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银诺医药
INNOGEN

# Guangzhou Innogen Pharmaceutical Group Co., Ltd.
# 廣州銀諾醫藥集團股份有限公司

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

**(Stock Code: 2591)**

# (1) PROPOSED ADOPTION OF SHARE AWARD SCHEME; AND (2) PROPOSED AUTHORIZATION TO THE BOARD AND/OR ITS AUTHORIZED PERSONS TO DEAL WITH MATTERS PERTAINING TO SHARE AWARD SCHEME

## I. PROPOSED ADOPTION OF SHARE AWARD SCHEME

The Board (the "**Board**") of Directors (the "**Directors**") of Guangzhou Innogen Pharmaceutical Group Co., Ltd. (the "**Company**") hereby announces that the Board has proposed to adopt the Share Award Scheme. A special resolution will be proposed at the AGM to consider and approve the proposed adoption of the Scheme in accordance with the requirements of the Articles of Association. The Scheme shall be effective upon the approval of the Scheme by the Shareholders at the AGM held on June 29, 2026.

### Conditions to the Scheme

The Scheme will take effect upon the satisfaction of the following conditions:

(i) the Scheme having been approved by the Shareholders in general meeting; and

(ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, Share(s) which may be issued in respect of Awards that are made under the Scheme.

The Scheme under Chapter 17 of the Listing Rules and will therefore comply with the requirements of Chapter 17 of the Listing Rules.

### Purpose of the Scheme

The purpose of the Scheme is to improve the incentive mechanism of the Company, to attract, motivate and retain selected employees of the Company, related entity employees and service providers of the Company through the grant of the Awards, to further enhance the motivation and creativity of the Participants. The Participants under the Scheme shall be motivated to serve, create value and contribute to the Company in a better and stable long-term manner, promote the sustained growth of the Company's performance, and bring value-added benefits to the Participants while enhancing the value of the Company, so as to realize the mutual development of the Participants and the Company.

**Administration of the Scheme**

The general meeting of the Shareholders as the highest authority of the Company can authorize the Board to handle matters pertaining to the Scheme within the scope of its authority.

In order to implement the Scheme, the general meeting of the Shareholders authorizes the Board and its authorized persons to serve as the management agency of the Scheme, which are responsible for reviewing and approving the implementation, changes and termination of the Scheme, and handling other related matters of the Scheme within the scope as authorized by the general meeting of the Shareholders.

**Participants and the basis of determining the eligibility of the Participants**

The Participants who may participate in the Scheme shall be the persons who have the right to receive the Award Shares as determined by the Board in accordance with the terms of the Scheme, and the scope of the Participants include: (a) an Employee Participant, (b) a Related Entity Participant, or (c) a Service Provider Participant who has contributed to the development and growth of the Group.

The basis of eligibility of any Eligible Participants shall be determined by the Management Agency in its sole and absolute discretion from time to time on the basis of the Eligible Participants' contribution or potential contribution to the development and growth of the Group. In determining the basis of eligibility of Eligible Participants, the Board would take into account, on a case-by-case basis, among other things, the following factors:

(1) in assessing the eligibility of Employee Participants, the Management Agency will take into account, without limitation, (i) the experience, technical expertise and qualification, level of responsibilities of the Employee Participant in relation to the Group's business; (ii) the financial condition and short-term and long-term objectives of the Group; (iii) the current remuneration packages of the Employee Participant; (iv) prevailing market practice an industry standard; and (v) the amount of participation including but not limited to the years of service provided to the Group, support, efforts, contributions and positive impact the Employee Participant has made/given, or could potentially make/give in the future, to the Group and/or towards the success of the Group;

    Under the Scheme, Employee Participants include independent non-executive Directors. The Company considers that the inclusion of independent non-executive Directors as Employee Participants and thus Eligible Participants is in line with the purpose of the Scheme to attract, motivate and retain skilled and experienced personnel to strive for the long-term development goals of the Group and therefore maximize the value of the Company. The flexibility to grant Awards to the independent non-executive Directors will enable the Company to maintain its competitive remuneration package in order to attract talent with the appropriate experience and expertise to add value to Board meetings. The Company also takes into account the invaluable advice and recommendations appropriate independent non-executive Directors could contribute to the Board by virtue of their industry knowledge, experience and diverse professional backgrounds, and the fact that equity-based compensation is an important means of ensuring that Shareholders' interests are aligned with those of the members of the Board (including the independent non-executive Directors).

