
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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Transcenta Holding Limited 創勝集團醫藥有限公司

(registered by way of continuation in the Cayman Islands with limited liability)

(Stock code: 6628)

PROPOSED AMENDMENT TO THE POST-IPO SHARE AWARD SCHEME AND NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the Extraordinary General Meeting of the Company to be held at 218 Xinghu Street, Biobay, B6-501, Suzhou, China on Friday, November 4, 2022 at 10:00 a.m. or any adjournment of the meeting is set out on pages 23 to 25 of this circular.

Whether or not you are able to attend the Extraordinary General Meeting, you are requested to complete the form of proxy enclosed with this circular in accordance with the instructions printed on it and return it, together with the power of attorney or other authority (if any) under which the form of proxy is signed or a certified copy of such power of attorney or authority, to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the Extraordinary General Meeting or any adjourned meeting thereof (as the case may be). You may also submit your form of proxy electronically by scanning the QR code or visiting the designated URL <https://spot-meeting.tricor.hk>, through using the username and password provided on the notification letter sent to you by the Company. Completion and return of the form of proxy shall not preclude you from attending and voting at the Extraordinary General Meeting or any adjourned meeting thereof (as the case may be) if you so wish, and in such event, your appointment of proxy under any form of proxy shall be deemed to be revoked.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.transcenta.com).

References to time and dates in this circular are to Hong Kong time and dates.

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the Extraordinary General Meeting:

- (1) compulsory temperature checks;
- (2) compliance with the latest epidemic prevention policy requirement of the Chinese government and present valid proof of nucleic acid test result for COVID-19 and itinerary and corresponding health certificate according to the prevailing anti-Epidemic requirements or guidelines of the government and/or regulatory authorities; and
- (3) wearing of surgical face masks.

Any person who does not comply with the precautionary measures will be denied entry into or be required to leave the Extraordinary General Meeting venue at the absolute discretion of the Company as permitted by law. Shareholders are requested (a) to consider carefully the risk of attending the Extraordinary General Meeting, which will be held in an enclosed environment, (b) to follow any prevailing anti-Epidemic requirements or guidelines of the government and/or regulatory authorities in deciding whether or not to attend the Extraordinary General Meeting. The Company reminds Shareholders that they may appoint the Chairman of the Extraordinary General Meeting as their proxy to vote on the relevant resolutions at the Extraordinary General Meeting as an alternative to attending the Extraordinary General Meeting in person.

Subject to the development of COVID-19, the Company may be required to change the meeting arrangements for the Extraordinary General Meeting at short notice, and to issue further announcement(s) on such changes as and when appropriate. Shareholders are advised to check the website of the Company at www.transcenta.com and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk for further announcement(s) and update(s) on such arrangements and/or further special measures to be taken.

October 17, 2022

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DEFINITIONS

In this circular and the appendix to it, unless the context otherwise requires, the following expressions have the following meanings:

“Actual Selling Price”	the actual price at which the Award Shares or Option Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable fees, levies, duties and costs) 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 the Scheme Rules, the consideration receivable under the related scheme or offer;
“Adoption Date”	The date of adoption or amendment of the Scheme by approval of the Shareholders;
“Affiliate”	means a company that directly, indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Company and includes any company which is (a) the holding company of the Company; or (b) a subsidiary of the holding company of the Company; or (c) a subsidiary of the Company (including, for the avoidance of doubt, a company that is treated as a subsidiary by virtue of it being controlled through contractual arrangements); or (d) a fellow subsidiary of the Company; or (e) the controlling shareholder of the Company; or (f) a company controlled by the controlling shareholder of the Company; or (g) a company controlled by the Company; or (h) an associated company of the holding company of the Company; or (i) an associated company of the Company; or (j) associated company of controlling shareholder of the Company;
“Articles”	the articles of association of the Company currently in force;
“associate”	shall have the meaning ascribed to it under the Listing Rules;
“Award”	an award granted by the Board to a Selected Participant, which may vest in the form of Award Shares or the Actual Selling Price of the Award Shares in cash, as the Board may determine in accordance with the terms of the Scheme Rules;

DEFINITIONS

“Award Letter”	shall have the meaning as set out on page 13 of this circular;
“Award Shares”	the Shares granted to a Selected Participant in an Award;
“Board”	the board of Directors;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Chairman”	the chairman of the Board of the Company, from time to time;
“Chief Executive Officer”	the chief executive officer of the Company, from time to time;
“close associate”	shall have the meaning ascribed to it under the Listing Rules;
“Company”	Transcenta Holding Limited (創勝集團醫藥有限公司), a limited liability company incorporated under the laws of the British Virgin Islands on August 20, 2010 and continued in the Cayman Islands on March 26, 2021 as an exempted company with limited liability under the laws of Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	director(s) of the Company, from time to time;
“EGM”	the extraordinary general meeting of the Company to be convened on Friday, November 4, 2022 for the purpose of considering and, if thought fit, approving the amendment to the Post-IPO Share Award Scheme to be renamed as the Share Incentive Scheme;

