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

If you have sold or transferred all your shares in TenNor Therapeutics (Suzhou) Limited, you should at once hand this circular, together with the enclosed 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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丹诺医药

TENNOR THERAPEUTICS

TenNor Therapeutics (Suzhou) Limited

丹諾醫藥(蘇州)股份有限公司

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

(Stock code: 6872)

**FORMULATION OF THE 2026 H SHARE AWARD SCHEME AND
RELATED AUTHORIZATION MATTERS
GRANT OF GENERAL MANDATE TO THE BOARD OF DIRECTORS
TO REPURCHASE SHARES
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF 2026 SECOND EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM of the Company to be held at Unit 701, Block B7, BioBay, 218 Xinghu Street, Suzhou Industrial Park, Suzhou Area of China (Jiangsu) Pilot Free Trade Zone Suzhou, Jiangsu, PRC on Friday, October 23, 2026 at 2:00 p.m. is set out on pages 33 to 34 of this circular.

If you intend to appoint a proxy to attend the EGM, you shall complete the enclosed form of proxy in accordance with the instructions printed thereon and return it by hand or by post to the Company's H Share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 24 hours before the time appointed for holding the EGM (i.e. not later than 2:00 p.m. on Thursday, October 22, 2026) or 24 hours before the time appointed for 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 if you so wish, and in such event, the form of proxy shall be deemed to be revoked.

October 5, 2026

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company, as amended from time to time
“Award Term”	the award term of 10 years commencing from the adoption date of the H Share Scheme by the Shareholders
“Board” or “Board of Directors”	the board of directors of the Company
“Company” or “our Company”	TenNor Therapeutics (Suzhou) Limited (丹諾醫藥(蘇州)股份有限公司), a company established under the laws of the PRC as a limited liability company on February 25, 2013 and converted into a joint stock company on June 27, 2025, the Shares of which are listed on the Stock Exchange (stock code: 6872)
“Director(s)”	the director(s) of our Company
“Extraordinary General Meeting” or “EGM”	the 2026 second extraordinary general meeting of the Company to be held at 2:00 p.m. on Friday, October 23, 2026 at Unit 701, Block B7, BioBay, 218 Xinghu Street, Suzhou Industrial Park, Suzhou Area of China (Jiangsu) Pilot Free Trade Zone Suzhou, Jiangsu, PRC for the purpose of considering and, where appropriate, approving the resolutions set out in the notice of the meeting set out on pages 33 to 34 of this circular, or any adjournment thereof
“Group”, “our Group”, “we” or “us”	our Company and all of its subsidiaries, or any one of them as the context may require
“H Share(s)”	overseas listed foreign ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are to be subscribed for and traded in Hong Kong dollars and listed on the Hong Kong Stock Exchange
“H Share Scheme” or “2026 H Share Award Scheme”	the 2026 H share award scheme to be adopted by the Company
“H Shareholders”	holders of H Shares
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Hong Kong dollars” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Latest Practicable Date”	September 30, 2026, being the latest practicable date prior to the date of this circular for the purpose of ascertaining certain information contained in this circular
“Listing”	the listing of the H Shares on the Main Board of the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“PRC” or “China”	the People’s Republic of China
“Prospectus”	the prospectus of the Company dated May 14, 2026
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	the holder(s) of Share(s)
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission as amended from time to time
“Treasury Share(s)”	has the meaning ascribed to it under the Listing Rules
“%”	per cent

LETTER FROM THE BOARD



丹诺医药

TENNOR THERAPEUTICS

TenNor Therapeutics (Suzhou) Limited

丹諾醫藥(蘇州)股份有限公司

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

(Stock code: 6872)

Board of Directors:

Executive Director:

Dr. Ma Zhenkun

Non-executive Director:

Dr. Song Gaoguang

Independent Non-executive Directors:

Mr. Lee Wai Kong, Albert

Dr. Ni Lin

Dr. Li Leping

Registered Office,

Headquarters and Principal

Place of Business in the PRC:

Unit 701, Block B7

BioBay

218 Xinghu Street

Suzhou Industrial Park

Suzhou Area of China (Jiangsu)

Pilot Free Trade Zone Suzhou

Jiangsu, PRC

Principal Place of Business in

Hong Kong:

31/F, Tower Two

Times Square

1 Matheson Street

Causeway Bay

Hong Kong

October 5, 2026

Dear Sir or Madam,

I. INTRODUCTION

A notice convening the EGM of the Company to be held at Unit 701, Block B7, BioBay, 218 Xinghu Street, Suzhou Industrial Park, Suzhou Area of China (Jiangsu) Pilot Free Trade Zone Suzhou, Jiangsu, PRC on Friday, October 23, 2026 at 2:00 p.m. is set out on pages 33 to 34 of this circular.

The purpose of this circular is to provide you with the notice of the EGM and all information reasonably necessary to enable you to make an informed decision by voting on the resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

II. MATTERS TO BE CONSIDERED AT THE EGM

1. Formulation of the H Share Scheme and Related Authorization Matters

A special resolution will be proposed at the EGM to approve the formulation of the H Share Scheme and related authorization matters.

Reference is made to the announcement of the Company dated September 21, 2026 in relation to, among other things, the formulation of the H Share Scheme.

In order to further establish and improve a long-term incentive mechanism, attract and retain outstanding talents, fully mobilize the enthusiasm and creativity of employees, enhance employee cohesion and the core competitiveness of the Company, and thereby bring continuous and growing investment returns to investors, effectively aligning the interests of the Shareholders and the Company with the personal interests of the grantees, and promoting the long-term, continuous and healthy development of the Company, the Board has agreed to formulate the H Share Scheme.

Eligible participants of the H Share Scheme include any full-time employees of any member company of the Group, including directors, senior management, key team members and other employees. The Board or its authorized persons may appoint any eligible participant as the selected participant of the relevant scheme from time to time.

Under the H Share Scheme, the existing H Shares will be granted to the grantees of incentive Shares as the restricted shares. The Company will, as the principal, enter into a trust deed with the trustee, pursuant to which, a trust will be established for the purpose of the H Share Scheme. Subject to the compliance with the trust deed and upon the instruction of the Company, the trustee will complete the purchase of relevant H Shares under the H Share Scheme via market transactions. The source of funds for purchasing the award Shares is the internal funds of the Company. The limit for award Shares to be granted under the H Share Scheme shall be 5% of the total number of Shares (excluding Treasury Shares, if applicable) as at the date on which the H Share Scheme is passed at the EGM.

The H Share Scheme shall have an Award Term of 10 years from the date on which it is passed at the EGM, after expiry of the Award Term, no awards shall be granted, but the H Share Scheme shall continue to be extended until the vesting of such award Shares takes effect, so long as there are any award Shares granted but not vested before the expiry of the H Share Scheme.

The H Share Scheme does not involve the grant of new Shares. However, the H Share Scheme constitutes a share scheme funded by existing shares under Chapter 17 of the Listing Rules, and is subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules.

LETTER FROM THE BOARD

The full text of the H Share Scheme is set out in Appendix I to this circular.

Pursuant to the H Share Scheme, the Board proposes to authorize Dr. Ma Zhenkun and Ms. Chen Rongping as the authorized persons of the Board under the H Share Scheme to implement the relevant award scheme in accordance with the H Share Scheme and to handle matters relating to the H Share Scheme with full discretion, including but not limited to entering into a trust deed with the trustee on behalf of the Company, interpreting the scheme and formulating detailed implementing rules, and granting and vesting the award Shares to the grantees, handling all matters necessary for the granting and vesting of the award Shares, and entering into the agreements and documents with the grantees on behalf of the Company in relation to the award.

2. Grant of General Mandate to the Board of Directors to Repurchase Shares

An ordinary resolution will be proposed at the EGM to approve the grant of general mandate to the Board of Directors to repurchase Shares.