The Company believes that the objectivity and independence of independent non-executive Directors will not be affected by the potential grants of Awards to independent non-executive Directors as (i) independent non-executive Directors must continue to comply with the independence requirements as set out in Rule 3.13 of the Listing Rules (which specifically allows (without potentially implicating independence) shareholding in the listed issuer held by independent non-executive directors provided it is below the 1% threshold under Rule 3.13(1) of the Listing Rules); (ii) independent Shareholders' approval must be obtained for any Awards proposed to be granted to independent non-executive Directors or their respective associates if such grant would result in the Shares issued and to be issued in respect of all options and awards under all share scheme(s) of the Company (excluding options or awards lapsed in accordance with the relevant scheme rules) to such person in any 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the total issued Shares (excluding any Treasury Shares), which is only a fraction of the permitted threshold prescribed under Rule 3.13(1) of the Listing Rules; and (iii) when considering granting Awards to independent non-executive Directors, the Board will be mindful to the recommended best practice E.1.9 of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules that issuers should generally not grant performance-linked equity-based remuneration to independent non-executive directors. If the grantee is an independent non-executive Director, the Board will only make such grants if it is satisfied that there will be no bias in decision-making or impact on the objectivity and independence of the grantee in discharging his/her duties as an independent non-executive Director. It is intended that through compliance trainings organised by the Company, independent non-executive Directors will also be reminded of their duties to (among other things) maintain independence pursuant to Rule 3.13 of the Listing Rules.

(2) in assessing the eligibility of Related Entity Participants, the Management Agency will take into account, without limitation, (i) the experience, technical expertise and qualification, level of responsibilities of the Employee Participant in relation to the Group's business; (ii) their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group, which may include the degree of their involvement in and/or cooperation with the Group; (iii) the length of their collaborative relationship established with the Group; (iv) the extent of positive impact provided by or expected from business development activities in terms of actual or expected change in the Group's revenue or profits attributable to them; and (v) the amount of actual or potential support, assistance, guidance, advice, effort and contribution that they are likely to be able to give or contribute towards the success of the Group;

(3) service providers, being any person (natural person or corporate entity) who provides services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long-term growth of the Group, and falls into any of the following categories (excluding any placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity):

***(1) Outsourcing labor service providers***

This category refers to outsourcing labor service providers that have not entered into employment contracts with the Group but have been providing labor service to the Group in research and development, manufacturing and commercialization of biopharmaceutical products and/or administrative supporting services on a continuing and recurring basis.

In assessing the eligibility of Service Provider Participants under this category, the Management Agency will take into account, without limitation, (i) the years of service provided to the Group; (ii) the experience, technical expertise and qualification, level of responsibilities of such Service Provider Participants; and (iii) their potential and/or actual contribution or importance to the Group; and (iv) their significance to the financial performance and business development of the Group.

***(2) Contractors, dealers and distributors***

This category refers to (i) contractors that providing contracting services for the Group's research and development, manufacturing and commercialization, such as CROs, CDMOs and CSOs; and (ii) dealers or distributors who provide distribution and promotion services, which are on a continuing and recurring basis and in the interests of long-term growth of the Group.

In assessing the eligibility of Service Provider Participants under this category, the Management Agency will take into account, without limitation, (i) the nature, scope and frequency of the products, services and/or contracts; (ii) the reliability and quality of the products and/or services provided; (iii) their potential and/or actual contribution or importance to the Group; and (iv) their significance to the financial performance and business development of the Group.

***(3) Consultants and advisers***

This category refers to independent consultants and advisers who provide advisory services, consultancy services, and/or other professional services on a continuing and recurring basis and to any member of the Group in connection with the research and development, manufacturing or commercialization of the Group's products, or help maintain or enhance the competitiveness of the Group by way of introducing new business opportunities and/or applying their specialized skills and/or knowledge in the abovementioned fields.

In assessing the eligibility of Service Provider Participants under this category, the Management Agency will take into account, without limitation, (i) their professional expertise, industry knowledge and other relevant qualities that supplement the Group or otherwise significant to the Group's business; (ii) the length and frequency of services provided and the recurrences and regularity of such services (iii) their potential and/or actual contribution or importance to the Group; and (iv) their significance to the financial performance and business development of the Group.