DEFINITIONS

“Eligible Person(s)“	any individual, being an Employee, director (including executive directors, non-executive directors and independent non-executive directors) of any member of the Group or any Affiliate (including nominees and/or trustees of any employee benefit trust established for them), or Service Provider, who the Scheme Administrator considers, in their sole discretion, to have contributed or will contribute to the Group; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award or Option pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of Scheme Administrator, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Scheme and such individual shall therefore be excluded from the term Eligible Person;
“Employee”	any employee (whether full-time or part-time employee) of any members of the Group or any Affiliate provided that the Selected Participant shall not cease to be an Employee in the case of (a) any leave of absence approved by the Company or the relevant Affiliate; or (b) transfer amongst the Company and any Affiliates or any successor, and provided further that an Employee shall, for the avoidance of doubt, cease to be an Employee with effect from (and including) the date of termination of his employment;
“Exercise Price”	the price per Share at which a Grantee may subscribe for Shares upon the exercise of an Option;
“Grant Date”	the date on which the grant of an Award or Option is made to a Selected Participant, being the date of an Award Letter or Option Letter, which must be a Business Day;
“Group”	the Company together with its subsidiaries from time to time; “member of the Group” means any or a specific one of them, and “Group Company” shall be construed accordingly;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	October 11, 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information of this circular;
“Listing Date”	the date on which the Shares are first listed on the Stock Exchange and dealings in the Shares on the Stock Exchange commence, being September 29, 2021;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“Offer”	the offer of Options made in accordance with the Scheme Rules;
“Option”	a right granted to subscribe for Shares pursuant to the Scheme;
“Option Letter”	shall have the meaning as set out on page 13 of this circular;
“Option Period”	a period within which an Option may be exercised, which is to be determined and notified by the Scheme Administrator to each grantee at the time of making an Offer, and shall not expire later than ten years from the Grant Date;
“Option Shares”	Shares to be issued to the Selected Participant pursuant to an exercise of Options;
“Post-IPO Share Award Scheme”	the Post-IPO Share Award Scheme adopted by the Company on June 18, 2021;
“Purchase Price”	the purchase price payable (if any) for the Award Shares pursuant to an Award;
“Related Income”	all cash income derived from the Award Shares or Option Shares (i.e., cash dividends declared and paid on the Award Shares or Option Shares) excluding any interest earned on such cash income and held on trust for the benefit of the Selected Participant;

DEFINITIONS

“Returned Shares”	such Award Shares or Option Shares that are not vested and/or are forfeited in accordance with the terms of the Scheme, or such Shares being deemed to be Returned Shares under the Scheme Rules;
“Scheme Administrator”	the Board or the committee of the Board or person(s) to which the Board has delegated its authority (as applicable) to administer the Scheme in accordance with the Scheme Rules;
“Scheme Limit”	shall have the meaning as set out on page 14 of this circular;
“Scheme Period”	the period of ten years commencing on the Listing Date;
“Scheme Rules”	the rules relating to the Scheme as amended from time to time;
“Selected Participant”	any Eligible Person approved for participation in the Scheme and who has been granted any Award or Option pursuant to the Scheme Rules;
“Service Provider”	any person who provides 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;
“Service Provider Sublimit”	shall have the meaning as set out on page 14 of this circular;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“Share(s)”	ordinary shares with a par value of US\$0.0001 each in the share capital of the Company, or, if there has been a sub-division, consolidation, re-classification or re-construction of the share capital of the Company, shares forming part of the ordinary share capital of the Company of such other nominal amount as shall result from any such sub-division, consolidation, re-classification or re-construction;

DEFINITIONS

“Share Incentive Scheme” or “Scheme”	the Post-IPO Share Award Scheme to be amended on November 4, 2022 and renamed as the Share Incentive Scheme in its present form or as amended from time to time in accordance with the Scheme Rules;
“Share Registrar”	the Hong Kong branch share registrar of the Company from time to time;
“Shareholder(s)”	the holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary” or “Subsidiaries”	any subsidiary (as the term is defined in the Listing Rules) of the Company;
“Substantial Shareholder”	shall have the meaning ascribed to it under the Listing Rules;
“Trust”	a trust or any other entity(ies) established by a Trustee and constituted by a Trust Deed (if any) to service the Scheme;
“Trust Deed”	where applicable, the trust deed to be entered into between the Company and a Trustee in the context of establishment of a Trust (as may be restated, supplemented and amended from time to time);
“Trustee”	as the context requires, a trustee or trustees appointed by the Scheme Administrator for the purpose of administering a Trust, or such other Employee, director (including executive directors, non-executive directors and independent non-executive directors), officer, nominee or representative appointed by the Scheme Administrator for the purpose of administering the Scheme;
“Vesting Date”	the date or dates, as determined from time to time by the Board, on which the Award or Option (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Award Letter or Option Letter pursuant to the Scheme Rules, unless a different Vesting Date is deemed to occur in accordance with the Scheme Rules;

DEFINITIONS

“Vesting Notice” shall have the meaning as set out on page 16 of this circular; and

“%” per cent.

LETTER FROM THE BOARD



Transcenta Holding Limited

創勝集團醫藥有限公司

(registered by way of continuation in the Cayman Islands with limited liability)

(Stock code: 6628)

Executive Directors:

Dr. Xueming Qian (*Chief Executive Officer*)
Mr. Xiaolu Weng (*Chief Financial Officer*)

Non-Executive Director:

Dr. Yining (Jonathan) Zhao (*Chairman*)

Independent non-executive Directors:

Mr. Jiasong Tang
Dr. Jun Bao
Mr. Zhihua Zhang

Registered Office:

Walkers Corporate Limited
190 Elgin Avenue, George Town
Grand Cayman KY1-9008
Cayman Islands

Headquarters:

B6-501, 218 Xinghu Street
Biobay
Suzhou 215123
China

Principal Place of Business in Hong Kong:

5/F, Manulife Place
348 Kwun Tong Road
Kowloon
Hong Kong

October 17, 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSED AMENDMENT TO THE POST-IPO
SHARE AWARD SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the resolutions to be proposed at the EGM to be held on November 4, 2022.