In order to provide the Company with the flexibility to repurchase H Shares at appropriate times, it is proposed to the general meeting to approve the Board to exercise all the powers of the Company to repurchase H Shares listed on the Hong Kong Stock Exchange during the “Relevant Period”, subject to and in accordance with all applicable laws, regulations and rules and/or requirements of the relevant PRC regulatory authorities, the Hong Kong Stock Exchange or any other governmental or regulatory authorities. Pursuant to the approval, the Board was granted a general mandate to repurchase a total number of the Shares not exceeding 10% of the total number of H Shares issued by the Company (excluding Treasury Shares, if applicable) as at the date on which this resolution is passed at the EGM. As at the Latest Practicable Date, the total number of H Shares issued by the Company was 52,328,926. Subject to the passing of this resolution at the EGM and on the basis that the total number of H Shares issued by the Company remains unchanged during the period from the Latest Practicable Date up to the date of the EGM, the Board will be authorized to repurchase a maximum of 5,232,892 Shares (being not more than 10% of the total number of H Shares issued by the Company (excluding Treasury Shares, if applicable) during the Relevant Period pursuant to the general mandate to be granted by Shareholders. Meanwhile, the Board is authorized to handle the approvals of, and complete the procedures with, the relevant regulatory authorities in connection with the aforesaid repurchase in accordance with the applicable laws and regulations, and to execute such necessary documents, complete such necessary formalities and take such other necessary actions as may be required to effect the repurchase (the “**Repurchase Mandate**”).

“Relevant Period” refers to the period from the date on which this resolution is passed at the EGM and up to the occurrence of the following two events (which is earlier):

- a. the conclusion of the next annual general meeting of the Company; and
- b. the date on which the Shareholders pass a resolution at the general meeting revoking or varying the general mandate and/or the Repurchase Mandate under this resolution.

LETTER FROM THE BOARD

If the Company repurchases any H Shares under the general mandate of this resolution, the Company will (i) cancel the repurchased H Shares and reduce the registered capital of the Company in accordance with applicable laws and regulations; and/or (ii) hold such H Shares as Treasury Shares, subject to market conditions and the capital management needs of the Company at the relevant time when any H Share repurchase is conducted.

The letter of explanation on the repurchase is set out in Appendix II to this circular.

3. Amendments to the Articles of Association

A special resolution will be proposed at the EGM to approve the amendments to the Articles of Association.

Reference is made to the announcement of the Company dated September 21, 2026 in relation to, among other things, the amendments to the Articles of Association. For the purposes of the industrial and commercial registration requirements on the Company, the Board has resolved to amend the Articles of Association. Details of the amendments to the Articles of Association are set out as follows:

Before Amendments	After Amendments
Article 6 Prior to the issuance of H-shares, the company's registered capital is RMB43,472,926.	Article 6 Prior to the issuance of H-shares, The company's registered capital is RMB 43,472,926 52,328,926.
Article 8 The Chairman of the Board is the legal representative of the Company. If the Chairman resigns, he/she shall be deemed to have resigned as the legal representative. If the legal representative resigns, the Company shall appoint a new legal representative within 30 days from the date of resignation.	Article 8 The Chairman of the Board is The legal representative of the Company shall be a director who performs the company affairs on behalf of the Company. The Chairman of the Board shall be the director who performs the company affairs on behalf of the Company. If the director Chairman resigns, he/she shall be deemed to have resigned as the legal representative. If the legal representative resigns, the Company shall appoint a new legal representative within 30 days from the date of resignation.

LETTER FROM THE BOARD

III. THE EGM

The form of proxy of the EGM is enclosed herewith.

If you intend to appoint a proxy to attend the EGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, but in any event not less than 24 hours before the time appointed for holding the EGM (that is not later than at 2:00 p.m. on Thursday, October 22, 2026) or any adjournment thereof by hand or by post. 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 if you so wish, but in such event the form of proxy shall be deemed to be revoked.

The H Share register of members of the Company will be closed, for the purpose of determining the entitlement of H Shareholders to attend the EGM, from Tuesday, October 20, 2026 to Friday, October 23, 2026 (both days inclusive). H Shareholders whose names appear on the H Shares register of members of the Company on Friday, October 23, 2026 are entitled to attend and vote at the EGM. In order to attend the EGM, all share certificates, together with the instruments of transfers, must be lodged for registration with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, October 16, 2026. The record date for determining the entitlement for attendance and voting at the EGM will be Friday, October 23, 2026.

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolutions to be proposed at the EGM will be voted by poll.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as of the Latest Practicable Date, no Shareholders are required to abstain from voting on the resolutions to be proposed at the EGM.

V. RECOMMENDATION

The Board considers that the resolutions proposed at the EGM are in the interests of the Company and its Shareholders as a whole. As such, the Board recommends you to vote in favor of the resolutions proposed at the EGM.

By order of the Board
TenNor Therapeutics (Suzhou) Limited
Dr. Ma Zhenkun
*Chairman of the Board, Executive Director,
Chief Executive Officer and General Manager*

THE 2026 H SHARE AWARD SCHEME**1. DEFINITIONS AND INTERPRETATION**

1.1 In the Scheme, unless the context otherwise requires, the following expressions shall have the following meanings:

“Actual Sale Price”	the actual price at which the Award Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs) on vesting of an Award pursuant to the Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company pursuant to Rule 14.1 of the Scheme, the consideration receivable under the related scheme or offer;
“Adoption Date”	the date on which the Scheme is considered and approved at the general meeting of the Company;
“Articles of Association”	Articles of Association of TenNor Therapeutics (Suzhou) Limited, as amended from time to time;
“Authorized Person”	the person authorised by the Board;
“Award”	the awards granted by the Board to the Grantees, the vesting of which shall be realized by the Board in the form of Award Shares in accordance with the provisions of the Scheme Rules;
“Award Letter”	shall have the meaning as set out in Rule 8.1 of the Scheme;
“Award Shares”	H Shares granted to the Grantees;
“Award Term”	shall have the meaning as set out in Rule 5.1 of the Scheme;
“Board” or “Board of Directors”	the board of directors of the Company;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;

“Cash Revenue”	any dividends derived from the Returned Shares held by the Trust for the purpose of the Scheme pursuant to the terms of the Scheme, the net proceeds from the sale of bonus warrants allocated by the Company in respect of the H Shares held by the Trust for the purpose of the Scheme (if any), or the net proceeds of sale deemed as cash revenue of the Trust pursuant to the Scheme Rules;
“Company” or “our Company”	TenNor Therapeutics (Suzhou) Limited (丹諾醫藥(蘇州)股份有限公司);
“Director(s)”	the director(s) of our Company;
“Eligible Employee(s)”	management personnel, including director(s) (if any), senior management and general employee(s) of the Group, who play(s) an important role in the operating results and future development of the Group and comply/(ies) with the laws and regulations and the rules of the Group;
“Grant Date”	the date of grant of the Awards to the Grantees;
“Grant Price”	the price determined by the Company at the time of granting the Award Shares to the Grantees, at which the Grantees shall purchase the Award Shares;
“Grantee(s)”	Eligible Employee(s) who satisfy/(ies) the requirements of Rule 7 of the Scheme, is/are approved to participate in the Scheme and is/are granted Awards;
“Group” or “our Group”	the Company and its subsidiaries from time to time, and the expression member of the Group shall be construed accordingly;

