
RULES RELATING TO
THE PRE-IPO SHARE AWARD SCHEME OF BRAINAURORA MEDICAL
TECHNOLOGY LIMITED

1 DEFINITIONS AND INTERPRETATION

(A) In these rules of the Scheme, unless the context otherwise requires, the following words and expressions shall have the meaning shown opposite to them below: -

“Authorized Administrators”	has the meaning ascribed to it in Paragraph 4;
“Adoption Date”	30 July 2023, being the date on which the Scheme is adopted by the Company;
“Award”	an award of the Awarded Shares by the Board pursuant to Paragraph 5.2(A) to a Selected Employee as set out in Appendix 3;
“Awarded Shares”	the Shares, as specified in the Grant Notice, to be issued and allotted to Trident or the HoldCo pursuant to the Scheme, representing 8.52% of the total share capital of the Company immediately at the time when the Trust is incorporated;
“Board”	the board of Directors and if the context so permits, it shall include such committee or sub-committee or person(s) from time to time delegated with the power and authority by the board of Directors to administer the Scheme;
“Business Day”	a day (other than Saturday, Sunday or public holiday) on which the Stock Exchange is open for trading and on which banks are open for business in Hong Kong;
“Company”	BrainAurora Medical Technology Limited, a company incorporated in the Cayman Islands on 25 April 2023;
“Contributed Amount”	cash paid or made available to the Trust by way of settlement or otherwise contributed by the Company and/or its Subsidiaries as permitted under the Scheme to the Trust as determined by the Board from time to time;
“Directors”	directors of the Company;
“Employee(s)”	any individual(s) being an employee (including without limitation any executive director) of any

	member of the Group at any time during the Trust Period;
“Excluded Employee(s)”	any Employee(s) who is resident in a place where the grant of the Awarded Shares and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the Scheme is not permitted under the laws or regulations of such place or where in the view of the Board, compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Employee;
“Grant Date”	the date on which the Awarded Shares are granted under this Scheme pursuant to a Grant Notice;
“Grant Notice”	has the meaning ascribed to it in Paragraph 5.2(E);
“Group”	the Company and its Subsidiaries from time to time, and “member of the Group” means any or a specific one of them;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HoldCo”	means Wisdomspirit Holding Limited, a limited liability company incorporated under the laws of the British Virgin Islands, as established by the Trustee to hold the Trust Fund;
“IPO Price”	the final Offer Price as determined for the purpose of the Listing;
“Listing”	the listing of the Shares on the Stock Exchange;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Scheme”	the “Pre-IPO Share Award Scheme of BrainAurora Medical Technology Limited” constituted by the rules hereof, in its present form or as amended from time to time in accordance with the provisions hereof;

“Selected Employee(s)”	the Employee(s) selected by the Board pursuant to Paragraph 5.2(A) for participation in the Scheme and as set out in Appendix 3;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Shares”	ordinary shares with a nominal value of US\$0.0001 each in the share capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
“SPV”	the special purpose vehicle wholly owned by the Employee(s) established for the purpose of holding the Awarded Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (as ascribed to it under the Listing Rules) of the Company, whether incorporated in Hong Kong or elsewhere;
“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	a trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time);
“Trust Fund”	<p>the funds and properties held under the Trust and managed by the Trustee for the benefit of the Selected Employees (other than the Excluded Employees); including without limitation:</p> <ul style="list-style-type: none"> (a) all cash paid and other property transferred to the Trustee and/or HoldCo by the Company; (b) all Shares allotted, issued and acquired by and held by the Trustee and/or HoldCo for the purpose of the Trust; (c) all Shares and property acquired by the Trustee and/or HoldCo for the purpose of this Trust comprising (i) cash paid to the Trustee by way of settlement or otherwise contributed

by the Company, and (ii) cash income or net proceeds of sale of non-cash and non-scrip distribution in respect of the Shares so held, either directly or indirectly, under the Trust, and such other scrip income (including but not limited to bonus Shares and scrip dividend declared by the Company) derived from the Shares held, either directly or indirectly, upon the Trust; and

- (d) all other properties from time to time representing (a), (b) and (c) above; and any income arising therefrom

“Trust Period”	shall have the meaning as set out in Clause 1.1 of the Trust Deed;
“Trustee” or “Trident”	Trident Trust Company (HK) Limited, and any additional or replacement trustees, being appointed by the Board to hold shares for the purpose of this Scheme;
“US\$”	United States dollars, the lawful currency of the United States of America
“Vesting Date”	in respect of a Selected Employee, the date on which his entitlement to the Awarded Shares is vested in such Selected Employee in accordance with Paragraph 5.3(A) and other terms of the Scheme; and
“Vesting Notice”	has the meaning ascribed to it in Paragraph 5.3(C).