The resolutions in respect of (1) the amendment to the Post-IPO Share Award Scheme, previously adopted on June 18, 2021, to be renamed as the Share Incentive Scheme, and the amendment to the Scheme Limit; and (2) to approve the Service Provider Sublimit, will be proposed to, and considered by, the Shareholders at the EGM as to the adoption and approval thereof.

LETTER FROM THE BOARD

REASONS FOR AMENDMENT OF THE POST-IPO SHARE AWARD SCHEME

The Post-IPO Share Award Scheme only allowed the Company to issue award shares to its participants and did not allow for the issuance of share options. In order to broaden the types of equity incentives that the Company can utilise as part of its incentive strategy, the Board proposes to amend the Post-IPO Share Award Scheme to provide for the potential issuance of share options. In addition, as a result of the Stock Exchange's July 2022 consultation conclusions to its consultation paper "Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers", which introduces a series of amendments to Chapter 17 of the Listing Rules, which will become effective on January 1, 2023, the Board is of the view that the Post-IPO Share Award Scheme should be amended to comply with the new requirements of Chapter 17 of the Listing Rules, which applies to share award schemes and share options schemes. Finally, as the Post-IPO Share Award Scheme as amended will no longer only allow for the issuance of award shares, but will also enable the grant of share options, and that the Company has completed its initial public offering in September 2021, the Board is of the view that the Post-IPO Share Award Scheme should be renamed as a Share Incentive Scheme.

THE SHARE INCENTIVE SCHEME

A summary of the principal terms of the Share Incentive Scheme (as amended) is set out below.

Purpose of the Share Incentive Scheme

The purposes of the Share Incentive Scheme are:-

- (i) to align the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and
- (ii) to encourage and retain Eligible Persons to make contributions to the long-term growth and profits of the Group.

Participants of the Scheme and the basis of determining the eligibility of participants

The Eligible Persons who may be selected to become a participant of the Scheme are any individuals, being an Employee (whether full-time or part-time employee), director (including executive directors, non-executive directors and independent non-executive directors) of any member of the Group or any Affiliate (including nominees and/or trustees of any employee benefit trust established for them), or Service Provider, who the Scheme Administrator considers, in their sole discretion, to have contributed or will contribute to the Group; however, no individual who is resident in a place where the grant, acceptance or vesting of an Award or Option pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of Scheme Administrator, compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Scheme and such individual shall therefore be excluded from the term Eligible Person.

LETTER FROM THE BOARD

In particular, Service Providers are any person who provides 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, and under the Scheme Rules, includes:

- a. Consultants, such as professors and academics with distinguished backgrounds in scientific research, independent consultants with expertise in the biopharmaceutical research, logistics and manufacturing industry, and accredited experts in regulatory affairs, international trade, distribution or business development in the biopharmaceutical sector, who, or are anticipated to be going forward, a significant business partner, or otherwise significant to the Group's business, with reference to, among other metrics, research and development, engineering or technical contribution, the design or development or manufacturing or distribution of products/services provided by the Group, or otherwise will contribute significantly to the growth of the Group's financial or business performance, based on quantitative performance indicators to be determined by the Scheme Administrator on a case-by-case basis. Such consultants may be able to collaborate with the Group on continuing or discrete projects but may not be able to serve as full-time or part-time employees, directors or officers of the Group due to a variety of reasons;
- b. Service providers, such as professional consultancy firms with expertise in the biopharmaceutical research, logistics and manufacturing industry, regulatory affairs, international trade, distribution or business development, who, or are anticipated to be going forward, a significant business partner, or otherwise significant to the Group's business, with reference to, among other metrics, research and development, engineering or technical contribution, the design or development or manufacturing or distribution of products/services provided by the Group, or otherwise will contribute significantly to the growth of the Group's financial or business performance, based on quantitative performance indicators to be determined by the Scheme Administrator on a case-by-case basis. Such consultants may be able to collaborate with the Group on continuing or discrete consulting projects and may be remunerated with equity incentives to align the long-term interests of such consultants with the Group;
- c. Business partners, including joint venture partners or other contractual parties, which may be early-stage, peer or comparatively mature entities in the biopharmaceutical research, logistics and manufacturing industry, who, or are anticipated to be going forward, a significant business partner, or otherwise significant to the Group's business, with reference to, among other metrics, research and development, engineering or technical contribution, the design or development or manufacturing or distribution of products/services provided by the Group, or otherwise will contribute significantly to the growth of the Group's financial or business performance, based on quantitative performance indicators to be determined by the Scheme Administrator on a case-by-case basis,

LETTER FROM THE BOARD

provided that (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 will not be Service Providers for the purposes of the Scheme.

In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis, the Scheme Administrator shall take into consideration the length and type of services provided and the recurrences and regularity of such services, and will benchmark such metrics against the performance of the employees, officers and directors of the Group to whom the Group provides equity incentives, while taking into account the purpose of the Scheme and the objectives in engaging the Service Provider. The Company will also take into consideration the remuneration packages of comparable listed peers for similar service providers, based on available information in the biopharmaceutical industry.

In assessing whether the Service Provider provides services to the Group in the Company's ordinary and usual course of business, the Scheme Administrator shall take into consideration the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group, as disclosed in the Company's prospectus, interim and annual reports.

The Directors consider that the eligibility of Service Providers to participate in the Scheme is consistent with the purpose of the Scheme, which enables the Group to preserve its cash resources and use share incentives to encourage persons outside of the Group to contribute to the Group and align the mutual interests of each party, as both the Company and the Service Provider, by holding on to equity incentives, will mutually benefit from the long term growth of the Group.

