The Company implements the Scheme in accordance with the principles of discretionary decision of the Company and voluntary participation of Eligible Participants. The Company shall not force Eligible Participants to participate in the Scheme by way of apportionment, mandatory distribution, etc.

(c) *Principle of non-committed to return*

The Grantees acknowledge and agree that the disposal of the Awarded Shares vested to the Grantees (if applicable) by the Trustee under the Scheme may be affected by the fluctuation of the market share price, and the Company will not make any commitment on the Actual Selling Price and return.

2.6 Conditions Precedent of the Scheme

The implementation of the Scheme is conditional upon the passing of special resolutions by the Shareholders at a shareholders' meeting of the Company to approve the adoption of the Scheme and to authorize the Board and/or the Delegatee to grant Awards in accordance with the Scheme and authorize the Board to allot and issue Shares in respect of any Awards to be granted pursuant to the Scheme, and the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Share on the Stock Exchange which may be issued in respect of all Awards to be granted in accordance with the terms and conditions of the Scheme.

CHAPTER III ADMINISTRATION OF THE SCHEME

- 3.1 The shareholders' meeting of the Company is the highest authority of the Company and is responsible for considering and approving the adoption of the Scheme, while the Delegatee retains sole discretion over, among other things, the administration of the Scheme. The Board is responsible for formulating and revising the Scheme. Upon the consideration and approval of the Scheme by the Board, the Scheme will be implemented after being approved at the shareholders' meeting. The Delegatee may handle and implement all relevant administration of the Scheme within the authorization of the shareholders' meeting.
- 3.2 The independent non-executive director shall supervise whether the Scheme is conducive to the sustainable development of the Company, whether the Scheme damages the overall interests of the Company and its Shareholders, and whether the implementation of the Scheme complies with the applicable laws, regulations and normative documents and the regulatory rules of the places where the Company is registered and listed.
- 3.3 Any grant of Awards to the directors or senior management of the Group shall obtain the approval of the Remuneration and Appraisal Committee and the Board in advance, and any grant of Awards to the directors or other connected persons of the Company shall comply with all applicable laws, rules and regulations, including the Listing Rules and the codes or securities trading restrictions adopted by the Company. Any grant of existing Shares to connected persons of the Company shall comply with applicable provisions under Chapter 14A of the Listing Rules.
- 3.4 The Trust is established to serve the Scheme, and pursuant to the relevant provisions of the Trust Deed and at the instruction of the Company, the Trustee shall purchase or acquire the relevant Target Shares in accordance with Clause 5.2(1) and shall hold any Awarded Shares acquired in accordance with the terms of the Scheme and the provisions of the Trust Deed. For the purposes of the Scheme, the Trustee is required to implement the vesting, sale and other matters in respect of the Awarded Shares in accordance with the terms of the Scheme and the provisions of the Trust Deed and at the instructions given by the Board, the Delegatee and/or Grantees (if applicable) through the Company.
- 3.5 Without prejudice to the general management powers of the Board, the Board may delegate the power to manage the Scheme (including the power to grant Awards under the Scheme) to the Delegatee designated by it. The term of office, authority and remuneration (if any) of the Delegatee shall be determined by the Board from time to time at their sole discretion.
- 3.6 Subject to the rules of the Scheme, the Listing Rules, in particular note (2) to Rule 17.03(18) of the Listing Rules, namely being subject to approval by the Board, the Remuneration and Appraisal Committee, the independent non-executive Directors and/or the shareholders of the Company (as the case may be) if the initial grant of the Awards was approved in such way, and the applicable laws and regulations, the Delegatee (to the extent authorize by the Board) shall have the right from time to time to:

- (1) explain the rules of the Scheme and the relevant provisions;
- (2) make or modify the arrangements, guidelines, procedures and/or regulations for the management, interpretation, implementation and operation of the Scheme, provided that such arrangements, guidelines, procedures and/or regulations shall not conflict with the rules of the Scheme;
- (3) grant Awards to the Eligible Participants selected by it from time to time;
- (4) approve the form and content of the Award Letter;
- (5) determine, review, approve and adjust the Grant Date, the list of Grantees, Awarded Shares to be granted, the Grant Price and the vesting conditions;
- (6) establish, evaluate and set the vesting conditions, and review the satisfaction of the vesting conditions;
- (7) adjust, evaluate and review any change of the vesting conditions, or adjust the Vesting Date of any Awarded Shares in accordance with the terms of the Scheme;
- (8) determine, review, approve and adjust the conditions or circumstances for the lapse of Awarded Shares, and adjust, evaluate and review the effectiveness of any Awarded Shares;
- (9) review and approve the resolution for any special circumstance not specified in the Scheme;
- (10) decide other matters related to the implementation of the Scheme in accordance with the applicable laws and regulations;
- (11) sign, execute, amend and terminate all documents related to the Scheme, conduct all procedures, filings and approvals related to the Scheme, and take other steps or actions to give effect to the provisions, intention and implementation of the rules of the Scheme;
- (12) consider and approve all matters related to the trust arrangement;
- (13) amend this Scheme within the scope of authorization granted by the shareholders' meeting; and
- (14) manage and conduct other matters necessary for the implementation of the Scheme, except those matters to be decided by the shareholders' meeting.

3.7 For the avoidance of doubt, the decisions of the Board and/or the Delegatee shall be final and binding on all persons under the Scheme.

- 3.8 Without prejudice to the general management powers of the Board and/or the Delegatee, and to the extent not prohibited by the applicable laws and regulations, the Board and/or the Delegatee may from time to time appoint one or more trustees for the grant, management or vesting of any Awarded Shares. For the avoidance of doubt, notwithstanding anything in the Scheme, the Board (or the Delegatee designated by it) shall be the sole person authorized to give any instruction, order or recommendation (directly or through its designated contact person) to the Trustee.
- 3.9 For the purpose of the management of the Scheme, the Company shall comply with all disclosure related requirements, including the Listing Rules and all applicable PRC laws, regulations and rules.

CHAPTER IV GRANTEES

4.1 Eligible Participants

- (1) The eligible participants who are entitled to participate in the Scheme include Employee Participants, Related Entity Participants and Service Provider Participants (the “**Eligible Participants**”).
- (2) In assessing the eligibility of Employee Participants, the Board will consider all relevant factors as appropriate, including, among others:
 - (A) his/her skills, knowledge, experience, expertise and other relevant personal qualities;
 - (B) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
 - (C) his/her contribution expected to be made to the growth of the Group with reference to their historical contribution;
 - (D) his/her length of engagement or employment with the Group; and
 - (E) his/her academic and professional qualifications, and knowledge in the industry.

In assessing the eligibility of Related Entity Participants, the Board will consider all relevant factors as appropriate, including, among others:

- (A) the positive impacts (including support, assistance, guidance, advice, efforts and/or contributions) expected from the Related Entity Participant on the Group’s research and development, innovation pipeline advancement or future commercialization efforts with reference to the historical positive impacts brought by such Related Entity Participant;

- (B) the Related Entity Participant's actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Related Entity Participant has established with the Group via its roles and positions held in the Related Entity;
 - (C) the number, scale and nature of the projects in which the Related Entity Participant is involved that can promote the business, research and development and growth of the Group;
 - (D) whether the Related Entity Participant has referred or introduced the opportunities (such as research collaborations, licensing, strategic alliances, new technology platforms or joint research and development ventures) to the Group which have materialized into further collaboration relationships;
 - (E) whether the Related Entity Participant has assisted the Group in entering into new research areas, accessing new scientific or technological platforms, or enhancing the Group's competitive position in its field of endeavour; and
 - (F) the materiality and nature of the business relations between the Related Entity (in which the Related Entity Participant holds office or position) and the Group, and the contribution made by the Related Entity Participant in such Related Entity through the collaborative relationship that may benefit the core research & development, innovation or future commercialization of the Group.
- (3) In assessing the eligibility of Service Provider Participants, the Board will consider all relevant factors as appropriate, including, among others:
- (A) their actual or expected contribution (including but not limited to of service, support, assistance, guidance, advice and efforts) to the Company's research and development activities and the advancement of its product pipeline;
 - (B) the scope, duration and intensity of the services provided, as well as the prevailing market practice and industry standard;
 - (C) their professional expertise, technical knowledge, scientific background and other relevant qualities that supplement the Group or otherwise significant to the Group's business; and
 - (D) the significance of their engagement to the Group's innovation and growth strategy.

- (4) Any person shall not be deemed as an Eligible Participant if he/she, on the Grant Date:
- (A) has been publicly censured or declared inappropriate by any securities regulatory authority in the past 12 months;
 - (B) has been imposed an administrative punishment by any securities regulatory authority or administrative authority, or prosecuted for criminal liabilities by any judicial authority in the past 12 months due to any serious violation of laws and regulations;
 - (C) is prohibited from participating in the Scheme as stipulated by laws and regulations;
 - (D) has committed any other act that seriously violates the relevant provisions of the Group or causes significant damage to the interests of the Group as determined by the Board; or
 - (E) has any other circumstance as determined by the Board for safeguarding the interests of the Group and ensuring compliance with the applicable laws and regulations relating to the operation of the Scheme.

4.2 Scope of the Grantees of the Scheme

- (1) The scope of the Grantees of the Scheme includes all Eligible Participants receiving and accepting any grant under the Scheme.
- (2) The Board and/or the Delegatee may select any qualified Eligible Participant as a Grantee to participate in the Scheme. Unless so selected, no Eligible Participant shall be entitled to participate in the Scheme.

4.3 If, before or on the Vesting Date, any of the following circumstances occurs and causes the Grantee to cease to be an Eligible Participant, Awarded Shares that have not yet vested will immediately and automatically lapse unless specifically approved by the Board and/or the Delegatee, such shares remain part of the Trust. For the avoidance of doubt, Awarded Shares that have been vested are not affected by this Clause 4.3, subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee will continue to complete the payment to the Grantee in accordance with Clause 7.7:

- (1) circumstances identified by the Board under which the Grantee is not eligible for incentive under the Scheme; or
- (2) other circumstances set forth in the Award Letter by the Board under which Awarded Shares may lapse.

4.4 If, before or on the Vesting Date, any of the following circumstances occurs, Awarded Shares that have not yet vested will immediately and automatically lapse, and Awarded Shares that have been vested but not yet paid to the Grantee by the Trustee in accordance with Clause 7.7 will automatically lapse but remain part of the Trust, including but not limited to:

- (1) the Grantee seriously violates any agreement signed by and between the Group and him/her (including but not limited to any applicable intellectual property ownership agreement, employment contract, non-competition agreement, confidentiality agreement and other similar agreement);
- (2) the Grantee divulges the business secrets of the Group, or takes advantage of his/her position to seek improper benefits for himself/herself or others;
- (3) the Grantee commits any act that has or is likely to have a significant adverse effect on the name, reputation or interests of the Group;
- (4) the Grantee is punished (including administrative detention) or prosecuted for criminal liability by any government authority due to any violation of laws and regulations;
- (5) If any Grantee is found to have committed fraud or acted in bad faith or with continuous or serious misconduct;
- (6) If any Grantee joins a company that the Board reasonably determines to be a competitor of the Group;
- (7) Where the Eligible Participant (being an Employee Participant, a Related Entity Participant or a Service Provider Participant as at the Grant Date) ceases to be such type of Participant, in each case by reason of termination of his/her employment or other contract on any one or more of the grounds that he/she has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has entered into any arrangement or composition with his/her creditors generally, or 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 at common law or pursuant to any applicable laws, rules and regulations or under the Eligible Participant's service contract with the Company or the relevant subsidiary of the Company or the relevant Related Entity (as the case may be), and for the purpose of this sub-paragraph, a resolution of the Board or the board of directors of such Related Entity (or equivalent organ thereof vested with the general power to manage the business and affairs of such Related Entity) to the effect that the employment or other relevant contract of an Eligible Participant has or has not been terminated on one or more of the grounds specified in this sub-paragraph shall be conclusive and binding on all persons who may be affected thereby;