(B) In these rules of the Scheme, save where the context otherwise requires: -

- (i) the headings are inserted for convenience only and shall not limit, vary, extend or otherwise affect the construction of any provision of these rules of the Scheme;
- (ii) references to Paragraphs and Schedules are references to paragraphs and schedules of these rules of the Scheme;
- (iii) references to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended, consolidated or re-enacted, or as its operation is modified by any other statute or statutory provision (whether with or without modification), and shall include any subsidiary legislation enacted under the relevant statute;

- (iv) expressions in the singular shall include the plural and vice versa;
- (v) expressions in any gender shall include other genders; and
- (vi) references to persons shall include bodies corporate, corporations, partnerships, sole proprietorships, organisations, associations, enterprises, branches and entities of any other kind.

2 PURPOSES AND OBJECTIVES

- (A) The specific objectives of the Scheme aims to: -
 - (i) recognise and reward the contributions of certain eligible employees of the Group; and
 - (ii) incentivize them for their future contribution to the continual operation and development of the Company.
- (B) These rules serve to set out the terms and conditions upon which the incentive arrangement for the Selected Employees shall operate.

3 DURATION

Subject to any early termination as may be determined by the Board pursuant to Paragraph 10, the Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

4 ADMINISTRATION

- (A) The Scheme shall be subject to the administration of the Board in accordance with the rules of the Scheme. The Board will make all determination in relation to the Scheme. The Board may delegate the authority to administer this Scheme to any committee thereof or any third party duly appointed thereby, including without limitation third party service providers and professional trustees (collectively, the “**Authorized Administrators**”). Any decision of the Board with respect to any matter arising under the Scheme (including the interpretation of any provision) shall be final and binding on all parties.
- (B) The Trustee or the HoldCo shall hold the Trust Fund in accordance with the terms of the Trust Deed.

5 OPERATION OF SCHEME

5.1 Contribution of funds to the Trust

- (A) 85,166 Awarded Shares will be issued and allotted to the Trustee or the HoldCo, representing 8.52% of the total share capital of the Company of 1,000,000 Shares

immediately at the time when the Trust is incorporated. Unless the Board decides the otherwise, no further Shares will be issued by the Company pursuant to the Scheme.

- (B) The Board may from time to time cause to be paid a Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company or any Subsidiary as directed by the Board which shall constitute part of the Trust Fund, for the subscription of Shares and other purposes set out in the Scheme Rules and the Trust Deed.

5.2 Grant of the Awarded Shares to Selected Employees

- (A) Subject to the provisions of the Scheme, including but not limited to the restrictions set out in Paragraphs 5.5(B) and 7, the Board may, from time to time, at its absolute discretion select any Employee (other than any Excluded Employee) for participation in the Scheme as a Selected Employee, and grant such number of Awarded Shares to any Selected Employee at a consideration as the Board may determine from time to time and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.
- (B) In determining the number of Awarded Shares to be granted to any Selected Employee (excluding any Excluded Employee), the Board shall take into consideration matters including, but without limitation to:
 - (i) the present contribution and expected contribution of the relevant Selected Employee to the profits of the Group;
 - (ii) the general financial condition of the Group;
 - (iii) the Group's overall business objectives and future development plan; and
 - (iv) any other matter which the Board considers relevant.
- (C) The Board is entitled to impose any conditions (including a period of continued service within the Group after the grant), as it deems appropriate in its absolute discretion with respect to the vesting of the Awarded Shares on the Selected Employee, and shall inform the Trustee and such Selected Employee the relevant conditions of the Award and the Awarded Shares. Notwithstanding any other provisions of the Scheme, subject to applicable laws and regulations, the Board shall be at full discretion to waive any vesting conditions referred to in this Paragraph 5.2(C).
- (D) Subject to the limitations and conditions of this Scheme and the requirements under the Listing Rules, the Board or Authorized Administrators may, at its absolute discretion, grant the Awarded Shares to any Selected Employee under terms and conditions as the Board or Authorized Administrators thinks fit, provided that no Awarded Shares shall be granted after the expiry of the term of this Scheme or after the earlier termination of this Scheme in accordance with Paragraph 10 of this Scheme.