Conditions and Life of the Scheme

The Share Incentive Scheme is conditional upon the passing of a resolution by the Shareholders to approve the adoption or amendment of the Scheme and to authorise the Board to grant Awards or Options under the Scheme and to allot and issue, procure the transfer of and otherwise deal with the Award Shares, Options and Option Shares in connection with the Scheme.

Subject to the satisfaction of the conditions above, and any early termination as may be determined by the Board pursuant to the Scheme, the Share Incentive Scheme shall be valid and effective for the Scheme Period of 10 years, commencing on the Listing Date and expiring on September 28, 2031 (after which no further Awards or Options will be granted), and thereafter for so long as there are any non-vested Award Shares or Options granted hereunder prior to the expiration of the Scheme.

LETTER FROM THE BOARD

Administration

The Share Incentive Scheme shall be subject to the administration of the Board or the Scheme Administrator (a committee of the Board or person(s) to which the Board has delegated its authority (as applicable) to administer the Scheme in accordance with the Scheme Rules) and, where applicable, the Trust Deed. A decision of the Scheme Administrator shall be final and binding on all persons affected thereby.

Operation of the Share Incentive Scheme

The Board and the Scheme Administrator may, from time to time, select any Eligible Person to be a Selected Participant and grant an Award or Option to such Selected Participant during the Scheme Period. In determining the Selected Participants, the Scheme Administrator may take into consideration matters including the present and expected contribution of the relevant Selected Participant to the Group.

Dealing Restrictions under the Share Incentive Scheme

No Award or Offer shall be made to Selected Participants and no directions or recommendation shall be given to the Trustee under the Share Incentive Scheme where such an Award or Offer is prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time. Without limiting the generality of the foregoing, no such grant of an Award or Offer is to be made under the Scheme:

- a. where after inside information has come to the Company's knowledge until (and including) the trading day after it has announced the information, or where any director of the Company is in possession of unpublished inside information in relation to the Company or where dealings by directors of the Company are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations;
- b. during the period commencing one month immediately before the earlier of (1) the date of the board meeting (as such date is first notified to the Stock Exchange) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (2) the deadline for the Company to announce 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 the results announcement; and
- c. in any circumstance which is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

LETTER FROM THE BOARD

Award Letter or Option Letter and Notification of Grant of Awards or Options

The Company shall issue a letter to each Selected Participant in such form as the Scheme Administrator may from time to time determine, specifying (as appropriate) the Grant Date, the period within which the Award or Option must be accepted before lapsing, the number of Award Shares underlying the Award, the Purchase Price (if any) for the Award Shares, the number of Options to subscribe for the specified number of Shares, the Exercise Price and the Option Period (in the case of Option grants), the vesting criteria and conditions, the Vesting Date, the amount, if any, payable on application or acceptance of the Option or Award and the period within which payments or calls must or may be made or loans for such purposes must be repaid and such other details as they may consider necessary (an “**Award Letter**” in the case of an Award, or an “**Option Letter**”, in the case of an Offer).

The amounts payable on application or acceptance of the Options or Awards, if any, and the period within which such payments or calls must or may be made or loans for such purposes must be repaid will be set out in the individual Award Letters or Options Letters and will be determined on an individual basis for each Selected Participant by the Scheme Administrator, taking into account the purpose of the Scheme, the interests of the Company and the individual circumstances of each Selected Participant. The Company will generally not provide any loans for such amounts payable unless exceptional circumstances justify the provision of such loans.

Option Period, Exercise Price, and lapsing of Options issued

Any Options granted may be exercised by the grantee during a period not more than 10 years from the date of grant of the Option, following which if unexercised shall lapse.

The Exercise Price shall be such price determined by the Scheme Administrator in their absolute discretion and notified to the Eligible Person in the Offer and shall be no less than the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Grant Date; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Grant Date; and (iii) the nominal value of a Share on the Grant Date. The Directors consider that such limits are adequate given that they are in line with that as required by the Listing Rules, to minimize dilution to existing Shareholders, while providing the Company with sufficient flexibility to determine the Exercise Price that can provide sufficient incentive to the Selected Participant to achieve the purpose of the Scheme.

An Option shall lapse automatically (to the extent not already exercised) on the earliest of (i) the expiry of the Option Period; (ii) the expiry of any of the stipulated periods for exercising the Option; and (iii) the date on which the grantee commits a material breach of the Scheme Rules or the Option Letter.

The Scheme Administrator shall have the power to decide whether an Option shall lapse and its decision shall be binding and conclusive on all parties. The Company shall not owe any liability to any grantee for the lapse of any Option under this Scheme.

LETTER FROM THE BOARD

Purchase Price and lapse of Awards

The Purchase Price (if any) shall be such price determined by the Scheme Administrator in their absolute discretion, based on considerations such as the prevailing closing price of the Shares, the purpose of the Scheme and the characteristics and profile of the Selected Participant, and notified to the Selected Participant in the Award Letter. Such room for discretion provides the Scheme Administrator with flexibility to stipulate, if necessary, a Purchase Price for Award Shares, while balancing the purpose of the Scheme and the interests of Shareholders.

Performance Targets

Any performance targets (if any) that must be achieved before the Award Shares or Options vest, or before the Options can be exercised, will be stated in the Award Letter or the Option Letter, to be determined by the Scheme Administrator in accordance with the purpose of the Scheme. The Directors consider that it is not practicable to expressly set out a generic set of performance targets in the Scheme Rules, as each Selected Participant will play different roles and contribute in different ways to the Group. The Scheme Administrator shall have regard to the purpose of the Scheme in making such determinations, with any performance targets generally being in line with common key performance indicators in the industry of the Group, and shall also establish robust mechanisms to ensure impartial evaluation of such indicators.