- (8) in respect of the Eligible Participant other than an Employee Participant or Related Entity Participant (whether individual or corporation), where the Board at its sole and absolute discretion determines that such Eligible Participant has breached or otherwise failed to comply with any provisions of the relevant contract entered into between the selected participant and any member of the Group, or that the Eligible Participant has breached its fiduciary duty owed to any member of the Group under the common law, or that the Eligible Participant could no longer make any contribution to the growth and development of any member of the Group by reason of cessation of its relationships with the Group or for any other reasons whatsoever; or
 - (9) other circumstances set forth in the Award Letter by the Board under which Awarded Shares may lapse.
- 4.5 The Grantee agrees, undertakes and warrants that if he/she ceases to be an Eligible Participant after the Vesting Date as a result of any of the circumstances set forth in Clause 4.4, and there are any Awarded Shares that have been vested but not yet paid to the Grantee by the Trustee in accordance with Clause 7.7 at that time, the Grantee will voluntarily abandon such Awarded Shares, which will be deemed as lapsed but remain part of the Trust. In addition, the Grantee agrees, undertakes and warrants that if he/she ceases to be an Eligible Participant after the Vesting Date as a result of any of the circumstances set forth in Clause 4.4, the Board and/or the Delegatee shall have the right to require the Grantee to return all or part of the amount that has been paid to him/her (as determined by the Board and/or the Delegatee).
- 4.6 The Awarded Shares that are lapsed in accordance with the terms of the Scheme shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit of the Scheme.
- 4.7 The Grantee agrees that no claim will be made against the Company, any other member company of the Group, the Board, the Delegatee, the Trust or the Trustee when any of the circumstances set forth in Clauses 4.3, 4.4 and 4.5 occurs.
- 4.8 The Company shall from time to time notify the Trustee in writing of the date and reason of the cessation of the Grantee to be an Eligible Participant, the lapse of any Awarded Shares that have not been vested or have been vested, and any amendment to the vesting terms and conditions of the Grantee (including Awarded Shares granted).
- 4.9 For the avoidance of doubt, for the purpose of sub-paragraphs (7) and (8) of paragraph 4.4,
 - (a) transfer of employment of a Grantee who is an Employee Participant from one member of the Group to another member of the Group or seconded to a Related Entity and transfer of employment of a Grantee who is a Related

Entity Participant from a Related Entity to another Related Entity or seconded to any member of the Group shall not be considered as termination of employment; and

- (b) any Grantee who is an Employee Participant or a Related Entity Participant takes leave of absence with prior approval by the directors of the relevant member of the Group or the Related Entity is not considered cessation of his/her employment.

4.10 For the avoidance of doubt, the Company may exercise the Clawback right in circumstances where it, in the absolute opinion of the Board, may be regarded as inequitable for any Awards/Awarded Shares to be vested (as the case may be), including but not limited to (a) where there has been a material misstatement or omission in the financial reports of the Group; (b) if the relevant Grantee has committed any fraud or serious misconduct; or (c) any of the circumstances set forth in Clause 4.4. For the avoidance of doubt, notwithstanding anything else in the rules of the Scheme, any Awards/Awarded Shares may be subject to Clawback pursuant to the Company's policy on Clawback, as amended from time to time.

CHAPTER V SOURCE OF FUNDS AND SOURCE OF TARGET SHARES

5.1 Source of Funds

- (1) The source of funds for the purchase or acquisition of the Target Shares under the Scheme shall be (i) the funds withdrawn by the Company from its own funds; and/or (ii) the amounts the Grantees are required to pay to the Company (or such other person as the Board and/or the Delegatee may designate) for acquiring the Awarded Shares in accordance with the terms of the Award Letter and/or the Scheme. The Grantees who pay the amounts shall ensure the funds are obtained from legal sources, and shall not engage in arrangements of holding by proxy or trust under which shareholdings are not actually attributable to the Grantees. The Board and/or the Delegatee shall ensure that the Trustee obtains the necessary funds for the establishment of the Trust, the amount of which shall be the sum of the following (the "**Scheme Funds**"):
 - (a) the amount for purchasing or acquiring the Target Shares under the Scheme, or such equivalent amount as the Board and/or the Delegatee may determine at their sole discretion; and
 - (b) expenses related to the purchase of the Target Shares (including brokerage fees, stamp duty, SFC transaction levy, AFRC transaction levy and the Stock Exchange trading fee at that time), and other necessary expenses to complete the purchase of the Target Shares under the Scheme. For the avoidance of ambiguity, the foregoing expenses do not include all Taxes for which the Grantee is liable under Clause 7.9, and neither the Company nor the Trustee shall be liable for any such Taxes described in Clause 7.9.

- (2) The Board and/or the Delegatee may adjust the Scheme Funds from time to time as agreed in the Trust Deed.

5.2 Source and Maximum Number of the Target Shares

- (1) Subject to Clause 5.3, the Target Shares under the Scheme shall be funded by two sources (i) 50% by new H Shares to be issued by the Company to the Eligible Participants; and (ii) 50% by existing Shares to be acquired by the Trustee through on-market and/or off-market transactions on the secondary market at the prevailing market price by utilizing the Scheme Funds in accordance with the instructions of the Company and the relevant provisions of the rules of the Scheme by the Trustee. None of the Target Shares will be satisfied by treasury Shares under the H Share Award Scheme. The maximum number of Target Shares to be granted under the H Share Award Scheme shall not exceed 10% of the total number of Shares in issue (excluding treasury Shares) as at the Adoption Date, which is 19,889,180 H Shares.

The Board and/or the Delegatee may, in accordance with Clause 3.8, give instructions to the Trustee in relation to the purchase or acquisition of the H Shares and specify the terms and conditions, including but not limited to the specified price or price range for the purchase or acquisition, the maximum amount of funds to be used for the purchase or acquisition, the maximum number of the H Shares to be purchased or acquired and/or the specified date or time frame, provided that such purchase or acquisition instructions shall comply with the applicable laws and regulations and the Listing Rules, including but not limited to any restriction on trading in H Shares in the lock-up periods or with inside information, and avoid triggering the relevant provisions of a mandatory tender offer.

- (2) In any case, the total number of new Shares allotted and issued pursuant to the potential grant under the Scheme shall not exceed 5% of the total issued share capital (excluding treasury shares) as at the Adoption Date of the Scheme (the “**Scheme Mandate Limit**”).
- (3) During any 12-month period, the maximum number of Awarded Shares or any Share Awards or share options granted to the selected participants under the Scheme or any other share scheme of the Company shall not exceed 1% of the number of Shares in issue (excluding treasury shares) of the Company from time to time (the “**Individual Limit**”). Without the approval of a resolution by poll at the shareholders’ meeting, the Board and/or the Delegatee shall not grant any additional Awarded Shares which would result in excess of the Scheme Mandate Limit.

- (4) Within the Scheme Mandate Limit, the total number of new Shares which may be issued in respect of all Awards to be granted to Service Provider Participants under the H Share Award Scheme shall not exceed 1% of the total number of Shares in issue as at the Adoption Date (excluding any treasury shares) (the “**Service Provider Sublimit**”), provided that Awards lapsed in accordance with the terms of the H Share Award Scheme will not be regarded as utilised for the purpose of calculating the Service Provider Sublimit. The Service Provider Sublimit is subject to separate approval by the Shareholders at general meeting.

5.3 Refreshment of the Scheme Mandate Limit and Service Provider Sublimit

The Scheme Mandate Limit and the Service Provider Sublimit may respectively be refreshed by Shareholders’ resolution in general meeting after three years from the Adoption Date or the date of Shareholders’ approval for the last refreshment, provided that the total number of new Shares which may be issued in respect of all Awards to be granted under the Scheme and/or the Scheme Mandate Limit as refreshed (i.e. the New Scheme Mandate Limit) must not exceed 5% (and the Service Provider Sublimit as refreshed (i.e. the New Service Provider Sublimit) must not exceed 1%) of the Shares in issue (excluding any treasury Shares) at the date of the Shareholders’ approval of such New Scheme Mandate Limit (and New Service Provider Sublimit). Shares which are subject matter of any Awards previously granted under the Scheme (including those outstanding, vested, cancelled or lapsed in accordance with the terms of Scheme) will not be counted for the purpose of calculating the total number of new Shares subject to the New Scheme Mandate Limit (and New Service Provider Sublimit). The Company must send a circular to its Shareholders containing the number of Awarded Shares that are already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the refreshment.

Further to the requirements set out above, any refreshment to the Scheme Mandate Limit (and the Service Provider Sublimit) within any three-year period must be approved by the Shareholders, subject to the following:

- (1) any controlling Shareholders and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favor of the relevant resolution at the general meeting;
- (2) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 and/or such other applicable provisions of the Listing Rules; and
- (3) the requirements under sub-paragraphs (1) and (2) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the 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

New Scheme Mandate Limit, as the case may be) (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit (or the New Scheme Mandate Limit, as the case may be) immediately before the issue of securities, rounded to the nearest integral whole Share.

If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit (or New Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the New Service Provider Sublimit, as the case may be) has been approved by Shareholders in general meeting, the maximum number of new Shares that may be issued in respect of all Awards to be granted under the Scheme and/or the Scheme Mandate Limit (or New Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the New Service Provider Sublimit, as the case may be) as a percentage of the total number of the issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest integral whole Share.

5.4 Restrictions on the Purchase of the Target Shares

Under any of the following circumstances, the Company shall not instruct the Trustee to purchase or acquire the Target Shares and shall immediately notify the Trustee to cease or suspend the purchase of the Target Shares:

- (1) from the appearance of any inside information, to the publication date of such inside information;
- (2) from the 60th day immediately prior to the publication of the annual results, to the publication date of such annual results (both dates inclusive);
- (3) from the 30th day immediately prior to the publication of the interim results to the publication date of such interim results (both dates inclusive); or
- (4) other restrictive circumstances as stipulated by the applicable laws and regulations of the places where the Company is registered and listed, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the stock exchange where the Company's securities are listed.

- 5.5 The Board and/or the Delegatee may, at any time after instructing the Trustee to purchase or acquire any Target Share, instruct the Trustee in writing to cease or suspend the purchase of the Target Shares until further notice (without giving any reason).

CHAPTER VI GRANT OF AWARDED SHARES

- 6.1 Subject to the terms and conditions of the Scheme, the Delegatee may, at their sole discretion and on such terms and conditions as they may think fit, grant Awarded Shares to any Eligible Participant at the Grant Price, which shall be paid by the

Grantee in accordance with Clause 7.6 upon vesting of Awarded Shares, and the amount of the relevant Grant Price shall be determined by the Delegatee(s) and set forth in the Award Letter.

6.2 Each Share Award granted to any director, chief executive or substantial shareholder (or any of their associates) of the Company shall be subject to the prior approval of the independent non-executive directors of the Company. In addition:

- (a) if the grant of any Share Awards (excluding the grant of share options) to the directors (excluding independent non-executive directors) or chief executive (or any of their associates) of the Company would result in the total number of shares issued or to be issued under all Share Awards involving the issue of new shares (excluding any awards that have lapsed under the terms of this Scheme or any other share schemes of the Company) granted to the relevant individual under this Scheme and any other share schemes of the Company within the 12 months ending and including the Grant Date exceeding 0.1% (or such other higher percentage as may be prescribed by the Stock Exchange from time to time) of the total issued shares (excluding treasury shares) as of the Grant Date, such further grant of Share Awards shall be subject to the prior approval of shareholders at a shareholders' meeting and the requirements as set out in the Listing Rules; or
- (b) if the grant of any Share Awards to an independent non-executive director or the substantial shareholders (or their respective associates) of the Company would result in the total number of shares issued or to be issued under all share options and awards involving the issue of new shares (excluding any share options and awards that have lapsed under the terms of this Scheme or any other share schemes of the Company) granted to the relevant individual under this Scheme and any other share schemes of the Company within the 12 months ending and including the Grant Date exceeding 0.1% (or such other higher percentage as may be prescribed by the Stock Exchange from time to time) of the total issued shares (excluding treasury shares) as of the Grant Date, such further grant of Share Awards shall be subject to the prior approval of shareholders at a shareholders' meeting and the requirements as set out in the Listing Rules.
- (c) under the above circumstances, a circular shall be dispatched to the shareholders. The selected participants, their associates and all core related parties of the Company shall abstain from voting in favour at the shareholders' meeting.

6.3 Awarded Shares that lapse under the provisions of Chapter IV or Clause 7.4 or for any other reason may be re-granted by the Board and/or the Delegatee at their sole discretion.

6.4 The Company shall, after granting Awarded Shares, issue an Award Letter to the Grantee, which shall specify (or contain):

- (a) the name of the Grantee;

- (b) the number of Awarded Shares to be granted;
- (c) the vesting criteria and conditions;
- (d) the Vesting Date;
- (e) the Grant Price;
- (f) the conditions for the lapse of Awarded Shares; and
- (g) such other terms and conditions as the Delegatee shall determine and which are not inconsistent with the Scheme.