- (E) After the Board has decided to make a grant of Awarded Shares to any Selected Employee, the Board may decide at its absolute discretion to send the Selected Employees, within a reasonable time, a notice in substantially the form set out in Appendix 1 (the “**Grant Notice**”) to such Selected Employee with a copy thereof to the Trustee after the grant was made, setting out the number of Awarded Shares so granted and the conditions (if any) upon which such Awarded Shares were granted. The number of Awarded Shares specified in the Grant Notice shall, subject to acceptance by the relevant Selected Employee in accordance with Paragraph 5.2(F), constitute the definitive number of Awarded Shares being granted to him. The Grant Notice shall serve as evidence of the grant of the Awarded Shares and no further certificate shall be issued to the Selected Employees.
- (F) Upon receipt of the Grant Notice, the Selected Employee shall confirm acceptance of the Awarded Shares being granted to him by signing and returning to the Board the acceptance form attached to the Grant Notice within five (5) Business Days after the date of the Grant Notice (the “**Acceptance Period**”). Once accepted, the Awarded Shares are deemed granted from the date of the Grant Notice. As soon as practicable after the receipt of the acceptance form duly signed by the relevant Employee, the Board shall forward a copy thereof to the Trustee.
- (G) If the Selected Employee fails to sign and return the acceptance form attached to the Grant Notice before the expiry of the Acceptance Period, the grant of the Awarded Shares to such Employee shall lapse forthwith and the Awarded Shares shall remain as part of the Trust Fund and be held by the Trustee or HoldCo. Such Employee shall have no right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way. In such instance, the Board shall notify the Trustee of the lapse of the grant of such Awarded Shares as soon as practicable after the expiration of the Acceptance Period and the Trustee may, under the Board’s instructions re-allocate or procure the HoldCo to re-allocate such Awarded Shares to other Selected Employees, or in case no other Selected Employees can be identified, reallocate such Awarded Shares to any other person as designated by the Company.
- (H) The Awarded Shares granted pursuant to the Scheme shall be personal to the Selected Employees, except that the Awarded Shares may be transferred to the SPV as designated by a Selected Employee upon vesting pursuant to Paragraph 5.3. Before the Awarded Shares are vested in a Selected Employee pursuant to the Scheme, the Awarded Shares shall not be assignable or transferrable. The Selected Employees shall not sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to any Awarded Shares granted to him or any interest or benefits therein.

5.3 Vesting of Awarded Shares

- (A) Subject to the terms and condition of the Scheme and the fulfillment of all vesting conditions to the vesting of the Awarded Shares on such Selected Employee as specified in the Scheme and the Grant Notice, the respective Awarded Shares held by the Trustee or HoldCo on behalf of the Selected Employee pursuant to the provision hereof shall vest

in such Selected Employee in accordance with the Vesting Schedule as set out in the Scheme and the Grant Notice (as the case may be), and the Trustee shall cause the Awarded Shares to be transferred to such Selected Employee (or the SPV as designated by such Selected Employee) on the Vesting Date.

(B) Vesting Schedule of Awarded Shares

Unless the Board determines otherwise, as to the 85,166 Awarded Shares granted to the Selected Employees before the Listing, they shall be vested according to the following schedule (the “**Vesting Schedule**”):

- (i) 30% of such Awarded Shares shall be vested on the date of the first anniversary of the Listing;
- (ii) 30% of such Awarded Shares shall be vested on the date of the second anniversary of the Listing; and
- (iii) 40% of such Awarded Shares shall be vested on the date of the third anniversary of the Listing.