In addition to Employee Participants, Eligible Persons also include Related Entity Participants and Service Provider Participants. Considering the Company's business nature, hiring practices and organizational structures and that Related Entity Participants and Service Provider Participants have contributed to the long-term growth of the Company's businesses, the Board (including independent non-executive Directors) are of the view that it would be in the Company's interest to also have the flexibility to grant Share Awards to the Related Entity Participants and the Service Provider Participants in recognition of their contribution to the Company. In particular, noting the Company is a conglomerate comprising pharmaceutical and other corporations, it is believed that Related Entities will remain an important part of the Company's strategic partnerships in striving for future success given the nature of the Company's business (including but not limited to R&D, manufacturing and commercialisation of biopharmaceutical products). Although Related Entity Participants are not employees of the Group, they are expected to closely collaborate with members of the Group in the pursuit of common business objectives. As for Service Providers, (i) outsourcing labor service providers closely connected with the Group's day-to-day operations and benefit the development of the Group through assistance or on research and development, manufacturing and commercialization of products and enhance the Group's performance; (ii) contractors dealers and distributors will facilitate the Group's research and development, clinical trials, manufacturing and have market knowledge and intelligence to assist the Group in the commercialization of products; and (iii) consultants and advisers would play significant roles in the Group's business development by contributing their specialized skills and knowledge in the business activities of the Group on a continuing and recurring basis. Each category of the Service Provider Participants would possess industry-specific knowledge, know-how or expertise or valuable experience or deep understanding or insight in the business, financial or commercial areas of the Group. Their continuing and recurring engagement and cooperation with the Group would benefit the Group with frequent and successive strategic advice and guidance in its ordinary and usual course of business. Therefore, the Board (including independent non-executive Directors) consider (i) it is beneficial to include Related Entity Participants and Service Provider Participants as Eligible Persons since a sustainable and stable relationship with them is critical to the business development of the Group, and that the grant of Awards to these non-employee participants will align their interests with the Group's, incentivizing them to provide better services to, create more opportunities for and/or contribute to the success of the Group in the long run; and (ii) the proposed categories of Service Providers/Related Entity Participants are in line with the Company's business needs and the industry norm and the criteria for the selection of Eligible Participants and the terms of the grants as regards vesting requirements and performance targets align with the purpose of the Scheme.

## Source of the Awards

The Shares to be granted under the Scheme shall be (i) new H Shares allotted and issued by the Company to the Trustee; (ii) existing H Shares purchased by the Trustee by way of on-market or off-market transactions; and (iii) transfer of Treasury Shares (if any).

## Life of the Scheme

Subject to any early termination of the Scheme pursuant to the terms of the Scheme, the Scheme shall be valid and effective for ten (10) years commencing from the Adoption Date (i.e. June 29, 2026 which is the day on which the Scheme is approved by the Shareholders at the AGM).

## Scheme Mandate Limit and Service Provider Sublimit

The maximum number of H Shares which may be issued in respect of all options and awards to be granted under the Scheme and any other share scheme(s) of the Company to all Participants shall not exceed 10% of the total number of the issued shares of the Company (excluding Treasury Shares) as at the Adoption Date (the "**Scheme Mandate Limit**").

Within the Scheme Mandate Limit, the total number of H Shares which may be issued in respect of all options and awards to be granted under the Scheme and any other share scheme(s) of the Company to the Service Provider Participants shall not exceed 1% of the total number of Shares in issue (excluding any Treasury Shares) as at the Adoption Date (the "**Service Provider Sublimit**").

The basis for determining the Service Provider Sublimit includes (i) the potential dilution effect arising from grants to the Service Provider Participants, (ii) the importance of striking a balance between achieving the purpose of the Share Award Scheme and protecting Shareholders from the dilution effect from granting a substantial amount of Awards to the Service Provider Participants, (iii) the extent of the use of Service Provider Participants in the Group's business, and (iv) the fact that the Company expects that a majority of the Awards will be granted to Employee Participants and as such there is a need to reserve a larger portion of the Scheme Mandate Limit for grants to the Employee Participants.

The Company considers that the sublimit of 1% would provide sufficient number of H Shares as incentive to the Service Provider Participants should the occasion require. It would not lead to excessive dilution of existing Shareholders' shareholdings while allowing for the Board to grant Awards to the clearly identified categories of Service Provider Participants which would benefit the Company. Having considered the nature of the Group's business, the Company considers that the Service Provider Sublimit is required to provide the Group with the flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers 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. Based on the above, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable.

The total number of Shares which may be issued in respect of all options and awards to be granted under the Scheme and other share schemes of the Company must not in aggregate exceed such Scheme Mandate Limit (or such other percentage which may be specified by the Stock Exchange from time to time), unless such Scheme Mandate Limit shall have been refreshed in accordance with the requirements of the Listing Rules, or Awards are made with separate approval by Shareholders in general meeting or otherwise permitted under the Listing Rules.