6.5 Subject to the rules of the Scheme, the Listing Rules, in particular note (2) to Rule 17.03(18) of the Listing Rules, namely being subject to approval by the Board, the Remuneration Committee, the independent non-executive directors and/or the shareholders of the Company (as the case may be) if the initial grant of the Awards was approved in such way, and the applicable laws and regulations, (i) the Delegatee shall have the right to impose from time to time, at their sole discretion, any condition (including the period for which the Grantee shall continue to work for the Group after grant) on the vesting of Awarded Shares to the Grantee, and shall notify the Trustee and the Grantee of the relevant vesting conditions of Awarded Shares; and (ii) the Delegatee may freely waive any vesting condition set forth in the Award Letter and/or this Clause 6.5. The Delegatee 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 considered fair and reasonable by the Delegatee. The performance targets may be a combination of qualitative and quantitative requirements, which include annual appraisal results of a Grantee (such as skill, expertise, key performance indicator of his/her respective department, and contribution to the Group) and/or the performance of the Group (such as the attainment of financial indicators, advancement of the pipeline candidates, and business and market capitalisation milestones). The Delegatee will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether such targets and the extents to which have been met. If, after the assessment, the Delegatee determines that any prescribed performance targets have not been met, the unvested Awards shall lapse automatically. For the avoidance of doubt, any grant of Awards to an independent non-executive Director is not subject to any performance targets.

6.6 The Grantee may accept the offer to grant Awarded Shares in the manner set forth in the Award Letter and must sign and return by email the Acceptance Form attached to the Award Letter within five (5) business days from the issuance date of the Award Letter. Once accepted, Awarded Shares shall be deemed to have been granted as of the issuance date of the Award Letter. After acceptance, the Grantee will become a participant of the Scheme.

- 6.7 If the Grantee fails to sign and return by email the Acceptance Form attached to the Award Letter before the expiration of the acceptance period set forth in Clause 6.5 above, Awarded Shares granted to the Grantee will immediately lapse and will remain part of the Trust. In such case, the Board and/or the Delegatee shall, as soon as practicable after the expiration of the acceptance period set forth in Clause 6.5 above, notify the Trustee of the lapse of Awarded Shares.
- 6.8 The Board and/or the Delegatee shall inform the Trustee of the matters set forth in Clause 6.3 after the appointment of the Trustee and after any Awarded Shares has been granted to and formally accepted by the Grantee.

6.9 Restrictions on the Grant Date

The Board and/or the Delegatee shall not grant any Awarded Shares during the following periods:

- (1) from the appearance of any inside information, to the publication date of such inside information;
- (2) from the 60th day immediately prior to the publication of the annual results, to the publication date of such annual results (both dates inclusive);
- (3) from the 30th day immediately prior to the publication of the interim results to the publication date of such interim results (both dates inclusive); or
- (4) other restrictive circumstances as stipulated by the applicable laws and regulations of the places where the Company is registered and listed, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the stock exchange where the Company's securities are listed.

6.10 No Awards shall be granted to any Eligible Participant if:

- (1) it has not obtained the necessary approval from any competent regulatory authority (including but not limited to the Stock Exchange);
- (2) securities laws or regulations require the issuance of a prospectus or other offering document in respect of the grant of the Awarded Shares or the Scheme, unless otherwise determined by the Board and/or the Delegatee;
- (3) the grant of the Awarded Shares would cause any member company of the Group or its directors to violate any applicable laws, rules, regulations and normative documents in any jurisdiction and the regulatory rules of the places where the Company is registered and listed;
- (4) the grant of Awards would result in a breach of the Scheme Mandate Limit and/or the Individual Limit, except with the approval of a resolution at the shareholders' meeting in compliance with the Listing Rules requirements;

- (5) the Board and/or the Delegatee are aware of any undisclosed inside information about the Group (as defined in the Securities and Futures Ordinance), or any director reasonably believes that there is any inside information that needs to be disclosed in accordance with the Listing Rules and the inside information provisions of Part XIVA of the Securities and Futures Ordinance (as defined in the Listing Rules), or the directors are prohibited from trading the securities of the Company under any code or requirement of the Listing Rules and all applicable laws, rules or regulations from time to time; or
- (6) after the expiration of the Scheme Period or the early termination of the Scheme pursuant to Clause 10.5.

CHAPTER VII VESTING OF AWARDED SHARES

- 7.1 Subject to all applicable laws, rules and regulations, the Delegatee may from time to time determine the criteria, conditions and period for the vesting of Awarded Shares under the Scheme, during the Scheme Period. Save for any other resolution of the Board, the vesting period in respect of any Awarded Shares shall be no less than twelve(12) months from (and including) the Grant Date.

Awarded Shares may be subject to a shorter vesting period as determined by (i) the Remuneration Committee if such Grantee is a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, or (ii) the Board if such Grantee of the H Share Award Scheme is not a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, under any of the following circumstances:

- (a) grants of Awards to a new Eligible Participant to replace the share awards or share options that such Eligible Participant of the H Share Award Scheme forfeited when leaving his or her previous employer;
- (b) grants to an Eligible Participant whose employment is terminated due to death or disability or occurrence of any out of control events;
- (c) grants of Awards with performance-based vesting conditions as determined by the Delegatee, in lieu of time-based vesting criteria;
- (d) grants of Awards that are made in batches during a year for administrative and compliance reasons;
- (e) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months;
- (f) grants of Awards with a total vesting and holding period of more than 12 months; and

- (g) such other circumstances as the Board and/or the Delegatee shall determine and which are not inconsistent with the Scheme.
- 7.2 Unless otherwise notified in writing by the Board and/or the Delegatee, each vesting shall be conducted in accordance with the specific vesting conditions set forth in the Award Letter and the provisions of the Scheme.
- 7.3 Vesting of Awarded Shares shall be subject to the performance targets, if any, to be satisfied by the Grantees as determined by the Board from time to time. The Board and/or the Delegatee shall have the authority, after the grant of any Awards 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 considered fair and reasonable by the Board. The performance targets may include the attainment of financial indicators, business milestones and market capitalisation milestones by the Group, which may vary among the Grantees. The Board will conduct assessment from time to time by comparing the performance with the pre-set targets to determine whether such targets and the extents to which have been met. If, after the assessment, the Board determines that any prescribed performance targets have not been met, the unvested Awarded Shares shall lapse automatically.
- 7.4 If a selected Grantee fails to meet any vesting condition applicable to the vesting of Awarded Shares, unless such vesting condition is waived by the Board and/or the Delegatee, Awarded Shares that would otherwise be vested during the vesting period shall not be vested and cannot be vested in respect of the Grantee and shall be returned to the Trustee for satisfying other Awards under the Scheme. In such case, the Board and/or the Delegatee shall have the authority to give notice to and instruct the Trustee to sell the aforesaid unvested Awarded Shares on the open market at the market price or to grant to other Grantees within a reasonable period of time after the receipt of such notice, which shall be determined by the Board and/or the Delegatee at their sole and absolute discretion.
- 7.5 The Board and/or the Delegatee will, except in any unforeseen circumstances, direct and procure the Trustee to give a Vesting Notice (the “**Vesting Notice**”) to the relevant Grantee within such reasonable period as the Trustee and the Board and/or the Delegatee may agree from time to time before any Vesting Date, and the Vesting Notice shall contain a confirmation of the satisfaction of the vesting conditions by the Grantee and the Vesting Date, a confirmation of the payment method of the Grant Price and a confirmation of the details of the Grantee’s bank account to pay the cash corresponding to the Actual Selling Price set forth in Clause 7.7 (after deducting the Grant Price and the Taxes borne by the Grantee, if applicable) to the Grantee.
- 7.6 The Grantee (or its legal representative) shall promptly reply in writing to the Board and/or the Delegatee after receiving the Vesting Notice. If the Board and/or the Delegatee did not receive a reply from the Grantee by email or such other means as the Board and/or the Delegatee may from time to time approve, within a reasonable

period of time as determined by the Board and/or the Delegatee from time to time prior to any Vesting Date, Awarded Shares that would otherwise be vested in the Grantee shall lapse and be returned to the Trust account, and the corresponding Target Shares shall remain part of the Trust, unless otherwise agreed in writing by the Board and/or the Delegatee.

The Grantee shall pay the corresponding Grant Price in cash to the Company's designated bank account within a reasonable period of time as determined by the Board and/or the Delegatee from time to time prior to any Vesting Date (if any), and the Trustee shall, after receiving the Company's confirmation that all vesting criteria and conditions set forth in the Award Letter have been satisfied and/or waived and the Grantee's written confirmation of the vesting and the Grant Price, vest Awarded Shares in the Grantee.

- 7.7 For Awarded Shares that are properly vested in a Grantee in accordance with Clauses 7.6, subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee shall, as requested by the Company and/or the Grantee, sell all or part of the Awarded Shares that have been vested in the Grantee through on-floor trading at the prevailing market price and pay the cash corresponding to the Actual Selling Price (after deducting the Taxes borne by the Grantee, if applicable) to the Grantee, and/or transfer all or part of the Awarded Shares that have been vested in the Grantee to the Grantee.
- 7.8 Any expense incurred for the management of the Trust shall be borne by the Trust Property.
- 7.9 The financial, accounting and tax issues in connection with the implementation of the Scheme shall be subject to the applicable laws and regulations and the Company's internal management rules. Each Grantee shall be liable for all other taxes (including individual income tax, salary tax or other levies (the "Tax" or "Taxes")) in relation to his/her participation in the Scheme or in relation to the Target Shares or the equivalent cash of the Target Shares. Neither the Company nor the Trustee is liable for any Tax. The Grantee will indemnify the Trustee and all member companies of the Group for any Tax and hold them harmless from any liability that they may have to pay such Tax, including any withholding liability related to any tax. To give effect to this, notwithstanding any other provision of the rules of the Scheme (subject to the applicable laws), the Group may:
- (1) instruct the Trustee to deduct or withhold the corresponding amount of the Tax involved by the Grantees from the cash corresponding to the Actual Selling Price, after the sale of the Target Shares corresponding to Awarded Shares that have been vested in the Grantee, and transfer the amount to the Company to pay the Tax; or
 - (2) if the amount deducted or withheld is insufficient to cover the amount of the Tax, the Grantee shall transfer the shortfall to the Company, and then the Company shall pay the Tax on behalf of the Grantee.

7.10 If the Actual Selling Price (after deducting the Taxes borne by the Grantee, if applicable) is not paid to the Grantee in time due to any error in the details of the bank account provided by the Grantee or any abnormality of the bank account such as account freezing, without any subjective operation error of the Company or the Trustee, the losses arising therefrom shall be borne by the Grantee.

7.11 The Trustee shall not be obliged to make any payment to the Grantee under Clause 7.7, unless the Grantee convinces the Company that he/she has fulfilled its obligations under the Scheme, and the Company receives the confirmation set forth in Clause 7.6 and the payment of the Grant Price (if any) and notify the Trustee.

7.12 Restrictions on the Sale of the Target Shares

Under any of the following circumstances, the Company and the Grantee restricted by laws and regulations shall not instruct the Trustee to sell the Target Shares:

- (1) from the appearance of any inside information, to the publication date of such inside information;
- (2) from the 60th day immediately prior to the publication of the annual results, to the publication date of such annual results (both dates inclusive);
- (3) from the 30th day immediately prior to the publication of the interim results to the publication date of such interim results (both dates inclusive); or
- (4) other restrictive circumstances as stipulated by the applicable laws and regulations of the places where the Company is registered and listed, and the provisions of China Securities Regulatory Commission, the Securities and Futures Commission of Hong Kong and the stock exchange where the Company's securities are listed.

7.13 The Grantee agrees, undertakes and warrants that if, upon termination of the Scheme in accordance with Clause 10.5, there are any Awarded Shares that have been vested but not yet paid to the Grantee by the Trustee in accordance with Clause 7.7, the Grantee will voluntarily abandon such outstanding Awarded Shares. Such Awarded Shares will be deemed as lapsed, and the corresponding Target Shares will be treated in accordance with paragraph 2(b) of Clause 10.5.

CHAPTER VIII TRANSFER OF AWARDED SHARES AND OTHER RIGHTS

8.1 During the Scheme Period, unless and until the Awarded Shares are vested and transferred to the Grantee in accordance with the terms of the Scheme (where applicable), the Grantees shall not dispose Awarded Shares granted in any way, including but not limited to sale, transfer, pledge, mortgage, charge or creation of any benefit for others, or execution of any agreement to do so.