(C) Upon the vesting of the Awarded Shares,

- (i) The Board may decide at its absolute discretion to send the Selected Employees (with a copy to the Trustee), within a reasonable time, a vesting notice in substantially the form set out in Appendix 2 (the “**Vesting Notice**”) together with such prescribed transfer documents which require the Selected Employee to execute to effect the vesting and transfer of the Awarded Shares and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Awarded Shares, as the case may be, subject to the Selected Employees paying all tax, stamp duty, levies and charges applicable to such transfer to the Trustee or as the Trustee directs and complying with all the applicable laws and regulations. The Selected Employees shall be responsible for conducting all necessary filings, registration or other administrative proceedings as required by applicable laws, rules or regulations, including but not limited to foreign exchange registration, for their obtaining of the Awarded Shares;
- (ii) upon receipt of the Vesting Notice, the Selected Employee (or his legal representative or lawful successor, as the case may be) is required to return to the Board the reply slip attached to the Vesting Notice to confirm the securities account details, together with the relevant duly signed transfer documents. In the event that the Board does not receive the reply slip and the transfer form from the Selected Employee within the period stipulated in the Vesting Notice, the Awarded Shares which would have otherwise vested in such Selected Employee shall be automatically forfeited and remain as part of the Trust Fund and be held by the Trustee or HoldCo. The Trustee may, under the Board’s instructions re-

allocate or procure the HoldCo to re-allocate such Awarded Shares to other Selected Employees, or in case no other Selected Employees can be identified, reallocate such Awarded Shares to any other person designated by the Company; and

- (iii) subject to the receipt by the Trustee of (a) the reply slip to the Vesting Notice and transfer documents prescribed by the Trustee and duly signed by the Selected Employee within the period stipulated in the Vesting Notice referred to in Paragraph 5.3(C)(i), (b) a confirmation from the Board that all vesting conditions having been fulfilled, and (c) certified copies of the identification documents of the Selected Employee and/or the SPV at least ten (10) Business Days prior to the Vesting Date, the Trustee shall or procure the HoldCo to transfer the relevant Awarded Shares to the relevant Selected Employee or the SPV as designated by the Selected Employee as soon as practicable on or after the Vesting Date and in any event not later than ten (10) Business Days after the Vesting Date.
- (D) The Board may at its discretion, with or without further conditions, grant additional Shares out of the Trust Fund (including but not limited to the cash or non-cash income, dividends or distributions and/or the cash income or net proceeds of sale of non-cash and non-scrip distribution) declared by the Company or derived from such Awarded Shares during the period from the Grant Date to the Vesting Date to a Selected Employee upon the vesting of any Awarded Shares. In such case the Board shall deliver a Grant Notice to the Selected Employee and the Trustee specifying the number of additional Shares and cash amount to be granted to the Selected Employee. The Trustee shall or shall procure the HoldCo to transfer the specified number of additional Shares, together with the Awarded Shares, to the Selected Employee or the SPV as designated by the Selected Employee on the Vesting Date in accordance with Paragraph 5.3(C)(iii).

The Board and/or the Authorised Administrator have absolute discretion in determining whether the vesting conditions applicable to a Selected Employee are satisfied. The vesting conditions include but not limited to:

- (i) the Selected Employee shall remain an employee of the Group on the relevant vesting dates;
- (ii) there shall be no occurrence of any triggering events for the surrender of the Awarded Shares (as specified below in Paragraph 5.4(B));
- (iii) the Selected Employee and his associate(s) shall not be employed by or operate or invest in any entity, during the period from the Grant Date to the relevant Vesting Dates, the business of which competes with the core business of the Group; and
- (iv) the Selected Employee undertake not to dispose of nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Awarded Shares in the period commencing on the relevant vesting dates and ending on the date to be determined by the Board.