Scheme Limits and Service Provider Sublimit

The Company shall not make any further grant of Awards or Options which will result in the aggregate number of Shares to be issued by the Company underlying all grants made pursuant to the Scheme (excluding Award Shares or Options that have been forfeited in accordance with the Scheme) and any other share schemes of the Company to exceed 10.0% of the total issued and outstanding Shares as at the Adoption Date (i.e. the date of the meeting at which the Shareholders approve the amendment to this Scheme, being 44,514,891 Shares (assuming there is no change in the number of issued and outstanding Shares between the Latest Practicable Date and the Adoption Date)) (the “**Scheme Limit**”) unless Shareholders approve a further refreshment of the Scheme Limit or Shareholder approval is obtained in compliance with the Listing Rules.

The Company shall not make any further grant of Awards or Options to Service Providers which will result in the aggregate number of Shares underlying all grants to Service Providers made pursuant to the Scheme (excluding Award Shares or Options that have been forfeited in accordance with the Scheme) and any other share schemes of the Company to exceed 2.0% of the total issued and outstanding Shares as at the date of the Shareholders’ approval of this Scheme (the “**Service Provider Sublimit**”) unless Shareholders approve a further refreshment of the Service Provider Sublimit or Shareholder approval is obtained in compliance with the Listing Rules.

LETTER FROM THE BOARD

The Company and its directors (including its independent non-executive directors) are of the view that such Service Provider Sublimit is appropriate and reasonable given the nature of the biotech industry and the Company's business needs, and such a limit provides the Group with 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, which is in line with the purpose of the Scheme.

The Company may seek approval by Shareholders in general meeting for refreshing the Scheme Limit and the Service Provider Sublimit, subject to compliance with the requirements of the Listing Rules. Any "refreshment" within any three year period, to the extent required by the Listing Rules, shall be approved by Shareholders subject to the following: (i) any controlling shareholders and their associates (or if there is no controlling shareholder, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and (ii) the Company will comply with any applicable Listing Rules in relation to such refreshment, including Listing Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 (relating to, among others, special requirements for general meetings in respect of transactions that are subject to independent shareholders' approval and abstentions from voting).

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

Any grant of Options or Awards to a Director, Chief Executive Officer or Substantial Shareholder, or any of their respective associates, must be approved by the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the grantee of the Options or Awards). Where any grant of Awards (excluding grant of Options) to a Director (other than an independent non-executive Director) or Chief Executive Officer, or any of their 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 Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue, such further grant of Awards must be approved by Shareholders in general meeting in the manner set out in Listing Rule 17.04(4). Where any grant of Options or Awards to an independent non-executive Director or a Substantial Shareholder, or any of their respective associates, would result in the 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 Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of Options or Awards must be approved by Shareholders in general meeting.

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Vesting of Award or Option

The Scheme Administrator may from time to time while the Scheme is in force and subject to all applicable laws, determine such vesting period, vesting criteria and conditions or periods for the Award or Option to be vested hereunder, provided however that the vesting period for Options and Awards shall not be less than 12 months, except that any Options or Awards granted to an Employee may be subject to a shorter vesting period, including where:

- (a) grants of “make whole” Awards or Options to new Employees to replace awards or options such Employees forfeited when leaving their previous employers;
- (b) grants to an Employee whose employment is terminated due to death or disability or event of force majeure;
- (c) grants of Awards or Options which are subject to the fulfilment of performance targets as determined in the conditions of his/her grant;
- (d) grants of Awards or Options the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee, in which case the Vesting Date may be adjusted to take account of the time from which the Award or Options would have been granted if not for such administrative or compliance requirements;
- (e) grants of Awards or Options with a mixed vesting schedule such that the Awards or Options vest evenly over a period of 12 months; or
- (f) grants of Awards or Options with a total vesting and holding period of more than 12 months.

The Directors are of the view that such vesting period is in line with the requirements under the Listing Rules, market practice, and gives the Company flexibility to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, which is in line with the purpose of the Scheme.

If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the Shares, be the Business Day immediately thereafter.

Barring any unforeseen circumstances, within a reasonable time period as agreed between the Trustee (if any) and the Scheme Administrator from time to time prior to any Vesting Date or exercise date, the Scheme Administrator shall send to the relevant Selected Participant a vesting notice (the “**Vesting Notice**”) or such other relevant notices. The Scheme Administrator shall forward a copy of the Vesting Notice or such other notices to the Trustee and instruct the Trustee the extent to which the Award Shares or Option Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant in the manner as determined by the Scheme Administrator, or be sold as soon as practicable from the Vesting Date or exercise date. The Award or Option will automatically lapse if they fail to vest in accordance with the vesting criteria and conditions or periods for each Award or Option.

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Clawback mechanism

If a Selected Participant, being an Employee whose employment is terminated by the Group or an Affiliate by reason of the employer terminating the contract of employment without notice or payment in lieu of notice, or the Selected Participant has been convicted of any criminal offence involving his or her integrity or honesty, or any wrongdoing involving the Group's financial statements, any outstanding Award Shares, Options and Related Income not yet vested shall be immediately forfeited, unless the Scheme Administrator determines otherwise at their absolute discretion, taking into consideration the purpose of the Scheme. The Directors are of the view that such clawback mechanism provides an option for the Company to clawback the equity incentives granted to Selected Participants culpable of misconduct and is in line with the purpose of the Scheme and the interests of Shareholders.