Awards that lapse in accordance with the terms of the Scheme shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

As of the date of this announcement, the total number of the issued shares of the Company (excluding Treasury Shares) was 456,819,349 Shares. Assuming that there is no change in the total number of the issued shares of the Company during the period between the date of this announcement and the Adoption Date, the Scheme Mandate Limit will be 45,681,934 Shares (representing 10% of the total number of the issued shares of the Company (excluding Treasury Shares) as at the Adoption Date), and the Service Provider Sublimit, being a sublimit under the Scheme Mandate Limit, will authorise the award of up to 4,568,193 Shares (representing approximately 1% of the number of Shares in issue as at the date of this announcement).

The Company may seek separate approval by its Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit and the Service Provider Sublimit, provided that:

(a) the Awards in excess of the Scheme Mandate Limit and the Service Provider Sublimit are granted only to Eligible Participants specifically identified by the Company before such approval is sought;

(b) the Company shall send a circular to its Shareholders containing the name of each specified Participant who may be granted such Awards, the number and terms of the Awards to be granted to each Participant, and the purpose of granting Awards to the specified Participants with an explanation as to how the terms of Awards serve such purpose; and

(c) the number and terms of Awards to be granted to each such specified Eligible Participant shall be fixed before the Shareholders' approval.

The Company may seek approval by its Shareholders in general meeting for refreshing the Scheme Mandate Limit and the Service Provider Sublimit: (a) after three (3) years from the Adoption Date or the date of the Shareholders' approval for the last refreshment of the Scheme Mandate Limit or the Service Provider Sublimit (as the case may be); or (b) within any of the aforementioned three-year period subject to the following requirements:

(i) any controlling shareholders (as defined under the Listing Rules) of the Company and their associates (or if there is no controlling shareholder of the Company, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) shall abstain from voting in favor of the relevant resolution at the general meeting; and

(ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

After the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit, the maximum number of H Shares which may be issued in respect of all options and awards to be granted under the Scheme and any other share scheme(s) of the Company to all Participants shall not exceed 10% of the total number of the issued shares of the Company (excluding Treasury Shares) as at the date of such approval of the refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. The Company shall send a circular to its Shareholders containing the information required under Chapter 17 of the Listing Rules.

**Maximum entitlement to each Participant**

Where any grant of Awards to a Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Participant (excluding any options and awards lapsed in accordance with the terms of any relevant scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue and excluding Treasury Shares, such grant must be separately approved by the Shareholders in general meeting, with the relevant Participant and his/her close associates (or associates if the Participant is a connected person) abstaining from voting.

**Maximum entitlement to a director, chief executive or substantial shareholder of listed issuer, or any of their respective associates**

Where any grant of Awards to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the Share Award Scheme and other share award scheme(s) of the Company (if any)) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of the Shares in issue (excluding Treasury Shares) as at the date of such grant, such further grant of Awards must be approved by Shareholders in general meeting with a circular sent to the Shareholders in the manner required, and subject to the requirements set out, in the Listing Rules.

Where any grant of Awards to a substantial shareholder of the Company, or any of their respective associates, would result in Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the Share Award Scheme and other share award scheme(s) adopted by the Company) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant, representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding Treasury Shares) as at the date of such grant such further grant of Award Shares must be approved by Shareholders in general meeting in the manner set out in Rule 17.04(4) of the Listing Rules.

In the circumstances described above, the Company must send a circular to the Shareholders. The Participants, his/her associates and all core connected persons of the Company will be required to abstain from voting in favour at such general meeting. The Company shall comply with the requirements under rules 13.40, 13.41 and 13.42.

**Date of grant**

The date on which the Awards are granted to the Participants is the date when the Company signs and issues the Award Letter to the Participants. The date of grant shall be determined by the Board.

**Consideration for the grant of the Awards**

According to the provisions of the Scheme, the consideration (if any) of Awards granted to the Participants shall be determined by the Board and shall be agreed in the Award Letter. When determine the consideration (if any) for the Awards granted to Participants, the Board may take into account the practices of comparable companies and the effectiveness of the Scheme in motivating the Participant to contribute to the long term development of the Group and other factors as the Board shall deem fit. For the avoidance of doubt, when referring to consideration in the Scheme, it shall have the same meaning as "purchase price" as defined under the Listing Rules, and the Board may determine the consideration to be nil.

The above flexibility allows the Company to determine the consideration for the awards, if any, on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such grantee, which is aligned with the purpose of the Scheme.