5.4 Disqualification of Selected Employee

- (A) In the event that prior to or on the Vesting Date, a Selected Employee is found to be an Excluded Employee or is deemed to cease to be an Employee pursuant to Paragraph 5.4(B), the relevant grant made to such Selected Employee shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund and be held by the Trustee or the HoldCo.
- (B) Unless the Board determines otherwise, the unvested Awarded Shares will be deemed to have been surrendered by a Selected Employee upon the occurrence of any of the following events:
 - (i) termination of employment with or without any cause;
 - (ii) unsatisfactory performance leading to demotion;
 - (iii) failure to meet performance appraisal rating for the previous year according to the performance appraisal rating policy of the Company (as amended from time to time);
 - (iv) no renewal of the employment contract upon the expiration; or
 - (v) any other event to be determined by the Board.
- (C) For the purpose of the Scheme, “**cause**” means, with respect to a Selected Employee, the termination of employment on any of the following grounds: (i) the Selected Employee voluntarily resigns before any of the vesting dates; (ii) unsatisfactory performance; (iii) dishonest behavior or serious misconduct; (iv) negligent conduct; or (v) any other conducts or omission, in the Company’s conclusive opinion, which may affect adversely such Selected Employee’s performance or the Company’s reputation.
- (D) The unvested Awarded Shares deemed to have been surrendered shall be held by Trident or the HoldCo and Trident may, under the Board’s instructions re-allocate or procure the HoldCo to re-allocate such Awarded Shares to other Selected Employees, or in case no other Selected Employees can be identified, reallocate such Awarded Shares to any other person designated by the Company.
- (E) In the event of death or loss of labor capacity of the Selected Employees:
 - (i) where the Awarded Shares under the Scheme have already been granted and vested to the Selected Employee, such Shares shall remain unchanged or be inherited by the Selected Employee’s designated property successor or legal successor;
 - (ii) where the Awarded Shares under the Scheme have already been granted but not yet vested to the Selected Employee, his/her vesting right in relation to Awarded Shares not yet vested shall be cancelled and the Trustee may, under the Company’s instructions re-allocate or procure the HoldCo to re-allocate such shares to other

Selected Employee, or in case no other Selected Employee can be identified, re-allocate such shares to any other person designated by the Company; and

- (iii) the Board has the discretion to suggest other ways of dealing with such situations in accordance with the rules under the Scheme and the Listing Rules and applicable laws or regulatory requirements.
- (F) In the event that a Selected Employee is dismissed by the Company as a result of his serious violation of our Company's policies or causing detriment to the interest of our Group, or a Selected Employee violates any applicable laws, rules or regulation which results conviction, the unvested Awarded Shares which are granted to such Selected Employee will be canceled. The canceled Awarded Shares will be held by Trident or the HoldCo and may be granted to other Selected Employees.

5.5 Other terms and conditions

- (A) For the avoidance of doubt,
 - (i) a Selected Employee shall not have the voting rights, management rights, distribution rights or any interest or rights (including the right to receive dividends or other distributions) in respect of the Awarded Shares, the trust or the HoldCo prior to the Vesting Date;
 - (ii) a Selected Employee shall have no rights in the Shares or such other Trust Fund or property held by the Trust and/or the HoldCo;
 - (iii) no instructions shall be given by a Selected Employee (including, without limitation, voting rights) to the Trustee in respect of the Awarded Shares that have not been vested, and such other properties of the Trust Fund managed by the Trustee;
 - (iv) the Trustee shall not exercise the voting rights in respect of any Shares held by it or the HoldCo under the Trust (if any);
 - (v) all cash income and the sale proceeds of non-scrip distribution declared in respect of a Share held upon the Trust will be applied towards (i) the payment of the fees, costs and expenses of the Trust and (ii) the remainder, if any, remain as part of the Trust Fund;
 - (vi) unless otherwise waived by the Board, in the event that the vesting conditions specified in the Grant Notice are not fully satisfied prior to or on the relevant Vesting Date, the grant of the Awarded Shares in respect of the relevant Vesting Date shall lapse, such Awarded Shares shall not vest on the relevant Vesting Date and the Selected Employee shall have no claims against the Company, the Board, the Trust or the Trustee; and

- (vii) no capital contribution shall be made by the Selected Employee to the Trust or the HoldCo or in respect of the Awarded Shares to the Company prior to the Vesting Date.
- (B) No Award shall be made by the Board pursuant to Paragraph 5.2(A) and no instructions to acquire any Shares (if any) shall be given to the Trustee under the Scheme where dealings in the Shares are 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 instruction is to be given and no such grant is to be made:
 - (i) after an event involving inside information in relation to affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until such inside information has been publicly announced in accordance with the application laws and the Listing Rules;
 - (ii) during the period of sixty (60) days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
 - (iii) during the period of thirty (30) days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results; or
 - (iv) 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.
- (C) In respect of the administration of the Scheme, the Company shall comply with all applicable disclosure regulations including without limitation those imposed by the Listing Rules from time to time.

