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HARBOUR
BIOMED
和鉑醫藥控股有限公司
HBM Holdings Limited
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 02142)

GRANT OF SHARE OPTIONS AND GRANT OF SHARE AWARDS

This announcement is made pursuant to Rule 17.06A of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of directors (the “**Board**”) of HBM Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that on 3 April 2024, the Company granted share options (the “**Options**”) and share awards (the “**Awards**”) to eligible participants under the share option scheme adopted by the shareholders of the Company (the “**Shareholders**”) on 23 November 2020 (the “**Share Option Scheme**”) and the share award scheme adopted by the Shareholders on 23 November 2020 (the “**Share Award Scheme**”), respectively, subject to the acceptance of the grantees.

GRANT OF SHARE OPTIONS

Details of the grant of Options (the “**Option Grants**”) are as follows:

Date of grant:	3 April 2024
Number of Options granted:	8,308,000
Number of grantees:	16, of which 14 are non-connected employees (including senior management) of the Group and two are directors (the “ Directors ”) of the Company (the “ Option Grantees ”)
Exercise price of the Options granted:	HK\$1.36 per share of the Company (the “ Share(s) ”). The exercise price represents a premium over the highest of (i) the closing price of HK\$1.32 per Share as stated in the daily quotation sheets of the Stock Exchange on the date of grant; (ii) the average closing price of HK\$1.36 per Share as stated in the Stock Exchange’s daily quotation sheets for the five consecutive trading days immediately preceding the date of grant; and (iii) the nominal value of US\$0.000025 per Share.
Market price of the Shares on the date of grant:	HK\$1.36 per Share
Exercise period:	10 years from the date of grant.

Vesting period and performance targets:

- (i) 50% of the Options shall vest on 3 April 2024; and
- (ii) the remaining 50% of the Options shall vest on 3 April 2025.

Each vesting of the Options will be subject to the results of the individual performance appraisal of each Option Grantee. The Group will conduct performance appraisal on each Option Grantee before each vesting, and the performance appraisal criteria (such as financial benchmarks or business/operative milestones, etc.) shall be determined by the Board. The said Options will only vest if the Option Grantee obtains over a certain score at his/her performance appraisal. Based on the above vesting schedule, subject to the satisfaction of the individual performance appraisal, 50% of the Options shall vest immediately after the grant. There are no restrictions under the Share Option Scheme in respect of a vesting period of less than 12 months. These grants shall vest in batches with a total vesting period (i.e. the period between the date of grant and the last vesting date) of 12 months. Given that the vesting of the said Options is also subject to the satisfaction of the performance appraisals, the Remuneration Committee of the Board is of the view that such arrangement aligns with the purpose of the Share Option Scheme as it incentivizes and encourages them to work towards enhancing the value of the Company and its Shares.

Clawback mechanism:

Where the following event as specified in the rules of the Share Option Scheme arises, any outstanding Options shall immediately lapse:

- (i) the Option Grantee, being an employee whose employment is terminated by the Group by reason of the employer terminating the contract of employment without notice or payment in lieu of notice;
- (ii) the Option Grantee having been convicted of any criminal offence involving his/her integrity or honesty; or
- (iii) the Option Grantee is declared bankrupt or becomes insolvent or makes any arrangements or composition with his/her creditors generally.

Details of the Option Grantees are as follows:

Name	Position	Number of Options granted
Jingsong Wang	Executive Director, Chairman of the Board and Chief Executive Officer	1,572,000
Yiping Rong	Executive Director	526,000
	Other employees of the Company	<u>6,210,000</u>
	Total	<u><u>8,308,000</u></u>

The Option Grants to the above Directors have been approved by the independent non-executive Directors.

None of the Option Grants is subject to approval by the Shareholders, and save as disclosed above, none of the Option Grantees is a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or an associate (as defined in the Listing Rules) of any of them.

The Option Grants would not result in the options and awards granted and to be granted to each individual grantee in the 12-month period up to and including the date of such grant in aggregate to exceed 1% of the Shares in issue.

Reasons for and benefits of the Option Grants

The purpose of the Option Grants is to provide the Option Grantees with the opportunity to acquire proprietary interests in the Company and to encourage the Option Grantees to work towards enhancing the value of the Company and its Shares for the benefit of the Company and the Shareholders as a whole.