“H Share(s)”	overseas listed foreign share(s) in the share capital of our Company with a nominal value of RMB1.00 each, which are listed on the Stock Exchange;
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time;
“on-market transaction(s)”	the acquisition(s) and/or disposal(s) of H Shares of the Company through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations;
“PRC”	the People’s Republic of China, which, for the purpose of the Scheme only, excludes the Hong Kong Special Administrative Region of the People’s Republic of China, the Macau Special Administrative Region of the People’s Republic of China and the Taiwan region of China.
“Returned Shares”	such Award Shares that are not vested and/or are cancelled/lapsed/forfeited in accordance with the terms of the Scheme Rules, or such H Shares being deemed to be Returned Shares under the Scheme Rules;
“Scheme” or “the Scheme”	the H Share Award Scheme adopted by the Company on the Adoption Date pursuant to the Scheme Rules;
“Scheme Limit”	shall have the meaning as set out in Rule 6.1 of the Scheme;
“Scheme Rules”	the rules set out herein relating to the Scheme as amended from time to time;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and

“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	any subsidiary of the Company (as defined in the Listing Rules);
“tax”	shall have the meaning as set out in Rule 10.14 of the Scheme;
“Trust”	the trust constituted by the Trust Deed to service the Scheme;
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee (as may be restated, supplemented and amended from time to time);
“Trustee”	the trustee appointed by the Company from time to time for the purpose of the Trust (which shall be an independent third party);
“Vesting Date”	the date or dates, as determined from time to time by the Board or its Authorized Person on which the Award (or part thereof) is to vest in the Grantees as set out in the relevant Award Letter;
“Vesting Notice”	shall have the meaning as set out in Rule 10.9 of the Scheme;

1.2 In these Scheme Rules, except where the context otherwise requires:

- (a) references to Rules are to rules of the Scheme Rules;
- (b) references to times of the day are to Hong Kong time;
- (c) if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;
- (d) a reference, express or implied, to statutes, statutory provisions or the Listing Rules shall be construed as references to those statutes, provisions or rules as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date hereof) and shall include any statutes, provisions or rules of which are re-enacted (whether with or without modification) and shall include any orders, regulations, instruments, subsidiary legislation, other subordinate legislation or practice notes under the relevant statute, provision or rule;

- (e) if the Board delegates its authority to administer the Scheme to its Authorized Persons, such Authorized Persons shall enjoy the same sole and absolute discretion;
- (f) a reference to “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”;
- (g) words importing the singular include the plural and vice versa, and words importing a gender include every gender;
- (h) headings are included in the Scheme Rules for convenience only and do not affect its interpretation; and
- (i) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. GENERAL INTRODUCTION AND PURPOSE OF THE SCHEME

- 2.1 The Scheme is a H Share award and trust scheme established by the Company to award Eligible Employees, who could be Directors, senior management and key team members.
- 2.2 The Company will, in accordance with the Scheme, enter into the Trust Deed with an independent Trustee appointed by the Company from time to time, pursuant to which, a trust will be established for the purpose of the Scheme, and the Trustee shall assist with the administration of the Scheme and shall, subject to the relevant provisions of the Trust Deed and upon the instruction of the Company, purchase underlying H Shares under the Scheme via on-market transactions or off-market transactions with funds to be transferred by the Company to the Trust in accordance with Rule 9. In no event shall the underlying H Shares under the Scheme exceed the Scheme Limit set out in Rule 6 of the Scheme.
- 2.3 The purposes of the Scheme are:
 - (a) to attract, motivate and retain highly skilled and experienced personnel to strive for the future development and expansion of the Group by providing them with the opportunity to be further incentivized by equity interests in the Company, more directly associated with the equity performance of the Company;
 - (b) to modernize the Company’s remuneration practices and to better align with the interests of the Shareholders while seeking a balanced approach in the operational and executive management oversight; and

- (c) to (i) recognize the contributions to the Company of the prudent management of the Company including the Directors; (ii) encourage, motivate and retain the leadership of the Company whose collective contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) introduce additional incentive for the management of the Company by aligning their interests to that of the Shareholders and the Group as a whole.

3. CONDITIONS

- 3.1 The Scheme is conditional upon the passing of a resolution by the Shareholders to approve the adoption of the Scheme and to authorize the Board or its Authorized Persons to grant Awards under the Scheme and to procure the transfer of and otherwise deal with the Award Shares in connection with the Scheme.

4. ADMINISTRATION

- 4.1 The Scheme shall be subject to the administration of the following administrative bodies:

- (a) the general meeting, as the institution vested with the supreme authority of the Company, is responsible for the consideration and approval of the adoption of the Scheme. The general meeting may authorize the Board or its Authorized Persons to deal with all matters related to the Scheme to the extent of its authority;
- (b) the Board is the institution in charge of the administration of the Scheme in accordance with the Scheme Rules and the Trust Deed. A decision of the Board or its Authorized Persons shall be final and binding on all persons affected. Upon consideration and approval of the Scheme, the Board will submit the Scheme to the general meeting for consideration. The Board or its Authorized Persons may handle all matters related to the Scheme within the authorization by the general meeting;
- (c) Remuneration and Appraisal Committee, which, as a working body established by the Board in accordance with the Articles of Association, shall review the compliance of the establishment and implementation of the Scheme with the remuneration policy of the Company and relevant laws, regulations, regulatory documents and the Listing Rules, and shall report to the Board;
- (d) the Trust established for the purpose of the Scheme, under which, the Trustee shall, subject to the relevant provisions of the Trust Deed and upon the instruction of the Company, purchase the H Shares not exceeding the Scheme Limit, and shall, for the purpose of the Scheme, implement the vesting and sale of the Award Shares upon the instruction of the Board or its Authorized Persons or the Grantees (through the Company).

- 4.2 The authority to administer the Scheme may be delegated by the Board to an Authorized Person as deemed appropriate in the sole and absolute discretion of the Board, provided that nothing in this Rule shall prejudice the Board's power to revoke such delegation or derogate from the discretion rested with the Board as contemplated in Rule 4.1(b).
- 4.3 Without prejudice to the general power of administration of the Board, the Board or its Authorized Persons may from time to time appoint one or more administrators, who may be independent third parties, to assist in the administration of the Scheme, to whom they, in their sole and absolute discretion, may delegate such functions relating to the administration of the Scheme as they may think fit. The term of office, terms of reference and remuneration (if any) of such administrator(s) shall be determined by the Board or its Authorized Persons in its sole and absolute discretion.
- 4.4 Without prejudice to the general power of administration of the Board, and to the extent not prohibited by applicable laws and regulations, the Board or its Authorized Persons may also from time to time appoint one or more Trustees for the grant, administration or vesting of Award Shares. For the avoidance of doubt, notwithstanding any provision herein, the Board and/or its Authorized Persons, if so delegated, shall be the sole body which has the authority to give any direction, instruction or recommendation to the Trustee in respect of the Scheme and the Trust, or the sole body from which the Trustee may seek the direction, instruction or recommendation in respect of the Scheme and the Trust.
- 4.5 Subject to the Scheme Rules, the Listing Rules and any applicable laws and regulations, the Board or its Authorized Persons shall have the power from time to time to:
- (a) interpret the Scheme and formulate specific implementation rules and take necessary steps to implement the Scheme, including, without limitation, establishing the Trust, reviewing the qualification of Eligible Employees and identifying the Grantees, determining the granting conditions, Grant Date, Grant Price and vesting conditions;
 - (b) upon the satisfaction of granting conditions and vesting conditions, identify the Grantees and determine the number of Award Shares to be granted, decide on the form and substance of the Award Letter, grant and vest the Award Shares to the Grantees, handle all matters necessary for the grant and vesting, and enter into the agreements and documents with the Grantees on behalf of the Company in relation to the Award;
 - (c) set and adjust (if necessary), based on the needs of operations and management of the Company, the granting conditions, Grant Price, vesting arrangement, vesting conditions, vesting period or lapsing conditions of Award Shares, review and verify whether the Company and the Grantees have satisfied the granting, vesting and lapsing conditions of Award Shares, and handle all formalities necessary for the grant, vesting and lapsing of Award Shares, including the disposal of lapsed Award Shares;