- 8.2 During the Scheme Period, the Trustee shall not exercise voting rights in respect of any of the Target Shares held by it under the Scheme.
- 8.3 Any substantial or attempted breach of Clause 8.1 shall entitle the Company to cancel any Awarded Shares that have been granted to the Grantee but not yet vested in the Grantee, without any compensation. In this regard, the decision of the Board and/or the Delegatee as to whether the Grantee has breached any of the above provisions shall be final.
- 8.4 During the Scheme Period, each Grantee shall be entitled to the dividends (if any) of the Target Shares based on his/her Awarded Shares, provided that such dividends shall only be paid to the Grantee when vesting.
- 8.5 **For the avoidance of doubt,**
- (1) the Grantee shall have no rights (such as voting right, share allotment right and share subscription right) of the Target Shares except the right to dividend until the Awarded Shares are vested and transferred to the Grantee (where applicable);
 - (2) the Grantee does not have any right to Awarded Shares under the Trust Account and the accounts of other Grantees other than their own;
 - (3) the Grantee shall not give any instruction to the Trustee except the instruction set forth in Clause 7.7 hereof; and
 - (4) the provisions of the Scheme shall apply if the vesting conditions specified in the Vesting Notice are not met in full before or on the Vesting Date or the Grantee ceases to be an Eligible Participant before the relevant Vesting Date, unless otherwise waived by the Board and/or the Delegatee.
- 8.6 The Grantee agrees, undertakes and warrants that he/she will not make any claim against the Company, any other member company of the Group, the Board, the Delegatee, the Trust or the Trustee under any circumstance.
- 8.7 Once the Awarded Shares are vested and transferred to the Grantee (where applicable), they shall rank *pari passu* in all aspects with other fully-paid H Shares in issue.

**CHAPTER IX REORGANISATION OF CAPITAL STRUCTURE,
CHANGE IN CONTROL AND VOLUNTARY LIQUIDATION, ETC.**

9.1 Reorganisation of Capital Structure

In the event of an alteration in the capital structure of the Company whilst any Awarded Shares remains outstanding by way of capitalisation issue, rights issue, subdivision or consolidation of shares, or reduction of the share capital of the Company in accordance with legal requirements in Hong Kong and the PRC and requirements of the Stock Exchange (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party), such corresponding alterations (if any) shall be made to the number or nominal amount of Shares comprised in each Awarded Share to the extent outstanding 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 Grantee, to be in their opinion fair and reasonable, provided always that (i) any such adjustments should give each Grantee the same proportion of the equity capital, rounded to the nearest whole Share, of the Company as that to which that Grantee was previously entitled prior to such adjustments, (ii) any such adjustment shall be made in accordance with the provisions as stipulated under Chapter 17 of the Listing Rules and relevant guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time; and (iii) no adjustments shall be made which will enable a Share to be issued at less than its nominal value. Subject to the above principles and certification procedures, and any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time, the Company shall follow the method of adjustment as set out in Appendix 1 to the Frequently Asked Questions FAQ13 issued by the Stock Exchange which is replicated below:

(1) Capitalization Issue, Bonus Issue, Rights Issue or Open Offer

Adjustments shall follow the following formula:

New Number of Awarded Shares = Existing Number of Awarded Shares × F

New Grant Price = Existing Grant Price × $\frac{1}{F}$

Where:

$$F = \frac{\text{CUM}}{\text{TEEP}}$$

CUM = Closing price as shown in daily quotations sheet of the Stock Exchange on the last trading day before going ex-entitlement to the offer (the cum-rights price)

$$\text{TEEP (Theoretical Ex-Entitlement Price)} = \frac{\text{CUM} + (M \times R)}{1 + M}$$

M = Entitlement per existing Share

R = Subscription price for the capitalization issue, bonus issue, rights issue or open offer (as the case may be)

(2) *Sub-division, Consolidation or Reduction of Share Capital*

Adjustments shall follow the following formula:

New Number of Awarded Shares = Existing Number of Awarded Shares $\times$ F

New Grant Price = Existing Grant Price $\times \frac{1}{F}$

Where F = Sub-division, consolidation or capital reduction factor (as the case may be)

The capacity of the auditors or independent 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 independent financial advisor (as the case may be) shall be borne by the Company.

9.2 Change in Control

Subject to the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs, and notwithstanding any other provision of the Scheme, if there is a change in the control of the Company, whether by offer, merger, arrangement or otherwise, and the Company ceases to exist after the merger with another company or the Company splits, the Board and/or the Delegatee may decide:

- (1) whether the Scheme shall be terminated within five (5) business days after the change in the control of the Company, and that Awarded Shares that have not been vested shall be cancelled, and the corresponding Target Shares will be treated in accordance with paragraph 2(b) of Clause 10.5; or
- (2) that all the Awarded Shares granted to Employee Participants that have not been vested shall be vested immediately on the date on which such change in control becomes or is declared unconditional, and that such date shall be deemed as the Vesting Date. Subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the Trustee shall sell the relevant Target Shares in accordance with Clause 7.7; or
- (3) such other options as the Board and/or the Delegatee may think fit.

For the purposes of this Clause 9.2, "control" shall have the meaning as set out from time to time in the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs.

9.3 Bonus Warrant

Where the Company issues bonus warrant in respect of any H Share held by the Trustee, unless otherwise instructed by the Company, the Trustee shall not exercise any share subscription rights attached to the bonus warrants to subscribe for any new H Share and shall dispose the bonus warrant so acquired, and the net proceeds of disposal of such bonus warrants shall be distributed as dividends in accordance with the Scheme.

9.4 Voluntary Liquidation

If the Company passes an effective resolution on voluntary liquidation (other than reorganisation, merger or scheme arrangement) during the Scheme Period, the Board and/or the Delegatee shall, at their sole discretion, decide:

- (1) subject to the Company Law of the People's Republic of China, the regulatory rules of the places where the Company is registered and listed and other applicable laws, regulations, rules and normative documents, and the Articles of Association of the Company, the adjustment of the Vesting Date of any Awarded Shares granted to Employee Participants that have not been vested, and that whether the Grantee is entitled to obtain the amount corresponding to the Actual Selling Price of the Target Shares (after deducting the Taxes borne by the Grantee, if applicable) corresponding to Awarded Shares that have been vested in him/her from the assets available in liquidation, on the basis of equality with the Shareholders; or
- (2) the termination of the Scheme, and that Awarded Shares that have not been vested shall be cancelled, and the corresponding Target Shares will be treated in accordance with paragraph 2(b) of Clause 10.5; or
- (3) the adoption of such other options as the Board and/or the Delegatee may think fit.

9.5 Compromise or arrangement

If a compromise or arrangement between the Company and its Shareholders or creditors is proposed in connection with a scheme for the reconstruction of the Company or its merger with any other companies and a notice is given by the Company to its Shareholders to convene a shareholders' meeting for the purposes of considering and if thought fit, approving such compromise or arrangement and obtaining the approval of such Shareholders, the Board and/or the Delegatee shall, at their absolute discretion:

- (1) adjust the Vesting Date of any Awarded Shares granted to Employee Participants that have not been vested; or
- (2) terminate the Scheme and unvested Awarded Shares shall be cancelled and such corresponding Target Shares will be dealt with in accordance with paragraph 2(b) of Clause 10.5; or
- (3) adopt such other plans as the Board and/or the Delegatee may think fit.

CHAPTER X ALTERATION, DISPUTE, TERMINATION OF THE SCHEME AND CANCELLATION OF AWARDED SHARES

10.1 Validity Period of the Scheme and Duration of the Trust Scheme

For the validity Period of the Scheme and duration of the Trust Scheme, see Clause 2.4 of the Scheme.

10.2 Amendment of the Scheme

- (1) This Scheme may be altered by resolution of the Board without the approval of the Shareholders, save that any alterations to the terms and conditions of this 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 Grantees must be approved by the shareholders of the Company in general meeting. Any such alteration or supplementation shall be notified in writing to the Trustee and the Grantees.
- (2) When the Board alters the Scheme, the independent non-executive directors shall supervise whether such alteration is conducive to the sustainable development of the Company, and whether such alteration damages the interests of the Company and its Shareholders as a whole.

10.3 Dispute

Any dispute arising out of the Scheme shall be submitted to the Board, and the decision of the Board shall be final and binding.

10.4 Cancellation of Awarded Shares

In the absence of the circumstances described in the Scheme/Award Letter that would cause the Awarded Shares to lapse, the Board and/or the Delegatee may, with the consent of the relevant Grantee, decide to cancel any unvested Awarded Shares in accordance with the terms and conditions of the Scheme. The Awarded Shares that are cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit of the Scheme.

10.5 Termination and Subsequent of the Scheme

- (1) The Scheme shall be terminated on the following dates, whichever is earlier:
 - (a) the seventh (7th) anniversary date from the Adoption Date of the Scheme; and
 - (b) the early termination date of the Scheme as determined by a resolution of the Board.

- (2) Upon termination of the Scheme:
- (a) no more Awarded Shares shall be granted under the Scheme; and
 - (b) the Trustee shall, after receiving the notice of the termination of the Scheme, within such reasonable period as the Trustee and the Company may agree, (i) sell the remaining unvested Target Shares under the Trust (or such longer period as may be otherwise determined by the Company in consultation with the Trustee), and remit all cash and the net proceeds from the sale set forth in paragraph 2(b) of this Clause 10.5, and other funds remaining in the Trust (after making the appropriate deductions for all disposal costs, expenses and other current and future liabilities in accordance with the Trust Deed) to the Company. For the avoidance of doubt, the Trustee shall not transfer any H Share to the Company and the Company shall not otherwise hold any H Share (other than the proceeds from the sale of such H Share pursuant to this Clause 10.5); and (ii) as instructed by the Company and/or Grantee, sell the Target Shares that have been vested in the Grantee and remit the net proceeds from the sale (after deducting the Taxes borne by the Grantee, if applicable) to the Grantee, and/or transfer the Target Shares that have been vested in the Grantee to the Grantee, if the Grantee fails to give an instruction to the Trustee within the reasonable period, the Trustee shall, as instructed by the Board and/or the Delegatee, sell the Target Shares that have been vested in the Grantee and remit the net proceeds from the sale (after deducting the Taxes borne by the Grantee, if applicable) to the Grantee.

10.6 For the avoidance of doubt, a decision of the Board and/or the Delegatee to suspend the grant of the Awarded Shares shall not be construed as terminating the operation of the Scheme.

CHAPTER XI OTHERS

11.1 Miscellaneous Provisions

- (1) The Scheme does not form part of the employment contract between the Company or any of its subsidiaries and any employee, and the rights and obligations or the appointment of the employee under his/her term of office or authority shall not be affected by his/her participation in the Scheme.

- (2) No director or Delegatee shall be personally liable for any contract or other instrument entered into by or on behalf of him/her in respect of the Scheme or for any misjudgement while acting in good faith, and the Company shall indemnify any member of the Board or any Delegatee who manages or interprets the Scheme and hold him/her harmless from any cost or expense (including legal costs) or liability (including payments made with the approval of the Board and/or the Delegatee for the settlement of claims) arising from any act or omission of him/her in connection with the Scheme, except those caused by his/her wilful breach, fraud, dishonesty or illegal act.
- (3) For the notices or other communications between the Company and an Eligible Participant, a notice given by the Company to the Eligible Participant may be sent by email, prepaid mail or personal delivery to the Company's principal place of business at its headquarters in PRC or at such other address as the Eligible Participant may from time to time notify the Company, and a notice given by the Eligible Participant to the Company may be sent by email or personal delivery at the address or email address as notified by the Company from time to time.
- (4) Any notice or other communication sent by mail shall be deemed to have been served 72 hours after posting. Any notice or other communication sent electronically shall be deemed to have been received on the date following its sending.
- (5) The Company, the Board, the Delegatee, the Trust and the Trustee shall not be liable for the failure of any Eligible Participant to obtain any consent or approval required to participate in the Scheme as a Grantee, or for any tax, duty, expense, cost or other liability that the Eligible Participant may incur as a result of his/her participation in the Scheme.
- (6) The provisions of the Scheme shall be deemed to be severable and may be enforced separately. If any provision is unenforceable, it shall be deemed to have been deleted from the Scheme, and such deletion shall not affect the enforceability of the remaining provisions of the Scheme that have not been deleted.
- (7) Except as otherwise specified herein, the Scheme shall not directly or indirectly confer on any person any legal or equitable right (other than the rights constituting and attached to the Awarded Shares) against the Group, nor shall it give rise to any legal or equitable action against the Group. In no event shall any person require the Board, the Delegatee and/or the Company to be liable for any cost, loss, expense and/or damage arising out of or in connection with the Scheme or its management.