6 TAKEOVER AND VOLUNTARY WINDING-UP

- (A) Notwithstanding any other provision provided herein, if there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise prior to the Vesting Date, the Board shall determine at its discretion whether such Awarded Shares shall vest in the Selected Employee and the time at which such Awarded Shares shall vest. Subject to the receipt by the Trustee of duly executed prescribed transfer documents within seven (7) Business Days from the deemed Vesting Date, the Trustee shall or shall procure the HoldCo to transfer the Awarded Shares to the Selected Employee in accordance with Paragraph 5.3(C)(iii). For the purpose of this Paragraph 6(A), “control” shall have the meaning as specified in the Hong Kong Codes on Takeovers and Mergers and Share Repurchases from time to time.

- (B) In the event the Company undertakes a subdivision or consolidation of the Shares, such Selected Employee shall be entitled to those Awarded Shares as so subdivided or consolidated and the Board shall as soon as reasonably practicable after such subdivision or consolidation has been effected, notify each such Selected Employee of the number of the Awarded Shares that he has become entitled to on vesting after such subdivision or consolidation (as the case may be).
- (C) In the event the Company undertakes an open offer of new securities in respect of any Shares which are held by the Trustee or the HoldCo under the Scheme, the Trustee shall not subscribe for any new Shares. In the event of a rights issue, the Trustee shall or shall procure the HoldCo to sell such amount of the nil-paid rights allotted to it on the market as is appropriate and, subject to Paragraph 5.3(C)(i), the net proceeds of sale of such rights shall be held as part of the Trust Fund.
- (D) In the event the Company issues bonus warrants in respect of any Shares which are held by the Trustee or the HoldCo, the Trustee shall not subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants and shall sell the bonus warrants created and granted to it on the market, the net proceeds of sale of such bonus warrants shall be held as part of the Trust Fund.
- (E) In the event that the Company undertakes an issue of bonus Shares, subject to Paragraph 5.3(C)(i), the bonus Shares allotted with respect to any Shares which are held by the Trustee or the HoldCo shall be held as part of the Trust Fund.
- (F) In the event the Company undertakes a scrip dividend scheme, the Trustee shall or shall procure the HoldCo to elect to receive scrip Shares and, subject to Paragraph 5.3(C)(i), scrip Shares allotted with respect to any Shares which are held by the Trustee or the HoldCo shall be held as part of the Trust Fund.
- (G) In the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon the Trust, the Trustee shall or shall procure the HoldCo to dispose of such distribution and, subject to Paragraph 5.3(C)(i), the net sale proceeds thereof shall be deemed as cash income of a Share held as part of the Trust Fund.
- (H) If notice is duly given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering a resolution for the voluntary winding-up of the Company (other than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) or an order of winding up of the Company is made, the Board shall determine at its discretion whether such Awarded Shares shall vest in the Selected Employee and the time at which such Awarded Shares shall vest. If the Board determines that any Awarded Shares shall vest, it shall promptly notify the Selected Employee and shall use its reasonable endeavours to procure the Trustee to take such action as may be necessary to transfer the legal and beneficial ownership of the Awarded Shares which are to become vested in such Selected Employee to such Selected Employee.

7 MAXIMUM NUMBER OF AWARDED SHARES UNDER THIS SCHEME

The maximum number of Awarded Shares that may be granted under this Scheme in aggregate (excluding the Awarded Shares that have lapsed or been cancelled in accordance with these Rules) shall be 85,166 Shares held or to be held by the Trustee or the HoldCo for the purpose of this Scheme, representing 8.52% of the total share capital of the Company of 1,000,000 Shares immediately at the time when the Trust is incorporated.

8 DISPUTES

Any dispute arising in connection with the Scheme shall be referred to the decision of the Board whose decision shall be final and binding.

9 ALTERATION OF THE SCHEME

- (A) The Scheme may be amended in any respect by a resolution of the Board.
- (B) Written notice of any amendment to the Scheme shall be given to all Selected Employees and the Trustee within reasonable time.