- (d) to adjust the Scheme Limit, the price of Awards or the number of Award Shares, or to accelerate the vesting of the Award Shares upon conversion of capital reserve into Shares, issuance of bonus Shares, share subdivision, share consolidation, share placing or rights issue, change of control, voluntary winding-up, a compromise or debt repayment arrangement or issuance of additional Shares as set out in the Scheme;
- (e) determine the Grant Price of Award Shares (if applicable), and modify the Grant Price set out in the Award Letter from time to time based on the change of market conditions to better achieve the purposes of the Scheme; under this circumstance, a notice setting out the adjusted Grant Price must be issued to the selected Grantees;
- (f) determine the terms and conditions of the Awards, set up, assess and manage the performance targets of the Scheme, and modify the performance targets set out in the Award Letter from time to time based on the change of market conditions to better achieve the purposes of the Scheme; under this circumstance, a notice setting out the adjusted performance targets must be issued to the selected Grantees;
- (g) determine the form of vesting the Award Shares;
- (h) handle the matters in relation to the Awards if special circumstances set out in the Scheme, such as resignation, dismissal, retirement, work adjustment, incapacity to work or death, occurs to the Grantees;
- (i) convert the Award Shares waived by the Grantees into the Returned Shares, and adjust the number of Award Shares granted or advance the Vesting Date of any Award in accordance with Rule 14 hereof;
- (j) determine the adjustments, suspension and termination of the Scheme and obtain from the general meeting and/or the relevant regulatory authorities any approval necessary for such adjustments as required by laws, regulations or competent regulatory authorities;
- (k) handle the formalities (if any) with competent governments and institutions in respect of the Scheme, such as approval, registration, filing, verification and consent; sign, 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 relation to the Scheme;
- (l) sign, execute, amend and terminate all documents in relation to the Scheme, handle all formalities in relation to the Scheme and conduct all relative actions as it considers necessary, expedient or appropriate for the effectiveness of the Scheme;
- (m) engage the Trustee, bank, accountant, solicitor, advisor and other professional institutions for the purpose of the Scheme;

- (n) decide on all matters in respect of the Trust Deed and sign the Trust Deed on behalf of the Company; determine the investment scope and targets of the trust property; and
 - (o) manage and implement other matters necessary for the implementation of the Scheme.
- 4.6 None of the Directors or any Authorized Persons shall be personally liable by reason of any contract or other instrument executed by him/her, or on his/her behalf or for any mistake of judgment made in good faith, for the purposes of the Scheme, and the Company shall indemnify and hold harmless each member of the Board and any Authorized Persons in relation to the administration or interpretation of the Scheme, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such person's own willful default, fraud or bad faith.
- 4.7 In respect of the administration of the Scheme, the Company shall comply with all disclosure requirements including those imposed by the Listing Rules and all applicable PRC laws, regulations and rules.

5. AWARD TERM

- 5.1 Subject to Rule 17 hereof, the Scheme shall have an award term of 10 years from the Adoption Date (the “**Award Term**”). After the expiry of the Award Term, no Awards shall be granted, but the Scheme shall continue to be extended until the vesting of such Award Shares takes effect, so long as there are any Award Shares granted but not vested before the expiry of the Scheme.

6. SCHEME LIMIT

- 6.1 The limit for the Award Shares granted under the Scheme shall be 5% of the total number of shares of the Company as at the Adoption Date of the Scheme (excluding treasury shares (if applicable)). The Company may not grant any further Award which may result in the total number of H Shares granted under the Scheme (excluding the Award Shares lapsed in accordance with the Scheme) exceeding the Scheme Limit without the approval of the general meeting of the Shareholders.
- 6.2 The limit for the Awards granted to the individual selected Grantees under the Scheme may not exceed the Scheme Limit.
- 6.3 For the avoidance of doubt, the Scheme does not involve the issuance of new shares (including the transfer of treasury shares (if any)) as a result of the grant of Awards. The Award Shares granted to any individual Grantee under the Scheme will not result in the number of all Award Shares granted to that individual Grantee during a 12-month period up to the date of Grant (inclusive) in aggregate (excluding any Award lapsed in accordance with the provisions of the Scheme) exceeding 1% of the total number of shares of the Company during the relevant period (excluding treasury shares (if applicable)).

7. SELECTION OF GRANTEES

- 7.1 The Board or its Authorized Persons may, from time to time, select any Eligible Employee as a Grantee and, subject to these Scheme Rules, grant an Award to such Grantee during the Award Term conditional upon fulfilment of the terms and conditions of the Awards as the Board or its Authorized Persons may determine from time to time.
- 7.2 The Grantees are determined in accordance with the Company Law of the PRC, the Securities Law of the PRC and other applicable laws, regulations and regulatory documents and the relevant provisions of the Articles, together with the Company's actual circumstances (including the present and expected contributions of the relevant Grantees to the Group). No one should be considered as a Grantee of the Scheme if he/she:
- (a) has been publicly reprimanded or deemed as an inappropriate candidate for the share incentive plans or similar scheme of a listed company by any securities regulatory body in the most recent 12 months;
 - (b) has been imposed with penalties (including being banned from the market) or is banned from trading securities by securities regulatory bodies due to material non-compliance with laws or regulations in the most recent 12 months;
 - (c) is prohibited from acting as a director or the senior management personnel of a company due to occurrence of circumstances as stipulated in the Company Law of the PRC;
 - (d) has caused the losses to the Company during his/her term of service due to bribery, acceptance of bribes, duty encroachment, corruption and theft, disclosure of the operation and technology secrets of the Company, infringement of company interest through connected transactions and any acts which cause damage to the reputation and image of the Company, which can be proven with sufficient evidence by the Company; or
 - (e) is explicitly prohibited from participating in any share incentive plan by applicable PRC laws, administrative rules and regulations and relevant national regulations.

The Grantees shall undertake that: if any of the above circumstances occurs during implementation of the Scheme which would prevent him/her from becoming a Grantee, he/she shall waive the rights to participate in the Scheme and will not be given any compensation.

- 7.3 Notwithstanding the provision in Rule 7.1 and Rule 7.2, no grant of any Award Shares to any Grantee may be made and no directions or recommendations shall be given to the Trustee with respect to the grant of Awards under the circumstances below, and any such grant so made or any such direction or recommendation so given shall be null and void to the extent (and only to the extent) that it falls within the circumstances below (and notified to the Trustee as soon as practicable):

- (a) in any circumstances where the requisite approval from any applicable regulatory authorities or Shareholders has not been granted;
 - (b) in any circumstances that any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the Scheme, unless the Board determines otherwise;
 - (c) where such Award would result in a breach by any member of the Group or its Directors of any applicable securities laws, rules or regulations in any jurisdiction;
 - (d) where such grant of Awards would result in a breach of the Scheme Limit;
 - (e) after the expiry of the Award Term or after the earlier termination of this Scheme in accordance with Rule 17;
 - (f) where the Company is in possession of unpublished inside information (as defined under the SFO) or where any Director reasonably believes there is inside information which must be disclosed pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO or where dealings in the securities of the Company by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
 - (g) during the period of 60 days immediately preceding the publication date of the annual results of the Group or, if shorter, the period from the end of the relevant financial year up to the publication date of such results; and
 - (h) during the period of 30 days immediately preceding the publication date of the quarterly or half-year results of the Group or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of such results.
- 7.4 The proposed allocation and amount of Award Shares shall be determined based on the titles and job duties of the Grantees. Such proposed allocation and amount shall be determined and documented by the Authorized Persons from time to time.