- (8) In the event that Awarded Shares lapse in accordance with the rules of the Scheme, no Grantee shall be entitled to any indemnity for any loss that may be suffered by him/her or any right or benefit or any anticipated right or benefit to which he/she may be entitled under the Scheme.
- (9) The operation of the Scheme shall be subject to the restrictions imposed by the Articles of Association of the Company and the applicable laws, rules and regulations.

11.2 Disclosure Rights

By participating in the Scheme, each Grantee agrees that the Company may properly hold, process, store and use his/her personal information and data in PRC, Hong Kong or elsewhere for the purpose of executing, managing or implementing the Scheme, and such consent includes but is not limited to:

- (1) manage and keep a record for the selected Grantee;
- (2) provide the personal data or information to the Group, the Trustee or third-party managers or administrators of the Scheme in Hong Kong or elsewhere;
- (3) if applicable, disclose the personal information or data to any future acquirer or merger partner of the Company; and
- (4) the Grantee may obtain a copy of his/her personal data upon request to the Company if it is necessary to issue an announcement or circular for the grant of the Awarded Shares in accordance with the Listing Rules or other applicable laws, rules or regulations, or disclose the identity of the Grantee, Awarded Shares, the grant, the vesting conditions and all other information required by the Listing Rules or other applicable laws, rules or regulations in the Company's annual report, and the Grantee shall have the right to require the Company to correct if his/her personal data is inaccurate.

11.3 Governing Law

The Scheme shall be governed by and construed in accordance with the PRC laws.

Existing Articles	Amended Articles
Article 10 The Articles of Association of the Company comes into effect from the date of listing and trading of the H shares of the Company on the Hong Kong Stock Exchange upon consideration and approval at the shareholders' meeting of the Company. The original Articles of Association of the Company automatically ceases to be valid from the valid date of the Articles of Association of the Company. These Articles shall become a legally binding document governing the organization and conduct of our Company, and the rights and obligations between our Company and its shareholders and among shareholders since its effective date, and shall constitute a legally binding document governing on our Company, its shareholders, directors, supervisors, and senior management. According to these Articles, any shareholder may bring a lawsuit against another shareholder, and any shareholder may bring a lawsuit against a director, a supervisor, the general manager and other senior management of the Company, any shareholder may bring a lawsuit against our Company, and our Company may bring a lawsuit against any shareholder, director, supervisor, the general manager and other senior management.	Article 10 The Articles of Association of the Company comes into effect upon consideration and approval at the shareholders' meeting of the Company. The original Articles of Association of the Company automatically ceases to be valid from the valid date of the Articles of Association of the Company. These Articles shall become a legally binding document governing the organization and conduct of our Company, and the rights and obligations between our Company and its shareholders and among shareholders since its effective date, and shall constitute a legally binding document governing on our Company, its shareholders, directors, supervisors, and senior management. According to these Articles, any shareholder may bring a lawsuit against another shareholder, and any shareholder may bring a lawsuit against a director, a supervisor, the general manager and other senior management of the Company, any shareholder may bring a lawsuit against our Company, and our Company may bring a lawsuit against any shareholder, director, supervisor, the general manager and other senior management.

Existing Articles	Amended Articles
Article 24 The Company shall not provide grants, loans, guarantees and other financial assistance for others to acquire shares of the Company or the parent company thereof, except for the implementation of an employee stock ownership plan. For the benefits of the Company, the Company may, upon a resolution by the shareholders' meeting or by the board of directors under these Articles or the authorization of the shareholders' meeting, provide financial aids for others to obtain the shares of the Company or the parent company thereof, provided that the total accumulative amount of the financial aids shall not exceed 10% of the total issued registered capital. A resolution by the board of directors shall be adopted by more than two-thirds of all the directors. If any violation of the preceding two paragraphs causes losses to the Company, the directors, supervisors and senior management who bear the liability shall be liable for the damages.	Article 24 The Company shall not provide grants, loans, guarantees and other financial assistance for others to acquire shares of the Company or the parent company thereof, except for the implementation of an employee stock ownership plan. For the benefits of the Company, the Company may, upon a resolution by the shareholders' meeting or by the board of directors under these Articles or the authorization of the shareholders' meeting, provide financial aids for others to obtain the shares of the Company or the parent company thereof, provided that the total accumulative amount of the financial aids shall not exceed 10% of the total issued registered capital. A resolution by the board of directors shall be adopted by more than two-thirds of all the directors. If any violation of the preceding two paragraphs causes losses to the Company, the directors, and senior management who bear the liability shall be liable for the damages.

Existing Articles	Amended Articles
Article 32 Directors, supervisors and the senior management of the Company shall declare to the Company their shareholdings in the Company and any changes of such shareholdings; they shall not transfer more than 25% of all the shares they hold in the Company annually during their term of office as determined at the time of his/her assumption of office; and they shall not transfer the shares they hold in the Company within one year from the date on which the Company's shares are listed and traded. The aforesaid persons are not allowed to transfer their shares of the Company within half a year from the date of their resignation. 	Article 32 Directors and the senior management of the Company shall declare to the Company their shareholdings in the Company and any changes of such shareholdings; they shall not transfer more than 25% of all the shares of the same class they hold in the Company annually during their term of office as determined at the time of his/her assumption of office; and they shall not transfer the shares they hold in the Company within one year from the date on which the Company's shares are listed and traded. The aforesaid persons are not allowed to transfer their shares of the Company within half a year from the date of their resignation.

Existing Articles	Amended Articles
Article 33 Where the Company's directors, supervisors, the senior management or shareholders who hold more than 5% of the Company's shares sell the Company's shares or any other securities that are equity in nature which they hold within six months after the date of purchase or repurchases them within six months after the date of sale, the proceeds received therefrom shall belong to the Company, and the board of directors of the Company is entitled to recover such proceeds, except where a securities company, Hong Kong Securities Clearing Company Limited or HKSCC Nominees Limited holds more than 5% of the shares due to its purchase of any unsubscribed shares in an underwriting transaction, or for other circumstances stipulated by the securities regulatory authorities, stock exchanges and any other relevant regulatory authorities in the place where the Company's shares are listed. The shares or any other securities that are equity in nature referred to in the preceding paragraph held by directors, supervisors, the senior management and natural person shareholders include those held by their spouses, parents and children, as well as those held through other parties' accounts. 	Article 33 Where the Company' s directors, the senior management or shareholders who hold more than 5% of the Company' s shares sell the Company' s shares or any other securities that are equity in nature which they hold within six months after the date of purchase or repurchases them within six months after the date of sale, the proceeds received therefrom shall belong to the Company, and the board of directors of the Company is entitled to recover such proceeds, except where a securities company, Hong Kong Securities Clearing Company Limited or HKSCC Nominees Limited holds more than 5% of the shares due to its purchase of any unsubscribed shares in an underwriting transaction, or for other circumstances stipulated by the securities regulatory authorities, stock exchanges and any other relevant regulatory authorities in the place where the Company's shares are listed. The shares or any other securities that are equity in nature referred to in the preceding paragraph held by directors, the senior management and natural person shareholders include those held by their spouses, parents and children, as well as those held through other parties' accounts.

Existing Articles	Amended Articles
Article 39 If directors and senior management personnel violate the laws, the administrative regulations, or the provisions of these Articles while performing their duties to the Company, causing losses to the Company, shareholders who individually or jointly hold more than 1% of the Company's shares for more than 180 consecutive days have the right to request in writing that the board of supervisors file a lawsuit with the people's court. If the board of supervisors violates the laws, the administrative regulations, or the provisions of the Articles while performing its duties to the Company, causing losses to the Company, the aforementioned shareholders may request in writing that the board of directors file a lawsuit with the people's court. If the board of supervisors or the board of directors refuses to file a lawsuit after receiving a written request from the shareholders specified in the preceding paragraph, or fails to file a lawsuit within 30 days from the date of receiving the request, or if the situation is urgent and the failure to file a lawsuit immediately will cause irreparable damage to the Company's interests, the shareholders specified in the preceding paragraph have the right to directly file a lawsuit in their own name to the people's court for the benefit of the Company. If another person infringes on the legitimate rights and interests of the Company and causes losses to the Company, shareholders specified in the paragraph 1 of this Article may file a lawsuit with the people's court in accordance with the provisions of the preceding two paragraphs.	Article 39 If directors and senior management personnel other than the members of the audit committee violate the laws, the administrative regulations, or the provisions of these Articles while performing their duties to the Company, causing losses to the Company, shareholders who individually or jointly hold more than 1% of the Company's shares for more than 180 consecutive days have the right to request in writing that the audit committee file a lawsuit with the people's court. If the audit committee violates the laws, the administrative regulations, or the provisions of the Articles while performing its duties to the Company, causing losses to the Company, the aforementioned shareholders may request in writing that the board of directors file a lawsuit with the people's court. If the audit committee or the board of directors refuses to file a lawsuit after receiving a written request from the shareholders specified in the preceding paragraph, or fails to file a lawsuit within 30 days from the date of receiving the request, or if the situation is urgent and the failure to file a lawsuit immediately will cause irreparable damage to the Company's interests, the shareholders specified in the preceding paragraph have the right to directly file a lawsuit in their own name to the people's court for the benefit of the Company. If another person infringes on the legitimate rights and interests of the Company and causes losses to the Company, shareholders specified in the paragraph 1 of this Article may file a lawsuit with the people's court in accordance with the provisions of the preceding two paragraphs.

Existing Articles	Amended Articles
If directors, supervisors and senior management of the Company's wholly-owned subsidiaries violate the laws, the administrative regulations, or the provisions of these Articles while performing their duties, causing losses to the Company's wholly-owned subsidiaries, or if another person infringes on the legitimate rights and interests of the Company's wholly owned subsidiaries and causes losses, shareholders who individually or jointly hold more than 1% of the Company's shares for more than 180 consecutive days have the right to demand in writing that the board of supervisors and the board of directors of the wholly-owned subsidiaries file a lawsuit with the people's court or directly file a lawsuit in their own name to the people's court in accordance with the provisions of the preceding three paragraphs.	If directors, supervisors and senior management of the Company's wholly-owned subsidiaries violate the laws, the administrative regulations, or the provisions of these Articles while performing their duties, causing losses to the Company's wholly-owned subsidiaries, or if another person infringes on the legitimate rights and interests of the Company's wholly owned subsidiaries and causes losses, shareholders who individually or jointly hold more than 1% of the Company's shares for more than 180 consecutive days have the right to demand in writing that the board of supervisors and the board of directors of the wholly-owned subsidiaries file a lawsuit with the people's court or directly file a lawsuit in their own name to the people's court in accordance with the provisions of the preceding three paragraphs. Where a wholly-owned subsidiary of the Company does not establish a board of supervisors or appoint supervisors but has established an audit committee, the provisions of the first and second paragraphs of this Article shall apply.
Article 43 The controlling shareholders, actual controllers, directors, supervisors and senior management of the Company shall not take advantage of their connected relationship to damage the interest of the Company. 	Article 43 The controlling shareholders, actual controllers, directors, and senior management of the Company shall not take advantage of their connected relationship to damage the interest of the Company.