GRANT OF SHARE AWARDS

Details of the grant of Awards (the “**Award Grants**”) are as follows:

Date of grant:	3 April 2024
Number of Awards granted:	3,105,000
Number of grantees:	14 non-connected employees (including senior management) of the Group (the “ Award Grantees ”)
Purchase price of the Awards granted:	Nil
Market price of the Shares on the date of grant:	HK\$1.32 per Share

Vesting period and performance targets:

- (i) 50% of the Awards shall vest on 3 April 2024; and
- (ii) the remaining 50% of the Awards shall vest on 3 April 2025.

Each vesting of the Awards will be subject to the results of the individual performance appraisal of each Award Grantee. The Group will conduct performance appraisal on each Award Grantee before each vesting, and the performance appraisal criteria (such as financial benchmarks or business/operative milestones, etc.) shall be determined by the Board. The said Awards will only vest if the Award Grantee obtains over a certain score at his/her performance appraisal. Based on the above vesting schedule, subject to the satisfaction of the individual performance appraisal, 50% of the Awards shall vest immediately after the grant. There are no restrictions under the Share Award Scheme in respect of a vesting period of less than 12 months. These grants shall vest in batches with a total vesting period (i.e. the period between the date of grant and the last vesting date) of 12 months. Given that the vesting of the said Awards is also subject to the satisfaction of the performance appraisals, the Remuneration Committee of the Board is of the view that such arrangement aligns with the purpose of the Share Award Scheme as it incentivizes and encourages them to work towards enhancing the value of the Company and its Shares.

Clawback mechanism:

Where the following event as specified in the rules of the Share Award Scheme arises, any unvested Awards shall immediately lapse:

- (i) the Award Grantee, being an employee whose employment is terminated by the Group by reason of the employer terminating the contract of employment without notice or payment in lieu of notice;
- (ii) the Award Grantee having been convicted of any criminal offence involving his/her integrity or honesty; or
- (iii) the Award Grantee is declared bankrupt or becomes insolvent or makes any arrangements or composition with his/her creditors generally.

None of the Award Grants is subject to approval by the Shareholders, and none of the Award Grantees is a director, chief executive or substantial shareholder (as defined in the Listing Rules) of the Company or an associate (as defined in the Listing Rules) of any of them.

The above Award Grants would not result in the options and awards granted and to be granted to each individual grantee in the 12-month period up to and including the date of such grant in aggregate to exceed 1% of the Shares in issue.

Reasons for and benefits of the Award Grants

The purposes of the Award Grants are to align the interests of the Award Grantees 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 to encourage and retain the Award Grantees to make contributions to the long-term growth and profits of the Group.

Shares available for future grant under the Share Option Scheme and the Share Award Scheme

The total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company is 76,789,116, being no more than 10% of the Shares in issue on the listing date of the Company. As at the date of this announcement (after taking into account the Option Grants), 30,287,166 Shares were available for grant under the Share Option Scheme.

The aggregate number of award Shares underlying all grants made pursuant to the Share Award Scheme (excluding award Shares which have been forfeited in accordance with the Share Award Scheme) will not exceed 38,394,558 Shares, subject to an annual limit of 1% of the total number of issued Shares at the relevant time. As at the date of this announcement (after taking into account the Award Grants), 29,642,808 Shares were available for grant under the Share Award Scheme.

The Share Option Scheme and the Share Award Scheme were adopted before the new Chapter 17 of the Listing Rules came into effect on 1 January 2023. The Company will comply with the new Chapter 17 to the extent required by the transitional arrangements for its existing share schemes.

By Order of the Board
HBM Holdings Limited
Dr. Jingsong Wang
Chairman and Executive Director

Hong Kong, 3 April 2024

As at the date of this announcement, the Board comprises Dr. Jingsong Wang and Dr. Yiping Rong as executive Directors; Ms. Weiwei Chen as non-executive Director; Dr. Robert Irwin Kamen, Dr. Xiaoping Ye, Mr. Ka Chi Yau and Dr. Albert R. Collinson as independent non-executive Directors.