8. AWARD LETTER AND NOTIFICATION OF GRANT OF AWARDS

- 8.1 The Company shall issue a letter to each Grantee in such form as the Board or its Authorized Persons may from time to time determine, specifying the Grant Date, Grant Price, the manner of acceptance of the Awards, the number of Award Shares (including the basis on which the number of Award Shares is calculated), the vesting criteria and conditions, and the Vesting Date and such other details, terms and conditions as the Board or its Authorized Persons may consider necessary and in accordance with this Scheme (an “**Award Letter**”).

- 8.2 As soon as practicable after the grant of any Award to a Grantee, the Company shall provide a fully executed copy of the Award Letter to the Trustee.

9. SOURCE OF FUNDS AND PURCHASE OF H SHARES

- 9.1 The funds used to purchase the Award Shares under the Scheme shall be the internal funds of the Company or the Cash Revenue generated by the Trust. Upon the approval and adoption of the Scheme by the general meeting of the Shareholders, subject to applicable laws and regulations, the Company will, based on the decision of the Board or its Authorized Persons, transfer necessary funds to the Trustee or instruct the Trustee to use its Cash Revenue, and instruct the Trustee to purchase H Shares via on-market transactions or off-market transactions. Subject to Rule 14 of the Scheme, the Company shall instruct the Trustee whether to apply any Returned Shares to satisfy any grant of Awards, and if the Returned Shares determined by the Company are insufficient to satisfy any grant of Awards, the Company shall, subject to Rule 9.4 of the Scheme and for purposes of grant of Awards, transfer to the Trust the necessary funds as soon as reasonably practicable, and instruct the Trustee to purchase further H Shares via on-market transactions or off-market transactions. The Board or its Authorized Persons may set out in the instructions given to the Trustee any conditions or terms, including without limitation, the specific price or range of prices for the purchase, the maximum amount of funds and/or the maximum number of H Shares to be purchased.
- 9.2 If the Trustee has received instructions from the Company to purchase H Shares via on-market transactions or off-market transactions, the Trustee shall purchase the number of H Shares in the manner instructed by the Company at the prevailing market price as soon as reasonably practicable after receipt of necessary funds from the Company.
- 9.3 Subject to Rule 10.11(b), the Trustee shall be obliged to transfer the Award Shares to Grantees at the time of vesting only if such Award Shares are included in the Trust.
- 9.4 Under any of the following circumstances, the Company shall not instruct the Trustee to purchase H Shares: such act (as applicable) is prohibited under the Listing Rules, other applicable PRC laws, regulations and rules, the SFO or any other applicable laws from time to time. If such a prohibition during the above period causes the prescribed timing imposed by the Scheme Rules or the Trust Deed to be missed, such prescribed timing shall be treated as extended until as soon as reasonably practicable after the first Business Day on which the prohibition no longer prevents the relevant act.

10. VESTING OF AWARDS

- 10.1 The Board or its Authorized Person may, during the term of the Scheme and subject to all applicable laws, rules and regulations, determine such vesting criteria and conditions and the period during which the Awards are vested under the Scheme from time to time.

- 10.2 Subject to the vesting criteria and conditions set out in Rules 10.3 to 10.5 below, the vesting period for all Award Shares under the Scheme shall be determined by the Board or its Authorized Person (each a “**Vesting Period**”). The specific commencement date and duration of each Vesting Period and the actual vesting amount of the Awards granted to the selected Grantees during each Vesting Period shall be specified in the Award Letter approved by the Board or its Authorized Person. The Vesting Period will be divided into 4 tranches, each Vesting Period shall be no shorter than 12 months, and 25% of the granted shares may vest each year, unless the Board and/or its Authorized Person determines otherwise at its sole and absolute discretion.
- 10.3 Vesting of the Award granted under the Scheme is subject to the assessment conditions of the performance indicators of the Company and any other applicable vesting conditions set out in the Award Letter.
- 10.4 The details of the performance indicators of the Company shall be determined by the Board or its Authorized Person from time to time with reference to the business performance and financial condition of the Company and the then market conditions, and shall be set out in the Award Letter.
- 10.5 If a Grantee fails to fulfill the vesting conditions applicable to the relevant Award Shares, all the Award Shares to be vested during the relevant Vesting Period shall not be vested. In relation to such Grantee, the Award Shares to be vested during such Vesting Period shall be withdrawn immediately. The Trustee shall be notified of such withdrawal and the shares so withdrawn shall be held by the Trustee as Returned Shares.
- 10.6 Any dividend underlying the Award Shares not vested shall be retained by the Trustee and shall be transferred to the Grantees together with the Award Shares at the time of vesting. Any dividend underlying the Returned Shares shall be retained by the Trustee as the Cash Revenue of the Trust.
- 10.7 If the Vesting Date is not a Business Day, the Vesting Date shall be the first Business Day immediately after the trading halt or suspension of the H Shares.
- 10.8 For the avoidance of doubt, the Vesting Period of the Awards granted under the Scheme or the Awards to be satisfied by the application of any Returned Shares shall be determined by the Board or its Authorized Person in its sole and absolute discretion, which shall in no event extend beyond the then remaining Award Term at the time of grant. The Trustee shall be notified of such Vesting Period.
- 10.9 Except under the circumstances set out in Rule 10.14, barring any unforeseen circumstances, within a reasonable time period as agreed between the Trustee and the Board or its Authorized Person from time to time prior to any Vesting Date, the Board or its Authorized Person shall send to each Grantee a vesting notice (the “**Vesting Notice**”).

- 10.10 The Board or its Authorized Person shall forward a copy of the Vesting Notice to the Trustee and instruct the Trustee to vest the Award Shares in the form determined by the Board or its Authorized Person, including without limitation, releasing the Award Shares held by the Trust from the Trust and transferring the same to the Grantees, or selling such Award Shares as soon as practicable after the Vesting Date.
- 10.11 For the purpose of vesting of the Awards, the Board or its Authorized Person may:
- (a) direct and procure the Trustee to release from the Trust the Award Shares to the Grantees by transferring the Award Shares to the Grantees (in the form determined by the Board or its Authorized Person from time to time); or
 - (b) to the extent that, at the determination of the Board or its Authorized Person, it is not practicable for the Grantee to receive the Awards in the form of H Shares solely due to legal or regulatory restrictions on the Grantees' ability to receive the Awards in the form of H Shares or any restrictions or circumstances that result in the Trustee's inability to give effect to any such transfer to the Grantees, the Board or its Authorized Person will direct and procure the Trustee to sell the Award Shares vested to the Grantees by specific transactions and pay the Grantees the cash corresponding to the Actual Sale Price of the Award Shares set out in the Vesting Notice.
- 10.12 Any stamp duty arising out of vesting and transfer of the Award Shares to the Grantees shall be borne by the Company. Any taxes or other direct costs and expenses arising out of the sale of the Award Shares due to the vesting shall be borne by the Grantees.
- 10.13 All costs and expenses in relation to all dealings of Award Shares after vesting and transfer of the Award Shares to the Grantees (as the case may be) shall be borne by the Grantees, and neither the Company nor the Trustee shall be liable for any such costs and expenses thereafter.
- 10.14 Other than the stamp duty payable by the Company in accordance with Rule 10.12, all other taxes (including but not limited to personal income taxes, VAT, professional taxes, salary taxes and similar taxes, as applicable), duties, social security contributions, impositions, charges and other levies in connection with the Grantee's participation in the Scheme or in relation to the Award Shares or cash equivalents of Award Shares shall be borne by the Grantee, and neither the Company nor the Trustee shall be liable for any taxes. The Grantee will indemnify the Trustee and all members of the Group against any liability each of them may have to pay or account for such taxes, including any withholding liability in connection with any taxes. To give effect to this provision, notwithstanding any provision in the Scheme Rules (but subject to applicable law), the Trustee or any member of the Group may:
- (a) reduce or withhold the number of Grantee's Award Shares underlying the Awards (the number of Award Shares underlying the Awards which may be reduced or withheld shall be limited to the number of Award Shares which the Company reasonably believes that their fair market value on the date of withholding is sufficient to cover any such liability) for the purpose of payment of Grant Price or relevant taxes;

- (b) sell such number of H Shares to which the Grantee becomes entitled under the Scheme on behalf of the Grantee, and retain the proceeds to pay the Grant Price and/or pay such proceeds to relevant authorities or government agencies;
- (c) deduct or withhold, without notice to the Grantee, the amount of any such liability from any payment to the Grantee made under the Scheme or any payments payable by a member of the Group to the Grantee, including from the salary payable to the Grantee by any member of the Group; and/or
- (d) require the Grantee to remit to the Trustee or any member of the Group, in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by the Trustee or any member of the Group on account of the Grantee or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amount.