Existing Articles	Amended Articles
Article 46 The shareholders' meeting is composed of all shareholders and is the organ of authority of the Company, which exercises the following powers in accordance with the law: (I) to elect or remove the directors and supervisors and to decide on matters relating to the remuneration of directors and supervisors; (II) to examine and approve reports of the board of directors; (III) to examine and approve reports of the board of supervisors; (IV) to examine and approve the Company's proposals for profit distribution plans and loss recovery plans; (V) to decide on any increase or reduction of the Company's registered capital; (VI) to decide on the issue of bonds by the Company; (VII) to decide on the merger, division, dissolution and liquidation of the Company or transformation of the Company; (VIII) to amend these Articles; (IX) to decide on the appointment or dismissal of accounting firms by the Company as well as matters relating to the remuneration of accounting firms; 	Article 46 The shareholders' meeting is composed of all shareholders and is the organ of authority of the Company, which exercises the following powers in accordance with the law: (I) to elect or remove the directors not serving as employee representatives and to decide on matters relating to the remuneration of directors and supervisors; (II) to examine and approve reports of the board of directors; (III) to examine and approve the Company's proposals for profit distribution plans and loss recovery plans; (IV) to decide on any increase or reduction of the Company's registered capital; (V) to decide on the issue of bonds by the Company; (VI) to decide on the merger, division, dissolution and liquidation of the Company or transformation of the Company; (VII) to amend these Articles; (VIII) to decide on the appointment or dismissal of accounting firms undertaking the auditing services for the company by the Company as well as matters relating to the remuneration of accounting firms;

Existing Articles	Amended Articles
Article 49 Under any of the following circumstances, the Company shall convene an extraordinary shareholders' meeting within two months: (V) the board of supervisors makes such proposal; 	Article 49 Under any of the following circumstances, the Company shall convene an extraordinary shareholders' meeting within two months: (V) the audit committee makes such proposal;
Article 51 Shareholders' meetings shall be convened by the board of directors in accordance with laws, and presided over by the chairman of the board of directors. Where the board of directors is incapable of performing or not performing its duties of convening the shareholders' meeting, the board of supervisors shall convene and preside over such meeting in a timely manner. In case the board of supervisors fails to convene and preside over such meeting, shareholders alone or in aggregate holding more than 10% of the Company's shares for more than 90 days consecutively may unilaterally convene and preside over such meeting.	Article 51 Shareholders' meetings shall be convened by the board of directors in accordance with laws, and presided over by the chairman of the board of directors. Where the board of directors is incapable of performing or not performing its duties of convening the shareholders' meeting, the audit committee shall convene and preside over such meeting in a timely manner. In case the audit committee fails to convene and preside over such meeting, shareholders alone or in aggregate holding more than 10% of the Company's shares for more than 90 days consecutively may unilaterally convene and preside over such meeting.

Existing Articles	Amended Articles
Article 53 The board of supervisors shall have the right to propose to the board of directors in writing to convene an extraordinary shareholders' meeting. The board of directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and these Articles, provide written feedback on whether it agrees to convene such extraordinary shareholders' meeting within ten days after receipt of the written proposal. If the board of directors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days after the resolution is made by the board of directors, and any changes to the original proposal set out in the notice are subject to approval of the board of supervisors. Where the board of directors does not agree to convene an extraordinary shareholders' meeting or fails to give feedback within ten days after it receives the written proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the shareholders' meeting, in which case the board of supervisors may unilaterally convene and preside over the meeting.	Article 53 The audit committee shall have the right to propose to the board of directors in writing to convene an extraordinary shareholders' meeting. The board of directors shall, in accordance with laws, administrative regulations, the Hong Kong Listing Rules and these Articles, provide written feedback on whether it agrees to convene such extraordinary shareholders' meeting within ten days after receipt of the written proposal. If the board of directors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days after the resolution is made by the board of directors, and any changes to the original proposal set out in the notice are subject to approval of the audit committee. Where the board of directors does not agree to convene an extraordinary shareholders' meeting or fails to give feedback within ten days after it receives the written proposal, it shall be deemed to be unable to perform or fail to perform the duty of convening the shareholders' meeting, in which case the audit committee may unilaterally convene and preside over the meeting.

Existing Articles	Amended Articles
Article 54 Where the board of directors does not agree to convene an extraordinary shareholders' meeting or fails to give feedback within ten days after it receives the request, the shareholders who separately or jointly hold 10% or more of the shares of the Company shall have the right to propose to the board of supervisors to convene an extraordinary shareholders' meeting, and shall put forward the request to the board of supervisors in writing. The board of supervisors shall, in accordance with laws, administrative regulations and these Articles, make a decision on whether it agrees to convene such extraordinary shareholders' meeting within ten days from the date of receipt of the request, and reply to the shareholders in writing. Where the board of supervisors agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days after it receives the request, and any changes to the original request set out in the notice are subject to approval of relevant shareholders. In case the board of supervisors fails to convene and preside over a shareholders' meeting, shareholders alone or in aggregate holding more than 10% of the Company's shares for more than 90 days consecutively may unilaterally convene and preside over such meeting.	Article 54 Where the board of directors does not agree to convene an extraordinary shareholders' meeting or fails to give feedback within ten days after it receives the request, the shareholders who separately or jointly hold 10% or more of the shares of the Company shall have the right to propose to the audit committee to convene an extraordinary shareholders' meeting, and shall put forward the request to the audit committee in writing. The audit committee shall, in accordance with laws, administrative regulations and these Articles, make a decision on whether it agrees to convene such extraordinary shareholders' meeting within ten days from the date of receipt of the request, and reply to the shareholders in writing. Where the audit committee agrees to convene an extraordinary shareholders' meeting, a notice for convening such meeting shall be given within five days after it receives the request, and any changes to the original request set out in the notice are subject to approval of relevant shareholders. In case the audit committee fails to convene and preside over a shareholders' meeting, shareholders alone or in aggregate holding more than 10% of the Company's shares for more than 90 days consecutively may unilaterally convene and preside over such meeting.
Article 55 Where the board of supervisors or shareholders decide(s) to unilaterally convene an extraordinary shareholders' meeting, it/they shall give a written notice to the board of directors. 	Article 55 Where the audit committee or shareholders decide(s) to unilaterally convene an extraordinary shareholders' meeting, it/they shall give a written notice to the board of directors.

Existing Articles	Amended Articles
Article 56 For shareholders' meetings unilaterally convened by the board of supervisors or the shareholders, the board of directors and the board secretary shall coordinate accordingly. The board of directors shall provide the register of shareholders as at the record date. The register of shareholders so obtained by the convener shall not be used for other purposes other than convening the shareholders' meeting.	Article 56 For shareholders' meetings unilaterally convened by the audit committee or the shareholders, the board of directors and the board secretary shall coordinate accordingly. The board of directors shall provide the register of shareholders as at the record date. The register of shareholders so obtained by the convener shall not be used for other purposes other than convening the shareholders' meeting.
Article 57 All necessary expenses incurred by the board of supervisors or the shareholders to convene a shareholders' meeting on a unilateral basis shall be borne by the Company.	Article 57 All necessary expenses incurred by the audit committee or the shareholders to convene a shareholders' meeting on a unilateral basis shall be borne by the Company.
Article 59 Where the Company convenes a shareholders' meeting, the board of directors, the board of supervisors, and shareholders severally or jointly holding more than 1% of shares of the Company shall have the right to put forward proposals to the Company. 	Article 59 Where the Company convenes a shareholders' meeting, the board of directors, the audit committee, and shareholders severally or jointly holding more than 1% of shares of the Company shall have the right to put forward proposals to the Company.

Existing Articles	Amended Articles
Article 62 If the election of directors and supervisors is intended to be discussed at the shareholders' meeting, the notice of the shareholders' meeting shall fully disclose the details of the candidates for directors and supervisors, including at least the following contents: (I) personal particulars such as educational background, work experience and part-time jobs; (II) any connected relationship with the Company or the controlling shareholders and actual controllers of the Company; (III) disclosure of the shareholding in the Company; (IV) whether he/she has been subject to penalties by the CSRC and other relevant departments and punishment by the stock exchange; (V) information on the newly appointed, re-elected or reassigned directors or supervisors that shall be disclosed in accordance with the securities regulatory rules of the place where the shares of the Company are listed. In addition to the cumulative voting system for the election of directors and supervisors, the nomination of each candidate of directors and supervisors shall be submitted in the form of single proposal.	Article 62 If the election of directors is intended to be discussed at the shareholders' meeting, the notice of the shareholders' meeting shall fully disclose the details of the candidates for directors, including at least the following contents: (I) personal particulars such as educational background, work experience and part-time jobs; (II) any connected relationship with the Company or the controlling shareholders and actual controllers of the Company; (III) disclosure of the shareholding in the Company; (IV) whether he/she has been subject to penalties by the CSRC and other relevant departments and punishment by the stock exchange; (V) information on the newly appointed, re-elected or reassigned directors that shall be disclosed in accordance with the securities regulatory rules of the place where the shares of the Company are listed. In addition to the cumulative voting system for the election of directors, the nomination of each candidate of directors and supervisors shall be submitted in the form of single proposal.

Existing Articles	Amended Articles
Article 73 When a shareholders' meeting is convened, all directors, supervisors and the secretary of the board of directors of the Company shall attend the meeting, and the general manager and other senior management shall attend the meeting. Subject to the securities regulatory rules of the place where the shares of the Company are listed, the aforesaid persons may attend the meeting through the Internet, video, telephone or other means with the same effect, except for those who are unable to attend the meeting for special reasons.	Article 73 When a shareholders' meeting is convened, all directors and the secretary of the board of directors of the Company shall attend the meeting, and the general manager and other senior management shall attend the meeting. Subject to the securities regulatory rules of the place where the shares of the Company are listed, the aforesaid persons may attend the meeting through the Internet, video, telephone or other means with the same effect, except for those who are unable to attend the meeting for special reasons.
Article 74 A shareholders' meeting convened by the board of supervisors itself shall be presided over by the chairman of the board of supervisors. In the event that the chairman of the board of supervisors is incapable of performing or not performing his duties, the meeting shall be presided over by a supervisor jointly elected by more than half of the supervisors. 	Article 74 A shareholders' meeting convened by the audit committee itself shall be presided over by the chairman of the audit committee. In the event that the chairman of the audit committee is incapable of performing or not performing his duties, the meeting shall be presided over by a member of the audit committee jointly elected by more than half of the members of the audit committee.
Article 76 At the annual shareholders' meeting, the board of directors and the board of supervisors shall report at the shareholders' meeting on their work in the past year.	Article 76 At the annual shareholders' meeting, the board of directors and the audit committee shall report at the shareholders' meeting on their work in the past year.
Article 77 The directors, supervisors and senior management shall make explanations and advice on the inquiries and suggestions from the shareholders at the shareholders' meeting.	Article 77 The directors and senior management shall make explanations and advice on the inquiries and suggestions from the shareholders at the shareholders' meeting.

Existing Articles	Amended Articles
Article 79 Minutes of the meeting shall be kept for the shareholders' meeting by the secretary of the board of directors. The minutes of the meeting record the following contents: (II) the name of the chairman of the meeting and the name of the directors, supervisors, general manager and other senior management attending the meeting; 	Article 79 Minutes of the meeting shall be kept for the shareholders' meeting by the secretary of the board of directors. The minutes of the meeting record the following contents: (II) the name of the chairman of the meeting and the name of the directors, general manager and other senior management attending the meeting;
Article 80 The convener shall ensure that the contents of the minutes of the meeting are true, accurate and complete. The directors, supervisors, the secretary of the board of directors, the convener or his/her representative and the chairman of the meeting who attend the meeting shall sign the minutes of the meeting and ensure that the contents of the minutes of the meeting are true, accurate and complete. The minutes of the meeting shall be kept together with the attendance register of the attending shareholders, the power of attorney of the attending proxies, and the valid information on voting through the Internet (if applicable) and other means for a retention period of not less than ten years.	Article 80 The convener shall ensure that the contents of the minutes of the meeting are true, accurate and complete. The directors, the secretary of the board of directors, the convener or his/her representative and the chairman of the meeting who attend the meeting shall sign the minutes of the meeting and ensure that the contents of the minutes of the meeting are true, accurate and complete. The minutes of the meeting shall be kept together with the attendance register of the attending shareholders, the power of attorney of the attending proxies, and the valid information on voting through the Internet (if applicable) and other means for a retention period of not less than ten years.
Article 83 The following matters shall be passed by an ordinary resolution of the shareholders' meeting: (I) work reports of the board of directors and the board of supervisors; 	Article 83 The following matters shall be passed by an ordinary resolution of the shareholders' meeting: (I) work reports of the board of directors;

Existing Articles	Amended Articles
Article 89 The list of candidates for directors and supervisors is required to be submitted by way of proposal to the shareholders' meeting for voting. The nomination of directors and supervisors of the Company is required to be made in accordance with the following methods and procedures: (II) Re-election at expiration of the terms of office for the board of supervisors or addition of supervisors (not being employee representatives) to the existing board of supervisors: a list of candidates for supervisors (not being employee representatives) may be proposed by the chairman of the existing board of supervisors based on the number of supervisors to be elected, which is subject to the number specified by these Articles, and after the resolution is passed by the existing board of supervisors, the board of supervisors shall submit the proposal to the shareholders' meeting for voting; shareholders severally or jointly holding more than 1% of shares of the Company may propose the candidates for supervisors (not being employee representatives) to the existing board of supervisors for qualification review by the board of supervisors, and may submit the proposal to the shareholders' meeting for voting after it is approved. (IV) The supervisors (being employee representatives) of the board of supervisors shall be elected at the employee representatives' meeting or otherwise democratically.	Article 89 The list of candidates for directors is required to be submitted by way of proposal to the shareholders' meeting for voting. The nomination of directors of the Company is required to be made in accordance with the following methods and procedures: (IV) The directors (being employee representatives) of the board of directors shall be elected at the employee representatives' meeting or otherwise democratically.