Change in control, adjustments for changes in capital etc.

If there is an event of change in control of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, the Scheme Administrator shall at their sole discretion determine whether the Vesting Dates of any Awards or Options will be accelerated. If the Vesting Dates of any Awards or Options are accelerated, the procedures as set out in Scheme Rules shall apply except that the Vesting Notice will be sent to such Selected Participant affected by it based on the proposed Vesting Date as soon as practicable once the proposed Vesting Date is known. The Trustee shall transfer the Award Shares, exercised Option Shares or pay the Actual Selling Price in cash, as the case may be, to the Selected Participant in accordance with the Vesting Notice.

In the event the Company undertakes a capitalisation issue, rights issue, sub-division, consolidation or reduction of the share capital of the Company, corresponding changes will be made to the number of outstanding Award Shares or Option Shares underlying Options that have been granted provided that the adjustments shall be made in such manner as the Board determines to be 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 Selected Participants. All fractional shares (if any) arising out of such capitalisation issue, rights issue, sub-division, consolidation or reduction of share capital in respect of the Award Shares or Option Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.

Subject to the Board first having considered the interests of the Shareholders as a whole, and the interests of the Selected Participants as a whole, and making such determination as to whether the adjustment is fair and reasonable, by way of illustration, in the following circumstances, the number of outstanding Award Shares or Options and the relevant prices set out below may be adjusted in the following manner:

(i) Capitalisation issue

$$Q = Q_0 \times (1 + n)$$

Where: Q_0 represents the number of outstanding Award Shares or Options prior to adjustment; n represents the rate of increase per Share resulting from the capitalisation issue; Q represents the number of outstanding Award Shares or Options after adjustment.

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$$P = P_0 \div (1 + n)$$

Where: P_0 represents the Option Exercise Price or Award Purchase Price before the adjustment; n represents the rate of increase per Share resulting from the capitalisation issue; P represents the Option Exercise Price or Award Purchase Price after the adjustment.

(ii) Rights issue

$$Q = Q_0 \times P_1 \times (1 + n) \div (P_1 + P_2 \times n)$$

Where: Q_0 represents the number of outstanding Award Shares or Options prior to adjustment; P_1 represents the closing price of Shares on the record date; P_2 represents the subscription price of the rights issue of Shares; n represents the ratio of the rights issue allotment; Q represents the number of outstanding Award Shares or Options after adjustment.

$$P = P_0 \times (P_1 + P_2 \times n) \div (P_1 \times (1 + n))$$

Where: P_0 represents the Option Exercise Price or Award Purchase Price before the adjustment; P_1 represents the closing price as at the record date; P_2 represents the subscription price of the rights issue of Shares; n represents the ratio of allotment; P represents the Option Exercise Price or Award Purchase Price after the adjustment.

(iii) Share consolidation, share subdivision or reduction of share capital

$$Q = Q_0 \times n$$

Where: Q_0 represents the number of outstanding Award Shares or Options prior to adjustment; n represents the ratio of share consolidation, share subdivision or reduction of share capital; Q represents the number of outstanding Award Shares or Options after adjustment.

$$P = P_0 \div n$$

Where: P_0 represents the Option Exercise Price or Award Purchase Price before the adjustment; n represents the ratio of share consolidation, share subdivision or reduction of share capital; P represents the Option Exercise Price or Award Purchase Price after the adjustment.

Transferability, cancellation and status of Award and Options

Unless express written consent is obtained from the Scheme Administrator, and subject to compliance with the Listing Rules, any Award or Option granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be assignable or

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transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award or Option, or enter into any agreement to do so.

The Scheme Administrator at its discretion may from time to time determine that any dividends declared and paid by the Company in relation to the Award Shares or Option Shares be paid to the Selected Participants even though the Award Shares or Options have not yet vested.

The Award Shares and Option Shares shall be identical to all existing issued Shares and shall be allotted and issued subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank *pari passu* with the other fully paid Shares in issue, save that the grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders prior to the grantee satisfying all conditions to become a holder of the Award Shares and Option Shares.

Any Awards or Options granted may be cancelled by the Scheme Administrator at any time with the prior consent of the grantee. The Scheme Administrator may in their sole discretion determine to buyout an Award or Option from a grantee at a price, and on such terms as, deemed fair and communicated to the grantee, following which, the purchased Award or Option shall be cancelled.

Alteration

Subject to the Scheme Limit, the Scheme may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Participant unless otherwise provided for in the Scheme Rules except: (i) with the consent in writing of Selected Participants amounting to three-fourths in nominal value of all Award Shares and Options granted but not yet vested on that date; or (ii) with the sanction of a special resolution that is passed at a meeting of the Selected Participants amounting to three-fourths in nominal value of all Award Shares and Options granted but not yet vested on that date.

In addition, pursuant to the notes to Listing Rule 17.03, the provisions relating to the matters set out in Listing Rule 17.03 cannot be altered to the advantage of participants without the prior approval of Shareholders. Any alterations to the Scheme Rules which are of a material nature or any change to the terms of options granted must be approved by the Shareholders, except where the alterations take effect automatically under the existing terms of the Scheme, and must otherwise comply with the requirements of the Listing Rules. The amended terms of the Scheme or the Options must still comply with the relevant requirements of the Listing Rules. Any change to the authority of the Directors or Scheme Administrator in relation to any alteration to the terms of the Scheme must be approved by Shareholders in general meeting.