The Participant should use their person lawful remuneration, personal and family property and other self-funded resources in accordance with laws and regulations. The Company will not provide loans or any other form of financial assistance to the Participants, including providing guarantees for their loans.

The Participant shall, in accordance with the Scheme, pay the full amount of the purchase price, if any, corresponding to the Awards received by the Participant to the Company or such other entity as the Company may designate by wire transfer upon satisfaction of the vesting conditions and prior to the vesting of the incentive shares.

**Vesting period**

The vesting period of the Awards granted to a Participant shall be determined at the sole discretion of the Board in the Award Letter. The vesting period in respect of any Award granted shall be no less than twelve (12) months from and including the date of grant, except that options or Awards granted to Employee Participants may be subject to a shorter vesting period under any of the following circumstances:

(a) grants of "make whole" Awards to new joiners to replace share awards or options they forfeited when leaving their previous employers;

(b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;

(c) grants that are made in batches during a year for administrative and compliance reasons (not connected with performance of related participants), which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Award would have been granted;

(d) grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; and

(e) grants with a total vesting and holding period of more than twelve (12) months.

**Vesting conditions of the Scheme**

The Awards granted to a Participant shall be vested to the Participant during the vesting period upon satisfaction of the vesting conditions and the performance targets, if any, set forth in the Scheme. The vesting conditions and the performance targets, if any, shall be determined at the sole discretion of the Board in the Award Letter.

Subject to the terms of the Share Award Scheme and the applicable laws, the Board or the authorised persons of the Board may, on a case-by-case basis and at its sole and absolute discretion, impose any performance targets as the Board or the authorised persons of the Board determines as appropriate. The Board or the authorised persons of the Board may determine such performance targets based on, among other criteria, the following considerations:

**Employee Participants**

Business or financial milestones, transaction milestones, performance appraisal within a specified period reaching a desirable level, or the grantee's anticipated future contribution to the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets etc.);

**Related Entity Participants**

If the performance appraisal within a specified period (such as in the previous year) reached a level to be further specified in the Award Letter, as determined by the Board or the authorised persons of the Board (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific work targets or business collaboration targets etc.).

**Service Provider Participants**

Contributions to the long-term development of the Group, with reference to achieving specified targets, among other criteria, financial or business performance, minimum service period, or business collaboration milestones, as determined by the Board or the authorised persons of the Board.

The Directors (including the independent non-executive Directors) believe that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the category of Eligible Participants and particular circumstances of each grant, which would then be a more meaningful reward for each Eligible Participant's contribution or potential contribution. It is considered that by allowing the Company to require the Eligible Participant to achieve such performance targets as may be stipulated in the Award Letter on a case-by-case basis, the Company may be in a better position to incentivise suitable Eligible Participants to deliver high quality work or to complete specified projects or goals important to the Group, which is in line with the purpose of the Scheme.

At the end of the performance period of the relevant performance target, the Board will evaluate the actual performance of the Participant against the pre-agreed target and determine, at its sole discretion, whether or not the relevant performance target has been achieved.

If a Participant fails to fulfil the vesting conditions applicable to the relevant Awards during the relevant vesting period, the corresponding portion of the Awards that would otherwise vest shall immediately lapse. Awards that lapse in accordance with the terms of the Scheme shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

Upon vesting and during the term of the Scheme, the Participant may subscribe for the relevant number of Award Shares in accordance with the notice from the Company.

**Clawback mechanism**

Unless determined otherwise by the Board or the authorised persons of the Board, the Awards granted but not yet vested shall be automatically and immediately forfeited, and the corresponding Award Shares shall become lapsed Shares, in the following circumstances:

(1) where the Participant ceases employment with the Group not for cause;

(2) where the Participant retires (except for those who have reached the statutory retirement age but continue to work for the Company) or becomes permanently incapacitated and unable to work; or

(3) where the Participant dies.

The vested Awards shall remain entitled to the original Participants (or, where applicable, their successors). The unvested Awards may, at the discretion of the Board or the authorised persons of the Board, either remain vested in the Participants or their successors, or be forfeited. If the Awards are forfeited, the corresponding Award Shares shall become lapsed Shares. Awards that lapse in accordance with the terms of the Scheme shall not be regarded as utilized for the purposes of calculating the Scheme Mandate Limit.