Existing Articles	Amended Articles
The nominator shall, before nominating candidates for directors or supervisors, shall obtain written undertakings from such candidates to confirm their acceptance of the nomination, and undertake to publicly disclose true and complete particulars of such candidates for directors or supervisors, and assure their proper performance of their duties after they are elected as directors or supervisors. Pursuant to the provisions of these Articles or a resolution of the shareholders' meeting, the accumulative voting system may be adopted for the voting in respect of the election of directors and supervisors at the shareholders' meeting. Pursuant to the provisions of these Articles or a resolution of the shareholders' meeting, the accumulative voting system may be adopted for the voting in respect of the election of directors and supervisors at the shareholders' meeting.	The nominator shall, before nominating candidates for directors, shall obtain written undertakings from such candidates to confirm their acceptance of the nomination, and undertake to publicly disclose true and complete particulars of such candidates for directors, and assure their proper performance of their duties after they are elected as directors. Pursuant to the provisions of these Articles or a resolution of the shareholders' meeting, the accumulative voting system may be adopted for the voting in respect of the election of directors at the shareholders' meeting. Pursuant to the provisions of these Articles or a resolution of the shareholders' meeting, the accumulative voting system may be adopted for the voting in respect of the election of directors at the shareholders' meeting.
Article 90 Where there are separate provisions in the Hong Kong Listing Rules on methods and procedures for the nomination of directors and supervisors of the Company, those provisions prevail. Except for the accumulative voting system, all proposals shall be voted on one by one at the shareholders' meeting; in the event of different proposals for the same issue, such proposals shall be voted on in the order of time at which they are submitted. Unless the shareholders' meeting is adjourned or no resolution can be passed for special reasons such as force majeure, voting of such proposals will neither be shelved nor refused at the shareholders' meeting.	Article 90 Where there are separate provisions in the Hong Kong Listing Rules on methods and procedures for the nomination of directors of the Company, those provisions prevail. Except for the accumulative voting system, all proposals shall be voted on one by one at the shareholders' meeting; in the event of different proposals for the same issue, such proposals shall be voted on in the order of time at which they are submitted. Unless the shareholders' meeting is adjourned or no resolution can be passed for special reasons such as force majeure, voting of such proposals will neither be shelved nor refused at the shareholders' meeting.

Existing Articles	Amended Articles
Article 94 When proposals are voted on at the shareholders' meeting, the solicitor (if any), the shareholders' representatives, the supervisors' representative and other relevant persons appointed in accordance with the Hong Kong Listing Rules shall be jointly responsible for the counting and scrutinizing of the votes under the Hong Kong Listing Rules and shall announce the voting results on the spot, voting results of which shall be recorded in the meeting minutes. 	Article 94 When proposals are voted on at the shareholders' meeting, the solicitor (if any), the shareholders' representatives and other relevant persons appointed in accordance with the Hong Kong Listing Rules shall be jointly responsible for the counting and scrutinizing of the votes under the Hong Kong Listing Rules and shall announce the voting results on the spot, voting results of which shall be recorded in the meeting minutes.
Article 100 In the event that a proposal on the election of directors and supervisors is passed at the shareholders' meeting, the time for taking office of such new directors and supervisors shall be the time specified in the resolution of the shareholders' meeting. If the resolution of the shareholders' meeting fails to specify the time of taking office, it shall be the time when the resolution is made at the shareholders' meeting.	Article 100 In the event that a proposal on the election of directors is passed at the shareholders' meeting, the time for taking office of such new directors shall be the time specified in the resolution of the shareholders' meeting. If the resolution of the shareholders' meeting fails to specify the time of taking office, it shall be the time when the resolution is made at the shareholders' meeting.
Article 105 The directors shall comply with the laws, the administrative regulations and these Articles, with reasonable care that managers is ordinarily required to exercise for the best interests of the Company, and fulfil duties of diligence to the Company as follows: (V) they shall truthfully provide relevant information and materials to the board of supervisors and shall not obstruct the board of supervisors or any supervisor from performing their duties; 	Article 105 The directors shall comply with the laws, the administrative regulations and these Articles, with reasonable care that managers is ordinarily required to exercise for the best interests of the Company, and fulfil duties of diligence to the Company as follows: (V) they shall truthfully provide relevant information and materials to the audit committee and shall not obstruct the audit committee or any member of the audit committee from performing their duties;

Existing Articles	Amended Articles
Article 120 The board of directors shall discuss matters by holding a board meeting. Board meetings shall be classified as regular meetings and interim meetings. Regular board meetings shall be held at least four times a year (about once every quarter) and shall be convened by the chairman of the board of directors by giving a written notice (including by hand, fax and mail) to all directors and supervisors 14 days prior to the meeting.	Article 120 The board of directors shall discuss matters by holding a board meeting. Board meetings shall be classified as regular meetings and interim meetings. Regular board meetings shall be held at least four times a year (about once every quarter) and shall be convened by the chairman of the board of directors by giving a written notice (including by hand, fax and mail) to all directors 14 days prior to the meeting.
Article 121 Interim board meetings may be proposed to be convened by shareholders representing more than 10% of voting rights, more than one-third of the directors, more than one half of the independent non-executive directors or the board of supervisors. The chairman may also convene an interim board meeting if he/she deems it necessary. The chairman shall convene and preside over such meeting within 10 days after receiving such proposal.	Article 121 Interim board meetings may be proposed to be convened by shareholders representing more than 10% of voting rights, more than one-third of the directors, more than one half of the independent non-executive directors or the audit committee. The chairman may also convene an interim board meeting if he/she deems it necessary. The chairman shall convene and preside over such meeting within 10 days after receiving such proposal.
Article 122 The board of directors may convene an interim board meeting by giving a telephone call or a written notice (including by hand, fax and mail). The notice of the meeting shall be delivered to all directors and supervisors 3 days prior to the interim board meeting. The notice period for convening board meetings may be shortened or waived upon unanimous consent of all the directors of the Company.	Article 122 The board of directors may convene an interim board meeting by giving a telephone call or a written notice (including by hand, fax and mail). The notice of the meeting shall be delivered to all directors 3 days prior to the interim board meeting. The notice period for convening board meetings may be shortened or waived upon unanimous consent of all the directors of the Company.
Article 130 The board of directors shall formulate the rules of procedures for the audit committee, nomination committee, and remuneration and appraisal committee, setting out the details of the meeting methods and voting procedures. The remuneration appraisal mechanism for directors, supervisors and senior management shall comply with the provisions of the Company's relevant rules and internal systems.	Article 130 The board of directors shall formulate the rules of procedures for the audit committee, nomination committee, and remuneration and appraisal committee, setting out the details of the meeting methods and voting procedures. The remuneration appraisal mechanism for directors and senior management shall comply with the provisions of the Company's relevant rules and internal systems.

Existing Articles	Amended Articles
Article 137 The working rules for the general manager include the following: (III) the use of funds and assets of the Company, limits of authority to enter into material contracts and the reporting system to the board of directors and the board of supervisors; (IV) other matters that the board of directors deems necessary.	Article 137 The working rules for the general manager include the following: (III) the use of funds and assets of the Company, limits of authority to enter into material contracts and the reporting system to the board of directors; (IV) other matters that the board of directors deems necessary.
Article 140 The primary duties of the secretary of the board of directors include the following: (IV) be responsible for keeping the Company's register of members, register of directors, particulars of shareholding in the Company held by controlling shareholders and directors, supervisors and senior management, as well as the meeting documents and minutes of shareholders' meetings and board meetings; (V) procure the board of directors to exercise its function and powers in compliance with laws; remind the attending directors and draw attention to the supervisors presented to express their opinions when the proposed resolutions of the board of directors may violate laws, administrative regulations, department rules and the Articles of Association; if the board of directors insist to make the above resolutions, the secretary of the board of directors shall record in the minutes the opinions of relevant supervisors and his/her personal comments; 	Article 140 The primary duties of the secretary of the board of directors include the following: (IV) be responsible for keeping the Company's register of members, register of directors, particulars of shareholding in the Company held by controlling shareholders and directors, supervisors and senior management, as well as the meeting documents and minutes of shareholders' meetings and board meetings; (V) procure the board of directors to exercise its function and powers in compliance with laws; remind the attending directors to express their opinions when the proposed resolutions of the board of directors may violate laws, administrative regulations, department rules and the Articles of Association; if the board of directors insist to make the above resolutions, the secretary of the board of directors shall record in the minutes the opinions of his/her personal comments;

Existing Articles	Amended Articles
CHAPTER 7 BOARD OF SUPERVISORS Section 1 Supervisors Article 143 The circumstances under which a person may not serve as a director under Article 101 shall also apply to a supervisor. Directors, general manager and other senior management may not act concurrently as supervisors. Article 144 Supervisors shall abide by the laws, administrative regulations and these Articles, and be bounded by the duty of royalty and duty of diligence to the Company, and shall not take bribes or other illegal income by exploiting their positions and powers, and shall not misappropriate the Company's properties. Article 145 The supervisors serve three-year terms. The supervisors may, after the expiration of the term of office, be re-elected and re-appointed. Article 146 If the term of office of a supervisor expires without timely re-election, or if the number of members of the board of supervisors is less than quorum due to the resignation of a supervisor during his/her term of office, the original supervisor shall perform his/her duties as a supervisor in accordance with laws, administrative regulations and the requirements of these Articles before the re-elected supervisor takes office. Article 147 The supervisors shall ensure that the information disclosed by the Company is true, accurate and complete, and shall sign a written confirmation opinion on the regular report.	Delete

Existing Articles	Amended Articles
Article 148 The supervisors may attend the meetings of the board of directors, query or provide suggestions on the resolution matters of the board meeting. Article 149 The supervisors shall not damage the interests of the Company by taking advantage of their connected relationship, and shall be liable for compensation if any loss is caused to the Company. Article 150 A supervisor who contravenes the laws, administrative regulations, departmental rules or the requirements of these Articles in the performance of the duties of the Company and cause any loss to the Company shall be liable for compensation. Section 2 Board of Supervisors Article 151 The Company sets up a board of supervisors. The board of supervisors is composed of 3 supervisors and 1 chairman. The chairman of the board of supervisors shall be elected by more than half of all supervisors. The chairman of the board of supervisors convenes and presides over the meeting of the board of supervisors; if the chairman of the board of supervisors is incapable of performing or fails to perform his duties, a supervisor jointly elected by more than half of the supervisors shall convene and preside over the meeting of the board of supervisors. The board of supervisors shall include representatives of the shareholders and an appropriate proportion of representatives of the employees of the Company, in which the proportion of representatives of the employees shall be not less than one-third. Representatives of the employees in the board of supervisors shall be democratically elected by the employees of the Company through the employees' representative assembly, employees' general meeting or otherwise.	Delete

Existing Articles	Amended Articles
Article 152 The board of supervisors exercises the following powers: (I) to review the Company's securities issuance documents prepared by the board of directors and regular reports and put forward written review opinions, and the supervisors shall sign written confirmation opinions; (II) to examine the financial affairs of the Company; (III) to supervise the directors and senior management in their performance of their duties of the Company and to propose suggestions on the removal of directors and senior management who have violated the laws, administrative regulations, these Articles or the resolutions of the shareholders' meeting; (IV) when the acts of directors and senior management are harmful to the Company's interests, to require correction of those acts; (V) to propose the convening of extraordinary shareholders' meetings and to convene and preside over shareholders' meetings when the board of directors fails to perform the duty of convening and presiding over shareholders' meeting under the Company Law and the requirements of these Articles; (VI) to submit proposals to the shareholders' meetings; (VII) to initiate proceedings against directors and senior management in accordance with Section 189 of the Company Law;	Delete

Existing Articles	Amended Articles
(VIII) to conduct investigation if any abnormality in the operation of the Company is found, and, where necessary, engage an accounting firm, law firm or any other specialized agency to assist in its work at the expense of the Company; (IX) other powers as conferred by the laws, administrative regulations, departmental rules or these Articles. The board of supervisors may require the directors and senior management to submit reports on the performance of their duties. Directors and senior management shall truthfully provide relevant information and materials to the board of supervisors, and shall not hinder the board of supervisors or supervisors from exercising their powers. The necessary expenses incurred by the board of supervisors to exercise its powers shall be borne by the Company. Article 153 The board of supervisors shall hold a meeting at least once every six months, and shall deliver a notice of the meeting to all supervisors in writing 10 days prior to the meeting. Supervisors may propose the convening of extraordinary meetings of the board of supervisors. The notice of convening an extraordinary meeting of the board of supervisors shall be delivered to all supervisors in writing 5 days prior to the meeting.	Delete