The Trustee shall not be obliged to transfer any Award Shares (or pay the Actual Sale Price of such Award Shares in cash) to a Grantee unless and until the Trustee and the Company are satisfied that such Grantee's obligations under these Rules have been fulfilled.

11. CHANGES OF CIRCUMSTANCES PERTAINING TO THE GRANTEES

11.1 If a Grantee ceases to be an Eligible Employee by reason of a change in job position while remaining employed by the Company or re-employment after retirement upon the execution of a re-employment agreement, the Award Shares granted but not yet vested shall continue to be vested on the Vesting Date set out in the Award Letter, unless the Board or its Authorized Person determines otherwise. However, if a change in job position occurs to a Grantee due to any of the following reasons:

- (a) violation of applicable laws, professional ethics, employment contract and/or by-laws of the Company or the leakage of confidential information of the Company;
- (b) causing damage to the interests or reputation of the Company due to failure to discharge his/her duties or a willful misconduct; or
- (c) termination of his/her employment contract by the Company for any of the above reasons,

any Award Shares already granted but not vested shall expire immediately, and such Award Shares shall become the Returned Shares; in the event of serious violation or damage, the Company reserves the right to bring a claim against the Grantee for the damages suffered as a result of the above reasons, unless the Board or its Authorized Person determines otherwise.

- 11.2 If a Grantee ceases to be an Eligible Employee by reason of disqualification from participating in the Scheme due to any of the reasons set forth in Rule 7.2, any Award Shares already granted but not vested shall expire immediately, unless the Board or its Authorized Person determines otherwise.
- 11.3 If a Grantee ceases to be an Eligible Employee by reason of leaving the Company due to resignation, expiration of employment contract or redundancy, any Award Shares already granted but not vested shall expire immediately, unless the Board or its Authorized Person determines otherwise.
- 11.4 If a Grantee ceases to be an Eligible Employee by reason of retirement upon reaching the retirement age stipulated by law (unless he/she continues to work for the Company as a consultant or in other capacities), subject to the provisions in Rule 11.1 above, any Award Shares already granted but not vested shall expire immediately, unless the Board or its Authorized Person determines otherwise.
- 11.5 If a Grantee ceases to be an Eligible Employee by reason of being in a rank or position that does not allow him/her to hold H Share awards of the Company, or being transferred to such a rank or position as a result of reorganization within the Group, any Award Shares already granted but not vested shall expire immediately, unless the Board or its Authorized Person determines otherwise.
- 11.6 If a Grantee ceases to be an Eligible Employee by reason of resignation due to incapacity, any Award Shares already granted but not vested shall expire immediately, unless the Board or its Authorized Person determines otherwise.
- 11.7 If a Grantee ceases to be an Eligible Employee by reason of death due to any reason, any Award Shares already issued but not vested shall expire immediately on the date of his/her death, unless the Board or its Authorized Person determines otherwise.
- 11.8 If a Grantee ceases to be an Eligible Employee for any reason other than those set out in Rules 11.1 to 11.7, any Award Shares already granted but not vested shall expire immediately, unless the Board or its Authorized Person determines otherwise.
- 11.9 A Grantee shall be taken to have retired on the date that he retires upon or after reaching the age of retirement stipulated by law or specified in his/her service agreement or pursuant to any retirement policy of the Company applicable to him/her from time to time or, in case there are no such terms of retirement applicable to the Grantee, the approval of the Board or its Authorized Person is required.
- 11.10 The Company shall, from time to time, inform the Trustee in writing of the date on which and the reason for which such Grantee ceases to be an Eligible Employee, expiry of any Award Shares not vested and any amendments to the terms and conditions of the Awards with respect to such Grantee (including the number of Award Shares entitled).

12. TRANSFER OF AWARD SHARES AND OTHER RIGHTS

12.1 No Grantee may in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over any Award Shares granted but not vested under the Scheme, or enter into any agreement on the disposal of the Award Shares.

12.2 Any actual or purported breach of Rule 12.1 shall entitle the Company to cancel any Award Shares granted but not vested to such Grantee in whole or in part, and no compensation or replacement Award will be given other than the contribution already paid by the Grantee. A decision by the Board or its Authorized Person as to whether the Grantee has breached any of the above provisions shall be final and conclusive.

13. INTEREST IN THE TRUST ASSETS

13.1 For the avoidance of doubt:

- (a) a Grantee shall have only a contingent interest in the Awards subject to the vesting of such Awards in accordance with Rules 10 and 14;
- (b) no instruction may be given by a Grantee to the Trustee in respect of the Award Shares or any other property of the Trust, and the Trustee may not follow the instructions given by a Grantee to the Trustee in respect of the Award Shares or any other property of the Trust;
- (c) neither the Grantee nor the Trustee may exercise any voting rights attached to any H Shares held by the Trustee under the Trust (including any Award Shares not yet vested);
- (d) a Grantee is not entitled to any fractional shares arising out of consolidation of H Shares (if any), and for the purposes of the Scheme, such H Shares shall be deemed as Returned Shares; and
- (e) if a Grantee ceases to be an Eligible Employee on or prior to the relevant Vesting Date, the Award Shares in respect of the relevant Vesting Date shall expire pursuant to the Scheme, and such Award Shares shall not be vested on the relevant Vesting Date, and the Grantee shall have no claims against the Company (unless the Board or its Authorized Person determines otherwise) or the Trustee.

13.2 Any dividend generated from all Award Shares granted to a Grantee (other than the Returned Shares) shall belong to such Grantee.

14. CHANGE OF CONTROL, OPEN OFFER, RIGHTS ISSUE, BONUS WARRANT, ETC.**Change of control**

14.1 In the event of any change of control of the Company arising from merger, privatization of the Company by way of a scheme or offer, change of actual control of the Company involving major asset reorganization, the Company ceasing to exist as a result of its merger with another company, division of the Company, or replacement of half of the members of the Board by a resolution of general meeting before the expiry of the term of office of the Board, the Board and/or its Authorized Person shall in its sole and absolute discretion determine whether the Scheme shall be terminated within 5 trading days after such change in control of the Company.

For the purpose of Rule 14.1, “control” shall have the meaning as given to it in The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC from time to time.

Open offer and rights issue

14.2 In the event of any open offer of new securities or rights issue by the Company, the Trust and the owners of shares under the Trust may not subscribe for new shares in respect of such shares held under the Trust.

Bonus warrant

14.3 If the Company issues bonus warrants in respect of any H Shares held by the Trustee, the Trustee may not, unless otherwise instructed by the Company, subscribe for any new H Shares by exercising any subscription right attached to the bonus warrants, and shall sell the bonus warrants granted to it/him/her, and the net proceeds from sale of such bonus warrants shall be deemed as the Cash Revenue of the Trust.

