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**Zai Lab Limited**

**再鼎醫藥有限公司 \***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9688)**

## **GRANT OF SHARE OPTIONS AND RESTRICTED SHARE UNITS**

This announcement is made pursuant to Rules 17.06A, 17.06B and 17.06C of the Listing Rules. The Board hereby announces that on December 30, 2022 (U.S. Eastern Time), the Company granted Options to subscribe for an aggregate of 183,700 ADSs to 1 Grantee and Restricted Share Units covering an aggregate of 126,000 ADSs to 1 Grantee under the 2022 Equity Incentive Plan.

### **SHARE OPTIONS UNDER THE 2022 EQUITY INCENTIVE PLAN**

On the Date of Grant, the Company granted such number of Options to subscribe for an aggregate of 183,700 ADSs to 1 Grantee in accordance with the terms of the 2022 Equity Incentive Plan.

Details of the grant of Options are as follows:

Date of Grant:	December 30, 2022 (U.S. Eastern Time)
Number of Grantee(s):	1
Number of underlying Shares pursuant to the Options granted:	1,837,000
Number of the Options granted (in ADSs):	183,700
Total number of new ADSs to be subscribed upon exercise of the Options granted:	183,700
Exercise price of the Options granted:	US\$30.70 per ADS (approximately HK\$23.95 per Share)
Closing price of the ADSs on the Date of Grant:	US\$30.70 per ADS (approximately HK\$23.95 per Share)

Validity period of the Options: The validity period of the Options shall be ten years from the Date of Grant, and the Options shall lapse at the expiry of the validity period or earlier if the employment relationship has terminated prior to the expiry of the validity period.

Vesting period: The Options granted shall vest as follows; provided, however, that some of the Options may be subject to accelerated vesting upon change in control of the Company:

- 20% shall vest on each anniversary of the Date of Grant for the next five years, in each case, subject to the Grantee's continued employment relationship with the Company on such vesting dates.

The grant of Options is subject to the terms and conditions of the 2022 Equity Incentive Plan and form of award agreement covering the grants.

### **Exercise Price**

The exercise price of the Options of US\$30.70 per ADS (approximately HK\$23.95 per Share) represents the higher of (i) the closing price of the ADSs of US\$30.70 per ADS (approximately HK\$23.95 per Share) on the Date of Grant, and (ii) the average closing price of the ADSs of US\$30.03 per ADS (approximately HK\$23.42 per Share) for the five NASDAQ trading days immediately preceding the Date of Grant.

## **RESTRICTED SHARE UNITS UNDER THE 2022 EQUITY INCENTIVE PLAN**

On the Date of Grant, the Company granted such number of Restricted Share Units covering an aggregate of 126,000 ADSs to 1 Grantee in accordance with the terms of the 2022 Equity Incentive Plan.

Details of the grant of Restricted Share Units are as follows:

Date of Grant: December 30, 2022 (U.S. Eastern Time)

Number of Grantee(s): 1

Number of underlying Shares pursuant to the Restricted Share Units granted: 1,260,000

Number of the Restricted Share Units granted (in ADSs): 126,000

Total number of new ADSs to be acquired upon vesting of the Restricted Share Units granted:	126,000
Purchase price for the grant:	Nil
Closing price of the ADSs on the Date of Grant:	US\$30.70 per ADS (approximately HK\$23.95 per Share)
Vesting period:	<p>The Restricted Share Units granted shall vest as follows:</p> <ul style="list-style-type: none"> <li>• 20% of 105,000 ADSs shall vest on each anniversary of the Date of Grant for the next five years, in each case, subject to the Grantee's continued employment relationship with the Company on such vesting dates.</li> <li>• 100% of 21,000 ADSs shall vest on the first anniversary of the Date of Grant, subject to the Grantee's continued employment relationship with the Company on such vesting date.</li> </ul>

The grant of Restricted Share Units is subject to the terms and conditions of the 2022 Equity Incentive Plan and form of award agreement covering the grants.

The Grantee above is a full-time employee of the Group. The Grantee above is neither (i) a Director, nor a chief executive, nor a substantial shareholder of the Company, nor an associate of any of them; (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Listing Rules; nor (iii) a related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the issued ADSs.

There are no performance targets attached to the grant of Options and Restricted Share Units above. The grants above are not subject to any clawback mechanism for the Company to recover but would be subject to tax withholding by the Company pursuant to the terms and conditions of the 2022 Equity Incentive Plan. The Compensation Committee of the Board is of the view that the grant of Options and Restricted Share Units to the Grantee without performance targets or a clawback mechanism is market competitive, consistent with the Company's customary practice, and aligns with the purpose of the 2022 Equity Incentive Plan.

There are no arrangements for the Company or any of its subsidiaries to provide financial assistance to the Grantee to facilitate the purchase of Shares under the 2022 Equity Incentive Plan.

After the grant above, 89,957,053 underlying Shares will be available for future grants under the 2022 Equity Incentive Plan.

## DEFINITIONS

“2022 Equity Incentive Plan”	the Zai Lab Limited 2022 Equity Incentive Plan approved at the Company’s 2022 annual general meeting of shareholders on June 22, 2022 and effective on June 27, 2022, the principal terms of which were set out in the Company’s definitive proxy statement/circular dated May 3, 2022
“ADS(s)”	American Depositary Shares (each representing 10 Shares of the Company)
“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company
“Company”	Zai Lab Limited, a company incorporated in the Cayman Islands with limited liability and listed on the Stock Exchange (Stock Code: 9688) and NASDAQ (Trading Symbol: ZLAB)
“Date of Grant”	December 30, 2022 (U.S. Eastern Time)
“Director(s)”	member(s) of the Board
“Grantee(s)”	the employee(s) of the Group who were granted the Options and/or the Restricted Share Units in accordance with the 2022 Equity Incentive Plan on the Date of Grant
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NASDAQ”	Nasdaq Global Market
“Option(s)”	share option(s) entitling the Grantee(s) to acquire Shares upon payment of the exercise price which are granted under the 2022 Equity Incentive Plan
“PRC”	the People’s Republic of China
“Restricted Share Unit(s)”	restricted share unit(s) entitling the Grantee(s) to acquire Shares subject to the satisfaction of specified vesting condition which are granted under the 2022 Equity Incentive Plan

“Share(s)”	ordinary shares in the authorized share capital of the Company with a par value of US\$0.000006 per share
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the same meaning ascribed to it under the Listing Rules

*For the purpose of this announcement and for illustrative purpose only, conversions of US\$ to HK\$ are based on the exchange rate of US\$1.00 = HK\$7.8. No representation is made that any amounts in HK\$ or US\$ can be or could have been converted at the relevant dates at the above rate or at any other rates or at all.*

By order of the Board  
**Zai Lab Limited**  
**Samantha Du**  
*Director, Chairperson and Chief Executive Officer*

Hong Kong, January 3, 2023

*As at the date of this announcement, the board of directors of the Company comprises Dr. Samantha Du as a director, and Dr. Kai-Xian Chen, Dr. John Diekman, Ms. Nisa Leung, Mr. William Lis, Mr. Leon O. Moulder, Jr., Mr. Peter Wirth, Mr. Scott W. Morrison and Richard Gaynor, M.D. as independent directors.*

\* *For identification only*