In addition, any outstanding Awards, whether vested or not yet vested shall be immediately forfeited, unless the Board or the authorized person determines otherwise in its sole and absolute discretion when the Participant ceases employment with the Group for cause, cause shall mean: (i) he/she is not qualified for his/her job; (ii) violates laws, violates professional ethics, reveals confidential information of the Company; (iii) fails to discharge his/her duties or has committed wilful misconduct, materially violates the policies of the Group; (iv) causing damages to the interest or reputation of the Group; or (v) the Group terminates his/her employment contract for any of the above reasons.

In exercising such discretion, the Board or its authorised persons will consider factors including the reason for cessation of employment, the Participant's past performance and contribution, any circumstances beyond the Participant's control (such as illness or death), as well as principles of fairness, market practice and the overall interests of the Company and its Shareholders.

Should the Board decide not to exercise the clawback mechanism in any case, such decision shall constitute an amendment to the terms and conditions of the Scheme, and the Company will ensure compliance with the relevant requirements under Rule 17.03(18) Note (2) of the Listing Rules.

By allowing the Company to impose such clawback mechanism on a case by case basis, the Directors (including the independent non-executive Directors) considers the Company will be in a better position to retain such Eligible Participants to continue serving the Company, which is aligned with the purpose of the Scheme.

**Rights on voting and dividends**

The Awards shall not carry any voting rights or rights to dividends or distributions prior to the completion of the vesting and register of the Award Shares under the name of the Participant. After the completion and register of the Award Shares under the name of the Participant, the Award Shares shall carry the same rights to receive dividends as the Company's other issued H Shares.

**Restrictions and limitations**

A Grant or any instruction from the Board may not be made after a price sensitive event or inside information has occurred or a price sensitive statistics or inside information has been the subject of a decision until such price sensitive information or inside information has been published in accordance with the Listing Rules.

In particular, no Award shall be made to Participants during the period commencing thirty (30) days immediately before the earlier of:

(i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules); and ending on the date of results announcement (including any period of delay in the publication of such results announcement).

In addition, the Management Agency may not grant any Award to any Director or other Participant during the periods or times when such an Award is prohibited under the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed by the Listing Rules, the Listing Rules, or any corresponding code or securities dealing restrictions adopted by the Company and all applicable laws from time to time.

Upon the sale or purchase of the Awards by the Participants, such person shall comply with restrictive requirements under relevant laws and regulations, including but not limited to the restrictions on inside information and compliance with the restrictions (if any) in the number of Shares to be sold.

### Issuance of Shares and rights of Shares

During the life of the Scheme, in the event of capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital, the Board may, at its discretion, adjust the number of unvested Awards and/or the subscription price of the relevant Award Shares. Any such adjustment shall, as far as practicable, preserve the proportion of the Company's issued share capital attributable to the Participant immediately prior to such event (but in no event shall such proportion be exceeded), and shall, to the extent possible, be made on the basis of maintaining the total subscription price payable by the Participant at the same amount as prior to such event. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Company's auditors must confirm to the Directors in writing that the adjustments satisfy the requirements under Note to Rule 17.03(13). No adjustment shall be made that would result in the issuance of Shares at a price below their nominal value.

### Termination of the Scheme

In the event of termination of the Scheme, no further Awards shall be granted. However, any Awards granted prior to the termination shall remain fully effective and shall continue to vest in accordance with their terms until they are either fully vested or lapse. The Scheme shall terminate on the earlier of: (i) the expiration of the life of the Scheme; or (ii) the date as determined by the Board or as approved by the Shareholders in general meeting to terminate the Scheme.

## II. PROPOSED AUTHORIZATION TO THE BOARD AND/OR ITS AUTHORIZED PERSONS TO DEAL WITH MATTERS PERTAINING TO SHARE AWARD SCHEME

A special resolution will be proposed at the AGM to consider and approve the authorization to the Board and/or its authorized persons to deal with matters pertaining to the Scheme, and such authorization, if granted, shall be valid for the Award Period. In order to ensure the successful implementation of the Scheme, the Board proposed that, subject to the approval of the Scheme by the Shareholders at the AGM, the Shareholders shall also grant an authorization to the Board and the Board may further delegate such authorizations to its authorized persons, to deal with matters pertaining to the Scheme, including but not limited to:

(1) to interpret the terms, formulate the specific rules and take necessary measures to implement the Scheme, including but not limited to assess the qualifications of the Participants and determine specific Participants, determine grant conditions, vesting conditions and the purchase price (if any) of the Award Shares;

(2) to determine the selected Participants and the number of Awards to be granted after fulfilling the grant conditions and vesting conditions, and to grant and vest the Awards to the selected Participants and handle all matters necessary for the grant and vesting of the Awards;

(3) to determine the maximum number of the Awards, the date of grant and grant interval of the Awards;