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Furthermore, so long as required by the Listing Rules, any change to the terms of Options or Awards granted to a Selected Participant must be approved by the Board, the Company's remuneration committee, the independent non-executive directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the Options or Awards was approved by the Board, the Company's remuneration committee, the independent non-executive directors and/or the Shareholders of the Company (as the case may be), but this requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme.

Termination

The Share Incentive Scheme shall terminate on the earlier of (i) the end of the Scheme Period except in respect of any non-vested Award Shares or Option granted hereunder prior to the expiration of the Scheme or (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights in respect of the Award Shares or Option already granted to a Selected Participant.

VALUE OF THE OPTIONS

It is not practicable to state the value of all the Options that can be granted pursuant to the Share Incentive Scheme as if they had been granted on the Latest Practicable Date as a number of factors crucial for the calculation of the value of Options cannot be determined. Such factors include the Exercise Price, exercise period, any vesting period, any performance targets set and any other terms and conditions that the Scheme Administrator may determine with respect to the Options. Therefore, at this stage, any calculation of the value of the Options as at the Latest Practicable Date based on the large number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

DOCUMENT ON DISPLAY

A copy of the rules of the Share Incentive Scheme will be published on the websites of Stock Exchange and the Company for display for a period of not less than 14 days before the date of the EGM and the rules of the Share Incentive Scheme will be made available for inspection at the EGM.

EXTRAORDINARY GENERAL MEETING

The EGM will be convened for the purpose of considering, and if thought fit, approving, (1) ordinary resolution 1 for the amendment to the Post-IPO Share Award Scheme renamed as the Share Incentive Scheme, and (2) ordinary resolution 2 for the approval of the Service Provide Sublimit. Ordinary resolution 1 is not conditional upon the passing of ordinary resolution 2, but ordinary resolution 2 is conditional upon the passing of ordinary resolution 1.

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In the event that ordinary resolution 1 is passed but ordinary resolution 2 is not passed, the Company will adopt the Share Incentive Scheme but the Board shall alter the Scheme to remove references to the grant of Award or Options to Service Providers. In the event that ordinary resolution 2 is passed but ordinary resolution 1 is not passed, the Share Incentive Scheme will not be adopted.

The notice convening the EGM is set out on pages 23 to 25 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under the Listing Rules.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.transcenta.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated URL (<https://spot-emeeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company as soon as possible but in any event not less than 48 hours before the time appointed for the EGM (i.e. not later than 10:00 a.m. on Wednesday, November 2, 2022 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM if you so wish.

Shareholders can view and listen to the EGM through online access by visiting the e-Meeting System. Accessing the meeting online will not constitute attendance at the EGM. Shareholders who view and listen to the EGM using the e-Meeting System will not be counted towards the quorum nor will they be able to cast their votes online. Shareholders may submit questions relevant to the proposed resolutions in advance before 5:00 p.m. on Wednesday, November 2, 2022 to the Board by email, telephone, or letter. Details of contact information are set out on page 69 of the Annual Report 2021 of the Company. The Board and/or the Company will endeavour to address relevant questions in relation to the resolutions to be proposed for approval at the EGM and may, at their discretion, respond to substantial and relevant questions.

Registered Shareholders will receive a separate notification letter with personalised username and password for the e-Meeting System from Tricor Investor Services Limited. Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through bank, stockbroker, custodians or Hong Kong Securities Clearing Company Limited (collectively the "Intermediary") may also be able to view and listen to the EGM online through the e-Meeting System. In this regard, they should consult directly with their Intermediary for the necessary arrangements. The shareholder should provide their email

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address to their Intermediary before the time limit required by the relevant Intermediary and the username and password will be sent to them upon receipt of request. Without the login details, non-registered Shareholders will not be able to view and listen to the EGM using the e-Meeting System. Shareholders should note that viewing and listening to the EGM using the e-Meeting System will not be counted towards the quorum nor will they be able to cast their votes online.

The e-Meeting System will be open for Shareholders to log in approximately 30 minutes prior to the commencement of the EGM and can be accessed from any location with internet connection by a smart phone, tablet device or computer.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the EGM of the Company to be held on November 4, 2022, the register of members of the Company will be closed from Tuesday, November 1, 2022 to Friday, November 4, 2022 (both days inclusive), during which period no transfer of the Shares will be registered. In order to be eligible to attend and vote at the EGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch 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 Monday, October 31, 2022.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider the (1) amendment to the Post-IPO Share Award Scheme, including the Scheme Limit; and (2) the Service Provider Sublimit, to be in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions to be proposed at the EGM.

By order of the Board,
Transcenta Holding Limited
Xueming Qian
*Executive Director and
Chief Executive Officer*

NOTICE OF EXTRAORDINARY GENERAL MEETING



Transcenta Holding Limited 創勝集團醫藥有限公司

(registered by way of continuation in the Cayman Islands with limited liability)

(Stock code: 6628)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (“EGM”) of Transcenta Holding Limited (the “Company”) will be held at 218 Xinghu Street, Biobay, B6-501, Suzhou, China on Friday, November 4, 2022 at 10:00 a.m. for the purpose of considering and if thought fit, passing, with or without amendment, the following as ordinary resolutions of the Company:

1. **“THAT** the amendment to the Post-IPO Share Award Scheme which shall be renamed as the Share Incentive Scheme (the “**Share Incentive Scheme**”) proposed by the board (“**Board**”) of directors of the Company (“**Directors**”), a copy of which is produced to this meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification, with the Scheme Limit (as defined in the Share Incentive Scheme) of 10.0% of the total issued and outstanding Shares as at the date of the Shareholders’ approval of the Share Incentive Scheme, be and is hereby approved and adopted, and the directors of the Company be and are hereby authorized to grant the awards (“**Awards**”) or options (“**Options**”), and do all such acts and execute all such documents as the Directors may consider necessary or expedient in order to give full effect to the Share Incentive Scheme.”
2. **THAT, conditional upon the passing of ordinary resolution 1**, the Service Provider Sublimit (as defined in the Share Incentive Scheme, and which includes grants to Service Providers under any other share schemes of the Company) of 2.0% of the total issued and outstanding Shares as at the date of the Shareholders’ approval of the Share Incentive Scheme be and is hereby approved and adopted.”