Existing Articles	Amended Articles
The notice period for convening the above meetings and extraordinary meetings of the board of supervisors can be shortened or waived with the unanimous consent from all supervisors of the Company. If it is required to convene an extraordinary meeting of the board of supervisors as soon as possible in case of an emergency, the notice of the extraordinary meeting can be given at any time by telephone or other verbal means, and the delivery of the notice regarding the forthcoming meeting shall not be subject to the time limit specified in the preceding paragraph, provided that the convener shall make an explanation thereon at that meeting. A resolution of the board of supervisors shall be passed by more than half of all the supervisors. Voting at meetings of the board of supervisors shall be on a one-person-one-vote basis. Article 154 The board of supervisors formulates the rules of procedure of the board of supervisors, specifying the meeting methods and voting procedure thereof, to ensure the work efficiency and scientific decision-making of the board of supervisors. The convening and voting procedures of the meeting of the board of supervisors shall be specified in the rules of procedure of the board of supervisors. The rules of procedure of the board of supervisors shall be formulated by the board of supervisors and approved by the shareholders' meeting as an appendix to these Articles. Article 155 Meeting minutes shall be prepared in respect of decisions on matters discussed at the meeting. Supervisors attending the meeting shall sign to endorse such minutes.	Delete

Existing Articles	Amended Articles
A supervisor is entitled to request that an explanatory note should be made in the meeting minutes with regard to his/her speech at the meeting. The minutes of meetings of the board of supervisors shall be kept as archives of the Company for at least 10 years. Article 156 The notice of a meeting of the board of supervisors shall include the following: (I) date, venue, duration, manner of the meeting and the date of notice; (II) subject matter and topic; (III) the convener and chairperson of the meeting, the proposer of the extraordinary meeting and his/her written proposal; (IV) meeting materials necessary for the supervisors to vote; (V) contact person and contact information. The verbal notice of the meeting shall at least include the contents set forth in items (I) and (II) above and an explanation that an extraordinary meeting of the board of supervisors is necessary to be convened as soon as possible in case of an emergency.	Delete

Existing Articles	Amended Articles
Article 160 Where the Company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company; where losses are caused to the Company, the shareholders and the responsible directors, supervisors and senior management shall be liable for compensation. Before the profit distribution plan is submitted to the board of directors for discussion, it shall be approved by more than half of all independent non-executive directors and a written review opinion shall be formed thereon; when the board of directors considers the profit distribution plan, it shall be approved by more than half of all directors and a written resolution shall be formed thereon; the profit distribution plan shall be approved by more than half of all supervisors and a written resolution shall be formed thereon. The profit distribution plan shall be submitted by the board of directors to the shareholders' meeting for consideration after being reviewed and approved by the board of directors and the board of supervisors, and shall be approved by more than half of the voting rights held by the shareholders (including proxies of the shareholders) attending the shareholders' meeting. 	Article 146 Where the Company distributes profits to shareholders in violation of the provisions of the Company Law, the shareholders shall return the profits distributed in violation of the provisions to the Company; where losses are caused to the Company, the shareholders and the responsible directors and senior management shall be liable for compensation. Before the profit distribution plan is submitted to the board of directors for discussion, it shall be approved by more than half of all independent non-executive directors and a written review opinion shall be formed thereon; when the board of directors considers the profit distribution plan, it shall be approved by more than half of all directors and a written resolution shall be formed thereon. The profit distribution plan shall be submitted by the board of directors to the shareholders' meeting for consideration after being reviewed and approved by the board of directors, and shall be approved by more than half of the voting rights held by the shareholders (including proxies of the shareholders) attending the shareholders' meeting.

Existing Articles	Amended Articles
3. The proposal on the formulation of profit distribution policy and the proposal on the adjustment of the established profit distribution policy shall be approved by more than half of all independent non-executive directors and a written review opinion shall be formed thereon before being submitted to the board of directors for discussion; when it is considered by the board of directors of the Company, it shall be approved by more than half of the votes of all directors and a written resolution shall be formed thereon, and the independent non-executive directors shall express clear opinions; the board of supervisors of the Company shall consider the formulation and adjustment of the profit distribution policy, which shall be approved by more than half of the votes of all supervisors and a written resolution shall be formed thereon. The formulation and adjustment of the profit distribution policy shall be submitted to the shareholders' meeting for consideration after being considered and approved by the board of directors and the board of supervisors. The proposal on the formulation of the profit distribution policy shall be approved by more than half of the voting rights held by the shareholders (including proxies of the shareholders) attending the shareholders' meeting (including physical meeting and online voting), the proposal on the adjustment of the established profit distribution policy shall be approved by more than two-thirds of the voting rights held by the shareholders (including proxies of the shareholders) attending the shareholders' meeting (including physical meeting and online voting). 	3. The proposal on the formulation of profit distribution policy and the proposal on the adjustment of the established profit distribution policy shall be approved by more than half of all independent non-executive directors and a written review opinion shall be formed thereon before being submitted to the board of directors for discussion; when it is considered by the board of directors of the Company, it shall be approved by more than half of the votes of all directors and a written resolution shall be formed thereon, and the independent non-executive directors shall express clear opinions. The formulation and adjustment of the profit distribution policy shall be submitted to the shareholders' meeting for consideration after being considered and approved by the board of directors. The proposal on the formulation of the profit distribution policy shall be approved by more than half of the voting rights held by the shareholders (including proxies of the shareholders) attending the shareholders' meeting (including physical meeting and online voting), the proposal on the adjustment of the established profit distribution policy shall be approved by more than two-thirds of the voting rights held by the shareholders (including proxies of the shareholders) attending the shareholders' meeting (including physical meeting and online voting).

Existing Articles	Amended Articles
(II) Specific contents of the profit distribution policy of the Company 1. The Company implements a proactive profit distribution policy, attaches importance to reasonable investment returns to investors, takes into account the long-term interests and sustainable development of the Company, fully listens to and considers the opinions and demands of shareholders (especially minority shareholders), independent non-executive directors and supervisors of the Company, and maintains the continuity and stability of the profit distribution policy. 	(II) Specific contents of the profit distribution policy of the Company 1. The Company implements a proactive profit distribution policy, attaches importance to reasonable investment returns to investors, takes into account the long-term interests and sustainable development of the Company, fully listens to and considers the opinions and demands of shareholders (especially minority shareholders), independent non-executive directors of the Company, and maintains the continuity and stability of the profit distribution policy.
Article 202 Appendixes to these Articles include the rules of procedure for the shareholders' meeting, the rules of procedure for the meetings of the board of directors and the rules of procedure for the meetings of the board of supervisors.	Article 188 Appendixes to these Articles include the rules of procedure for the shareholders' meeting, the rules of procedure for the meetings of the board of directors.
Article 203 These Articles shall be adopted by a special resolution of the shareholders' meeting of the Company, and shall take effect and come into force from the date on which the H Shares publicly issued by the Company are listed on the Main Board of the Hong Kong Stock Exchange. The original articles of association of the Company shall automatically become invalid from the effective date of these Articles.	Article 189 These Articles shall take effect and come into force by a special resolution of the shareholders' meeting of the Company. The original articles of association of the Company shall automatically become invalid from the effective date of these Articles.

NOTICE OF EXTRAORDINARY GENERAL MEETING



Nanjing Leads Biolabs Co., Ltd. 南京维立志博生物科技股份有限公司

(A joint stock company established in the People's Republic of China with limited liability)

(Stock Code: 9887)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of Nanjing Leads Biolabs Co., Ltd. (the “**Company**”) will be held at Floor 8, Building 03, 18E, Jialingjiang Street, Nanjing, PRC on Wednesday, December 17, 2025 at 10:00 a.m., or any adjournment thereof, for the purpose of considering and, if thought fit, passing the following resolutions. In this notice, unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Company’s circular dated November 28, 2025 (the “**Circular**”):

AS SPECIAL RESOLUTIONS

1. To consider and if thought fit, pass with or without amendments, the proposed adoption of the H Share Award Scheme.
2. To consider and if thought fit, pass with or without amendments, the proposed authorization to the Board and/or the Delegatee to handle matters in relation to the H Share Award Scheme.
3. To consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution:

THAT:

- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which may fall to be issued and allotted pursuant to awards which may be granted under the H Share Award Scheme, the H Share Award Schemes be and are hereby approved and adopted;
- (b) the total number of new Shares to be allotted and issued pursuant to the H Share Award Scheme shall not exceed such number of Shares as equals to 5% of the Shares in issue as at the date of passing of this resolution; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) the Directors be and are hereby authorized to do all such acts and to enter into all such arrangements as may be necessary or expedient in order to give full effect to the H Share Award Scheme, including but without limitation to: (i) grant awards under H Share Award Scheme and to allot and issue from time to time such number of Shares as may be required to be issued and/or transferred pursuant to the H Share Award Scheme and subject to the Listing Rules; (ii) make application at the appropriate time or times to the Listing Committee of the Stock Exchange and any other stock exchanges upon which the issued Shares may, for the time being, be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the Share Schemes; and (iii) consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the H Share Award Scheme.
4. To consider and approve the Service Provider Sublimit as defined in the H Share Award Scheme, subject to the adoption of the H Share Award Scheme.
5. To consider and approve the proposed cancellation of the Supervisory Committee and amendments to the Articles of Association.

Details of the above resolutions proposed at the EGM are contained in the Circular, which is available on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.leadsbiolabs.com).

By order of the Board
Nanjing Leads Biolabs Co., Ltd.
南京维立志博生物科技股份有限公司
Dr. KANG XIAOQIANG
*Chairman, Executive Director and
Chief Executive Officer*

Nanjing, the People's Republic of China, November 28, 2025

As at the date of this notice, the Board comprises (i) Dr. Kang Xiaoqiang (Chairman of the Board), Dr. Lai Shoupeng and Mr. Zuo Honggang as executive Directors; (ii) Mr. Zhang Yincheng, Dr. Chen Renhai and Dr. Ni Jia as non-executive Directors; and (iii) Dr. Zhang Hongbing, Mr. Du Yilong and Ms. Du Jiliu as independent non-executive directors.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Resolution to be submitted at the EGM shall be voted on by poll.
2. The register of members of H shares will be closed from Friday, December 12, 2025 to Wednesday, December 17, 2025 (both days inclusive), during which period no transfer of H Shares will be effected. The record date for the purpose of ascertaining the eligibility of the holders of H shares to attend and vote at the EGM is on Wednesday, December 17, 2025. In order to be eligible to attend and vote at the forthcoming EGM, holders of H Shares must lodge all completed transfer documents accompanied by the relevant share certificates with the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited at Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong on or before 4:30 p.m. on Thursday, December 11, 2025.
3. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalf. A proxy need not be a Shareholder. If more than one proxy is appointed, the number and class of Shares in respect of which each such proxy is so appointed shall be specified in the appointment of the proxy.
4. The form of proxy must be signed by the Shareholder or by an authorized person appointed by the Shareholder in writing. If the Shareholder is a legal person, it must be stamped with the seal of the legal person or signed by a director or duly authorized attorney. If the form is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorisation document must be notarised.
5. In order to be valid, in the case of holders of H Shares, the form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authorization document on behalf of the appointer, a notorially certified copy of that power of attorney or other authorization document, must be deposited with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 24 hours before the time appointed for holding the EGM.

In case of registered joint holders of any Shares, any one of the registered joint holders can vote on such Shares at the EGM in person or by proxy as if he/she is the only holder entitled to vote. If more than one registered joint holders attend the EGM in person or by proxy, only the vote of the person whose name appears first in the register of members of the Company relating to such Shares (in person or by proxy) will be accepted as the sole and exclusive vote of the joint holders.

Completion and return of the form of proxy will not preclude a Shareholder from attending and voting in person at the EGM or any adjournment thereof should he/she/it so wish. In this case, the power of attorney will be deemed to have been revoked.

6. The EGM is expected to last for no more than half a day. Shareholders or their proxies attending the EGM are responsible for their own transportation and accommodation expenses.
7. All times refer to Hong Kong local time, except as otherwise stated.