(4) to formulate and adjust in its discretion based on the operation and management need of the Company (if necessary), the specific grant conditions, the vesting schedule, vesting conditions, vesting periods and expiration conditions of the Awards, examine and verify whether the Company and the Participants have satisfied the grant and vesting conditions or expiration conditions of the Awards, and do all matters necessary for the releasing or invalidation of the Participants, including the handling of expired Awards;

(5) to adjust the number and price of Awards pursuant to the provisions of the Scheme upon conversion of capital reserve into shares, issuance of bonus shares, shares subdivisions, shares consolidation, allotment, or rights issue;

(6) to handle the matters in relation to the Awards pursuant to the provisions of the Scheme if special circumstances stated under the Scheme, such as resignation, retirement, loss of working ability or death, etc. occurs to the Participants;

(7) to determine the adjustments, suspension and termination of the Scheme and obtain any approvals from the shareholders' meeting and/or the relevant regulatory authorities necessary for such adjustments as required by law, regulation, or the relevant regulatory authorities;

(8) to complete necessary examination and approval, registration, filing, approval, consent and other procedures (if any) with relevant governments and authorities with respect to the Scheme; to execute, implement, amend and complete the documents submitted to relevant governments, authorities, organizations and individuals; and take all actions as it deems necessary, appropriate or advisable in connection with the Scheme;

(9) to sign, execute, amend and terminate all documents relating to the Scheme, go through all procedures relevant to the Scheme and conduct all such actions as it considers necessary, expedient or desirable to give effect to the Scheme;

(10) to engage trustee, banker(s), accountant(s), lawyer(s), consultant(s) and other professional institutions for the purpose of the Scheme;

(11) to arrange for Participants to execute documents required for the implementation of the Scheme with the Company, collecting considerations (if any), and arranging the forfeiture, disposal and other matters of the Scheme in accordance with Scheme Rules;

(12) to implement the launch of the scheme management system and be responsible for its subsequent management and updates (where applicable); and

(13) to administer and execute other matters necessary for the implementation of the Scheme.

**Other Information**

As of the date of this announcement, the Company has not engaged any trustee for the administration of the Share Award Scheme. If the Company were to engage any trustee in the future, such trustee shall not be a Director, no Director shall have any direct or indirect interest in the trustee, and the trustee shall be independent of the Company and its connected persons in accordance with the Listing Rules. Pursuant to the Note to Rule 17.03(2) of the Listing Rules, the Board has sought legal advice on the prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in relation to the proposed Share Award Scheme and understands that the adoption of the Scheme and the grant of Awards thereunder would not constitute an offer to the public and the prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance are not applicable.

A summary of the principal terms of the Share Award Scheme is set out in the circular to be dispatched in due course. The Scheme Rules will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.innogenpharm.com) for a period of 14 days prior to the date of the AGM (including the date of the AGM) and can be inspected at the AGM.

As new Shares may be allotted and issued by the Company to satisfy the Awards after vesting under the Share Award Scheme, an application will be made to the Listing Committee for the approval of the listing of, and permission to deal in, Shares which may be issued pursuant to Awards granted under the Share Award Scheme.

## III. IMPLICATIONS OF THE LISTING RULES

The Scheme will constitute a share scheme under Chapter 17 of the Listing Rules. Pursuant to Chapter 17 of the Listing Rules, share schemes must be approved by shareholders of the listed issuer in a general meeting. Accordingly, the proposed adoption of the Scheme is subject to, among others, the Shareholders' approval at the AGM.

## CIRCULAR

(i) the proposed adoption of Share Award Scheme; and (ii) the proposed authorization to the board and/or its authorized persons to deal with matters pertaining to share award scheme. The Circular, containing details of the above-mentioned information, together with the notice of the annual general meeting, will be published by the Company in due course.