Ordinary resolution 1 is not conditional upon the passing of ordinary resolution 2, but ordinary resolution 2 is conditional upon the passing of ordinary resolution 1. In the event that ordinary resolution 1 is passed but ordinary resolution 2 is not passed, the Company will adopt the Share Incentive Scheme but the Board shall alter the Scheme to remove references to the grant of Awards or Options to Service Providers. In the event that ordinary resolution 2 is passed but ordinary resolution 1 is not passed, the Share Incentive Scheme will not be adopted.

Unless indicated otherwise, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated October 17, 2022.

By order of the Board,
Transcenta Holding Limited
Xueming Qian
*Executive Director and
Chief Executive Officer*

October 17, 2022

NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the board of directors of the Company comprises Dr. Xueming Qian as executive Director and chief executive officer, Mr. Xiaolu Weng as executive Director, Dr. Yining (Jonathan) Zhao as chairman and non-executive Director, and Mr. Jiasong Tang, Dr. Jun Bao and Mr. Zhihua Zhang as independent non-executive Directors.

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the EGM or any adjournment meeting thereof (as the case may be) is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the appointment shall specify the number of shares of the Company in respect of which each such proxy is appointed. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him. A form of proxy for use in connection with the EGM is enclosed with the circular to the shareholders of the Company dated October 17, 2022.
3. Where there are joint registered holders of any share of the Company, any one of such joint registered holders may vote at the EGM or any adjourned meeting thereof (as the case may be), either personally or by proxy, in respect of such share(s) as if he/she/it was solely entitled thereto; but if more than one of such joint registered holders, whether in person or by proxy, be present at the EGM or any adjourned meeting thereof (as the case may be), that one of the said persons so present whose name stands first on the Registers of Members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power of attorney or authority, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated URL (<https://spot-emeeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 10:00 a.m. on Wednesday, November 2, 2022 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Tuesday, November 1, 2022 to Friday, November 4, 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, October 31, 2022.
6. Shareholders can view and listen to the EGM through online access by visiting the e-Meeting System. Accessing the meeting online will not constitute attendance at the EGM. Shareholders who view and listen to the EGM using the e-Meeting System will not be counted towards the quorum nor will they be able to cast their votes online. Shareholders may submit questions relevant to the proposed resolutions in advance before 5:00 p.m. on Wednesday, November 2, 2022 to the Board by email, telephone, or letter. Details of contact information are set out on page 69 of the Annual Report 2021 of the Company. The Board and/or the Company will endeavour to address relevant questions in relation to the resolutions to be proposed for approval at the EGM and may, at their discretion, respond to substantial and relevant questions.

The Company would like to remind all Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered Shareholders will receive a separate notification letter with personalised username and password for the e-Meeting System. Non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through bank, stockbroker, custodians or Hong Kong Securities Clearing Company Limited (collectively the “**Intermediary**”) may also be able to view and listen to the EGM online through the e-Meeting System. In this regard, they should consult directly with their Intermediary for the necessary arrangements and the username and password will be sent to them upon receipt of request. Without the login details, non-registered Shareholders will not be able to view and listen to the EGM using the e-Meeting System. Shareholders should note that viewing and listening to the EGM using the e-Meeting System will not be counted towards the quorum nor will they be able to cast their votes online.

The e-Meeting System will be open for Shareholders to log in approximately 30 minutes prior to the commencement of the EGM and can be accessed from any location with internet connection by a smart phone, tablet device or computer.

7. A circular containing further details concerning items 1 and 2 set out in the above notice will be sent to all shareholders of the Company.
8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
9. Reference to time and dates in this notice are to Hong Kong time and dates.

PRECAUTIONARY MEASURES FOR THE EGM

To safeguard the health and safety of Shareholders and to prevent the spreading of the COVID-19 pandemic, the following precautionary measures will be implemented at the EGM:

- (1) compulsory temperature checks;
- (2) compliance with the latest epidemic prevention policy requirement of the Chinese government and present valid proof of nucleic acid test result for COVID-19 and itinerary and corresponding health certificate according to the prevailing anti-Epidemic requirements or guidelines of the government and/or regulatory authorities; and
- (3) wearing of surgical face masks.

Any person who does not comply with the precautionary measures will be denied entry into or be required to leave the EGM venue at the absolute discretion of the Company as permitted by law. Shareholders are requested (a) to consider carefully the risk of attending the EGM, which will be held in an enclosed environment, (b) to follow any prevailing anti-Epidemic requirements or guidelines of the government and/or regulatory authorities in deciding whether or not to attend the EGM. The Company reminds Shareholders that they may appoint the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

Subject to the development of COVID-19, the Company may be required to change the meeting arrangements for the EGM at short notice, and to issue further announcement(s) on such changes as and when appropriate. Shareholders are advised to check the website of the Company at www.transcenta.com and Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk for further announcement(s) and update(s) on such arrangements and/or further special measures to be taken.