Scrip dividend

14.4 If the Company implements a scrip dividend scheme, the Trustee shall elect to receive the scrip shares and such H Shares will be held as Returned Shares.

Capitalization issue, rights issue, subdivision, consolidation and capital reduction

14.5 If the Company implements a capitalization issue, rights issue, subdivision, consolidation or capital reduction in respect of the H Shares, corresponding changes shall be made to the number of Award Shares granted, provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent the dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the selected Grantees. All fractional shares (if any) arising out of such capitalization issue, rights issue, subdivision, consolidation or capital reduction in respect of the Award Shares of a Grantee shall be deemed as Returned Shares, and shall not be transferred to the relevant selected Grantees on the relevant Vesting Date.

- 14.6 In the event of any issue of H Shares by the Company credited as fully paid to the holders of the H Shares by way of capitalization of profits or reserves (including share premium account), the H Shares attributable to Award Shares held by the Trustee shall be deemed to be an accretion to such Award Shares and shall be held by the Trustee as the Returned Shares, as if they were Award Shares purchased by the Trustee hereunder and all the provisions hereof in relation to the original Award Shares shall apply to such additional Shares.
- 14.7 In the event of any non-cash distribution or upon the occurrence of other events not referred to above, where the Board considers an adjustment to the granted Award Shares to be fair and reasonable, then, an adjustment shall be made to the number of Award Shares issued to each Grantee in such manner as the Board considers fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the Grantees.

Voluntary winding-up

- 14.8 If an effective resolution is passed during the Award Term for the voluntary winding-up of the Company (other than for the purposes of a reconstruction, amalgamation or scheme of arrangement), the Board and/or its Authorized Person shall in its sole and absolute discretion determine whether the Vesting Date of any Award will be accelerated and whether the Grantees will be entitled to receive out of the assets available in liquidation on an equal basis with the Shareholders such sum as they would have received in respect of the Awards. Any decision made under Rule 14.8 shall be notified to the Trustee.

Compromise or arrangement

- 14.9 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 amalgamation with any other company or companies and a notice is given by the Company to its Shareholders to convene a general meeting to consider and if thought fit, approve such compromise or arrangement and such Shareholders' approval is obtained, the Board and/or its Authorized Person shall in its sole and absolute discretion determine whether the Vesting Date of any Award will be accelerated. Any such acceleration shall be notified to the Trustee.

15. INTERPRETATION

- 15.1 Any decision made under the Scheme, including the interpretation of the Scheme Rules, shall be made by the Board or its Authorized Person. The decision by the Board or its Authorized Person shall be final and binding.

16. ALTERATION OF THE SCHEME

- 16.1 Subject to the Scheme Limit, the Scheme may be altered or supplemented in any respect by any decision of the Board or its Authorized Person. Any such alteration or supplement shall be notified to the Trustee.

17. TERMINATION OF THE SCHEME

17.1 The Scheme shall terminate on the earlier of:

- (a) the end of the Award Term, except that, in order for any Award Shares granted under the Scheme but not vested prior to the expiry of the Scheme to continue to be effective, the Scheme shall be extended until the vesting of such Award Shares takes effect; and
- (b) such date of early termination as determined by the Board or its Authorized Person.

17.2 On the trading day following the settlement, expiry, forfeiture or cancellation (as the case may be) of the issued Awards made under the Scheme, the Trustee shall sell all remaining H Shares in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receipt of the notice of the settlement, expiry, forfeiture or cancellation of the Awards recently issued, and remit all cash and net proceeds from such sale and other funds remaining in the Trust (after making appropriate deductions for all disposal costs, expenses and other existing and future liabilities under the Trust Deed) to the Company. For the avoidance of doubt, the Trustee may not transfer any H Shares to the Company.

18. MISCELLANEOUS

18.1 The Scheme does not form a part of any contract of employment between the Company or any subsidiary and any Eligible Employee, and the rights and obligations of any Eligible Employee under the terms of his/her office or employment will not be affected by his/her participation in the Scheme, and the Scheme does not afford such Eligible Employee any additional rights to compensation or damages arising out of the termination of such office or employment for any reason.

18.2 Any notice or other communication between the Company and any Eligible Employee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office in the PRC or such other address as the Company may notify the Eligible Employee from time to time, and in the case of an Eligible Employee, his/her address as notified to the Company from time to time, or by delivering it to him/her by hand. In addition, any notice (including the Vesting Notice) or other communication from the Company to any Eligible Employee may be given by any electronic means by the Company itself or through the Trustee, as the Board or its Authorized Person considers appropriate.

18.3 Any notice or other communication sent by post shall be deemed to have been served 24 hours after the same was put in the post. Any notice or other communication sent by electronic means shall be deemed to have been received on the day after it was sent.

- 18.4 Save as specifically provided herein, the Scheme may not confer on any person any legal or litigation rights (other than those constituting and attaching to the Award Shares themselves) against the Group directly or indirectly or give rise to any cause of action against the Group. No person may, under any circumstances, hold the Board or its Authorized Person and/or the Company liable for any costs, losses, expenses and/or damages whatsoever arising from or in connection with the Scheme or the administration thereof.
- 18.5 For the avoidance of doubt, the Scheme is not a share scheme involving the issuance of new shares (including transfer of treasury shares (if any)) referred to in Chapter 17 of the Listing Rules.
- 18.6 The operation of the Scheme shall be subject to the Articles of Association of the members of the Group and any restriction set out in any applicable laws, rules and regulations.
- 18.7 By participating in the Scheme, the Grantee consents to the possession, processing, storage and use of personal data and information concerning him/her by any member of the Group, the Trustee or other third-party service provider for the purpose of the administration and implementation of the Scheme. Such consent permits, but is not limited to, the following:
- (a) the administration and maintenance of records of the Grantees;
 - (b) the provision of data or information to members of the Group, the Trustee, registrars, brokers or third-party administrators or managers of the Scheme, in the PRC or Hong Kong or elsewhere;
 - (c) the provision of data or information to future purchasers or merger partners of the Company, the Grantee's employer, or the business in which the Grantee is engaged;
 - (d) the transfer of data or information about the Grantee to a country or territory outside the Grantee's home country which may not provide the same statutory protection for the information as his/her home country; and
 - (e) if an announcement or a circular is required by the Listing Rules or other applicable laws, rules and regulations for the purposes of granting the Awards, the disclosure of the identity of such Grantee, the number of Award Shares and the terms of the Awards granted and/or to be granted and all other information required by the Listing Rules or other applicable laws, rules and regulations.

The Grantee is entitled, upon payment of a reasonable fee, to a copy of his/her personal data, and if such personal data is inaccurate, the Grantee may request for rectification.

19. DISPUTE RESOLUTION

19.1 Any issue or dispute arising out of or in connection with the Scheme shall be interpreted and settled by the Board or its Authorized Person. The decision of the Board or its Authorized Person shall be final.

20. GOVERNING LAW

20.1 The Scheme shall be governed by, and construed in accordance with, the laws of the Hong Kong Special Administrative Region of the PRC.

In accordance with the Listing Rules, this appendix serves as the explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the EGM for the grant of general mandate to the Board of Directors to repurchase Shares.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares issued by the Company was 52,328,926 (all being H Shares). Subject to the passing of the resolution for the grant of general mandate to the Board of Directors to repurchase Shares and on the basis that the total number of H Shares issued by the Company remains unchanged from the Latest Practicable Date up to the date of the EGM, the Company will be allowed under the general mandate to repurchase Shares to repurchase a maximum of 5,232,892 H Shares, being up to 10% of the total number of H Shares (excluding Treasury Shares, if applicable) as at the date of the passing of the relevant resolutions.

REASONS FOR REPURCHASING SHARES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per Share.