### Definitions

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| "Adoption Date" | June 29, 2026, being the date on which the Share Award Scheme be approved and adopted by the Shareholders at the AGM |
| "AGM" | the annual general meeting of the Company to be held on June 29, 2026 at 10:00 a.m. to consider and, if appropriate, to approve the matters as set out in this announcement |
| "Articles of Association" | the articles of association of the Company currently in force |
| "Award Letter" | the letter issued by the Company to each Participant in such form as the Board may from time to time determine, specifying the grant terms, including the date of grant, the manner of acceptance of the Awards, the number of Award Shares underlying the Awards, the vesting criteria and conditions, the vesting date, the grant price (if applicable) and such other details, terms and conditions as they may consider necessary and in compliance with the Scheme |
| "Award Period" | subject to any early termination of the Scheme pursuant to terms of the Scheme, the Scheme shall be valid and effective for ten (10) years commencing from the Adoption Date (i.e. June 29, 2026 which is the day on which the Scheme is approved by the Shareholders at the AGM) |
| "Award Shares" | the Shares to be received by a selected Participant upon the vesting of the relevant Award (or any part thereof), which can be funded by (i) new H Shares allotted and issued by the Company to the trustee; (ii) existing H Shares purchased by the trustee by way of on-market or off-market transactions; and (iii) transfer of Treasury Shares (if any) |
| "Awards" | the awards granted by the Board to a Participant pursuant to the Scheme, which may be vested in accordance with the terms of the rules of the Scheme |
| "Board" | the board of Directors of the Company |

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| "CDMO" | contract development and manufacturing organization, a company that serves other companies in the pharmaceutical industry on a contract basis, providing drug development and drug manufacturing services |
| "China" or "PRC" | the People's Republic of China, but for the purpose of this announcement and for geographical reference only, "China" and the "PRC" in this announcement do not include Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan |
| "Company" | Guangzhou Innogen Pharmaceutical Group Co., Ltd. (廣州銀諾醫藥集團股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2591) |
| "CRO" | contract research organization, a company that provides research services to pharmaceutical and biotechnology companies on a contract basis |
| "CSO" | contract sales organization, a company that provides outsourced sales and marketing services to another company on a contractual basis |
| "Directors" | the directors of the Company |
| "Eligible Participant(s)" | (a) an Employee Participant, (b) a Related Entity Participant, or (c) a Service Provider Participant who has contributed to the development and growth of the Group |
| "Employee Participant" | any PRC or non-PRC director (including executive, non-executive and independent non-executive director) and employee (whether full-time or part-time) of the Company or any of its subsidiaries, and including any person who is granted Awards as an inducement to enter into employment contracts with the Company or any of its subsidiaries |
| "Group" | the Company and its subsidiaries |
| "H Shareholder(s)" | holders of H Share(s) |
| "H Shares" | overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange as amended or supplemented from time to time |

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| "Management Agency" | the Board and the scheme administrators as authorized by the Board, who are authorized by the general meeting of Shareholders to serve as the management agency of the equity incentive for the purpose of implementing the Scheme |
| "Participants" | persons who are selected to participate in the Share Award Scheme |
| "Related Entity" | the holding companies, fellow subsidiaries or associated companies of the Company, and a member of the Related Entity means any of the aforementioned entities |
| "Related Entity Participant" | any director or employee of any member of the Related Entity |
| "Remuneration Committee" | the remuneration and assessment committee of the Board |
| "RMB" or "Renminbi" | Renminbi, the lawful currency of the PRC |
| "Scheme" or "Share Award Scheme" | the Share Award Scheme proposed to be adopted by the Company |
| "Scheme Rules" | the rules of the Share Award Scheme, as amended from time to time |
| "Service Provider Participant" | any person (other than an Employee Participant or a Related Entity Participant, solely with respect to rendering services in such person's capacity as an employee or director) providing services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group as determined by the Board ("Service Provider(s)") including outsourcing labor service providers, independent contractors, dealers, distributors, consultants, agents and advisers to the Group. For the avoidance of doubt, (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be Service Provider Participants for the purposes of this Scheme |
| "Service Provider Sublimit" | shall have the meaning set out in the section headed "Scheme Mandate Limit and Service Provider Sublimit" in this announcement, as increased, refreshed or renewed from time to time in accordance with the terms of the Share Award Scheme |
| "Shareholders" | holders of Share(s) |

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| "Shares" | ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Treasury Shares" | shall have the meaning ascribed to it under the Listing Rules |
| "Unlisted Share(s)" | ordinary shares in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted shares which are currently not listed or traded on any stock exchange |
| "%" | per cent |

By order of the Board
**Guangzhou Innogen Pharmaceutical Group Co., Ltd.**
**Dr. WANG QINGHUA**
*Chairman of the Board*

Shanghai, the People's Republic of China, June 1, 2026

*As at the date of this announcement, the Board comprises Dr. WANG QINGHUA, Ms. Jiang Fan, Ms. Xu Wenjie and Mr. Huang Bing as executive Directors; Mr. HO KYUNG SHIK and Mr. Heng Lei as non-executive Directors; and Mr. Tao Wuping, Dr. Song Ruilin and Mr. Chan Heung Wing Anthony as independent non-executive Directors.*