EXERCISE OF THE GENERAL MANDATE TO REPURCHASE SHARES

Subject to the passing of the resolution No. 2 set out in the notice of EGM, the Board will be granted the general mandate to repurchase Shares until the earlier of:

- a. the conclusion of the next annual general meeting of the Company; and
- b. the date on which the Shareholders pass a resolution at the general meeting revoking or varying the general mandate and/or the repurchase mandate under the resolution No. 2 set out in the notice of the EGM.

The Directors will exercise the powers of the Company to make repurchases under the general mandate to repurchase Shares in accordance with the applicable laws and regulations of the PRC, the Listing Rules, and the Articles of Association. The Directors confirm that neither this explanatory statement nor the proposed repurchase of Shares has any unusual features.

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares.

If the Company repurchases any H Shares under the general mandate to repurchase Shares, the Company will (i) cancel the repurchased H Shares and reduce the registered capital of the Company in accordance with applicable laws and regulations; and/or (ii) hold such H Shares as Treasury Shares, subject to market conditions and the capital management needs of the Company at the relevant time when any H Share repurchase is conducted.

To the extent that any Treasury Shares are deposited with the Central Clearing and Settlement System (“CCASS”) pending resale on the Stock Exchange, the Company will adopt appropriate measures to ensure that it does not exercise any Shareholders’ rights or receive any entitlements which would otherwise be suspended under the applicable laws if those shares were registered in the Company’s own name as Treasury Shares, which may include approval by the Board that (i) the Company would not (or would procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the Treasury Shares deposited with CCASS; and (ii) in the case of dividend distributions, the Company will withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividend distributions.

FUNDING OF REPURCHASING THE SHARES

Repurchase of Shares pursuant to the general mandate to repurchase Shares would be financed entirely from the Company’s available cash flow or working capital. The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

IMPACT OF REPURCHASING THE SHARES

There might be a material adverse impact on the working capital or gearing position of the Company in the event that the general mandate to repurchase Shares is exercised in full. However, the Directors do not propose to exercise the general mandate to repurchase Shares to such an extent that the Directors believe it would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which are from time to time appropriate for the Company.

H SHARE PRICES

The highest and lowest prices at which the H Shares have been traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date were as follows:

	Highest Price <i>(HK\$)</i>	Lowest Price <i>(HK\$)</i>
2026		
May (since the Listing Date)	256.00	145.00
June	287.00	183.00
July	219.60	152.70
August	210.40	159.30
September (up to the Latest Practicable Date)	195.50	104.00

EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases after the repurchase of Shares, such increase will be deemed as the acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) (depending on the level of increase in Shareholder's interests) may acquire or jointly acquire control over the Company, and hence become obliged to make a mandatory offer pursuant to Rule 26 of the Takeovers Code. Save for the above, to the knowledge of the Board of Directors, the exercise of the general mandate to repurchase Shares will not give rise to any consequences under the Takeovers Code. The Directors do not intend to repurchase any Shares to the extent that will trigger the obligation to make a mandatory offer under the Takeovers Code.

In addition, the Directors do not have any intention to exercise the general mandate to repurchase Shares to the effect that it will result in the public float falling below the percentage as required under the Listing Rules or such other minimum percentage agreed by the Stock Exchange from time to time.

Save as disclosed above, the Directors are not aware of any consequences which will arise under the Takeovers Code.

INTENTIONS TO SELL H SHARES TO THE COMPANY

None of the Directors, and to the best of their knowledge, having made all reasonable enquiries, none of their close associates (as defined in the Listing Rules), have any present intention, if the general mandate to repurchase Shares is exercised, to sell any Shares to the Company. No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell any Shares to the Company, if the general mandate to repurchase Shares is exercised.

NOTICE OF 2026 SECOND EXTRAORDINARY GENERAL MEETING



丹诺医药

TENNOR THERAPEUTICS

TenNor Therapeutics (Suzhou) Limited

丹諾醫藥(蘇州)股份有限公司

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

(Stock code: 6872)

NOTICE IS HEREBY GIVEN that the 2026 second extraordinary general meeting (the “**EGM**”) of TenNor Therapeutics (Suzhou) Limited (the “**Company**”) will be held at Unit 701, Block B7, BioBay, 218 Xinghu Street, Suzhou Industrial Park, Suzhou Area of China (Jiangsu) Pilot Free Trade Zone Suzhou, Jiangsu, PRC at 2:00 p.m. on Friday, October 23, 2026 for the following purposes. Unless otherwise defined, terms used in this notice shall have the same meanings as those defined in the circular of the Company dated October 5, 2026 (the “**Circular**”), which contains details of the following resolutions (special resolutions are marked with *).

RESOLUTIONS

1. * To consider and approve the resolution on the formulation of the 2026 H Share Award Scheme and related authorization matters
2. To consider and approve the resolution on the grant of general mandate to the Board of Directors to repurchase Shares
3. * To consider and approve the resolution on the amendments to the Articles of Association

By order of the Board

TenNor Therapeutics (Suzhou) Limited

Dr. Ma Zhenkun

*Chairman of the Board, Executive Director,
Chief Executive Officer and General Manager*

Hong Kong, October 5, 2026

As at the date of this notice, the Board comprises: (i) Dr. Ma Zhenkun as an executive Director; (ii) Dr. Song Gaoguang as a non-executive Director; and (iii) Mr. Lee Wai Kong, Albert, Dr. Ni Lin and Dr. Li Leping as independent non-executive Directors.

NOTICE OF 2026 SECOND EXTRAORDINARY GENERAL MEETING

Notes:

1. Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. As such, the resolutions set out in the notice of the EGM will be voted by poll. Results of the poll voting will be published on the Company's website at www.tennotherapeutics.com and the HKEXnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the EGM.
2. Any Shareholder entitled to attend and vote at the EGM convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a Shareholder.
3. In order to be valid, the form of proxy together with the notarized power of attorney or other documents of authorization, if any, must be completed and returned to the Company's H Share registrar, Tricor Investor Services Limited, not less than 24 hours before the time appointed for holding the EGM (that is not later than 2:00 p.m. on Thursday, October 22, 2026) or any adjournment thereof. Tricor Investor Services Limited is located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong. 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 so wish, but in such event the form of proxy shall be deemed to be revoked.
4. The H Share register of members of the Company will be closed, for the purpose of determining the entitlement of H Shareholders to attend the EGM, from Tuesday, October 20, 2026 to Friday, October 23, 2026 (both days inclusive). H Shareholders whose names appear on the H Share register of members of the Company on Friday, October 23, 2026 are entitled to attend and vote at the EGM. In order to attend the EGM, all share certificates, together with the instruments of transfers, must be lodged for registration with the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, October 16, 2026. The record date for determining the entitlement for attendance and voting at the EGM will be Friday, October 23, 2026.
5. Where there are joint holders of any Shares, the one whose name stands first in the register of members shall be entitled to attend and vote at the EGM in respect of such Shares.
6. Any Shareholder or his/her proxy shall produce proof of identity when attending the EGM. For any corporate Shareholder, the person authorized by its board of directors or other governing body shall produce a copy of the authorization documents of the board of directors or other governing body of such Shareholder appointing such person to attend the meeting.
7. The EGM will adopt onsite voting in terms of the mechanism for voting at the meeting.
8. The EGM is expected to be held for less than half a day. Shareholders who attend the meeting in person or by proxy shall bear their own travelling and accommodation expenses.
9. Tricor Investor Services Limited is located at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
10. The registered office of the Company is located at Unit 701, Block B7, BioBay, 218 Xinghu Street, Suzhou Industrial Park, Suzhou Area of China (Jiangsu) Pilot Free Trade Zone Suzhou, Jiangsu, PRC.

Tel: 86 0512-86861986