10 TERMINATION

- (A) The Board may at any time modify or terminate the Scheme. Otherwise, the Scheme shall terminate on the earlier of:
 - (i) the tenth (10th) anniversary date of the Adoption Date; and
 - (ii) such date of early termination as determined by the Board by a resolution of the Board,

PROVIDED THAT such termination shall not affect any subsisting rights of any Selected Employee hereunder.

- (B) Upon termination of the Scheme,
 - (i) no further grant of Awarded Shares may be made under the Scheme;
 - (ii) all the unvested Awarded Shares of the Selected Employees under the Scheme shall continue to be held by the Trustee or the HoldCo and be vested in the Selected Employees according to the vesting schedule and conditions of the Awards, subject to the receipt by the Trustee of the transfer documents prescribed by the Trustee and duly executed by the Selected Employee. The Board, may at its full discretion, to direct and procure Trident to transfer, repurchase, reallocate or to make on-market disposal of such Shares (except for any Awarded Shares subject to vesting on the Selected Employees) remaining in the Trust Fund within reasonable time. The Company is entitled to receive the net proceeds from the

on-market disposal and such other funds and properties remaining in the Trust Fund managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company in due course but in any event shall be within 28 Business Days of receiving notice of such termination of the Scheme. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than its interest in the proceeds of sale of such Shares pursuant to this Paragraph 10(B)(ii)).

- (C) For the avoidance of doubt, the temporary suspension of the granting of any Award shall not be construed as a decision to terminate the operation of the Scheme.

11 WITHHOLDING

- (A) The Company or any Subsidiary shall be entitled to withhold, and any Selected Employee shall be obliged to pay, the amount of any tax and/or social security contributions attributable to or payable in connection with the grant of the Awarded Shares, if any.
- (B) The Board may establish appropriate procedures to provide for any such payment so as to ensure that the Company or any Subsidiary receive advice concerning the occurrence of any event which may create, or affect the timing or amount of, any obligation to pay or withhold any such taxes or social security contributions or which may make available to the Company or such Subsidiary any tax deduction resulting from the occurrence of such event.
- (C) The Company or any Subsidiary may, by notice to the Selected Employee and subject to any rules as the Board may adopt, require that the Selected Employee pay at the time of the Award an amount estimated by the Company or any Subsidiary to cover all or a portion of the tax and/or social security contributions attributable to or payable in connection with the grant.

12 MISCELLANEOUS

- (A) The Scheme shall not form part of any contract of employment between the Company or any Subsidiary and any Employee, and the rights and obligations of any Employee under the terms of his office or employment shall not be affected by his participation in the Scheme or any right which he may have to participate in it and the Scheme shall afford such Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- (B) The Company shall bear the costs of establishing and administering the Scheme. The Selected Employees shall bear the purchase costs, stamp duty, transaction levies and and/or transfer tax or duty and any other charges payable upon the transfer of the Shares.
- (C) Subject to Paragraph 12(B) above, the Company shall not be liable for any tax and the Trustee shall not be liable for any tax or expenses of such other nature payable on the part of any Employee in respect of any sale, purchase, vesting or transfer of Shares, duty, levy,

social security contribution or liability in any jurisdiction to which a Selected Employee may become subject as a result of the grant of any Awarded Shares or the vesting (or otherwise the transfer) of any Awarded Shares, such Selected Employee shall be responsible for the prompt payment of such tax, duty, levy or social security contribution (as the case may be) and shall indemnify the Company and the Trustee against any loss, damage, liability, costs and expenses arising from or in connection with any default or delay in the payment thereof.

- (D) Any notice or other document which has to be given to a Selected Employee under or in connection with this Scheme may be delivered to the Selected Employee or sent by post or facsimile transmission or e-mail to him at his home postal address, home or work e-mail address or facsimile number according to the records of his employing company or such other address as the Company reasonably considers appropriate.
- (E) Any notice or other document which has to be given to the Company under or in connection with this Scheme may be delivered or sent by post to it at the address set out below (or such other place as the Board may from time to time decide and notify to the Selected Employee and/or the Trustee) or by facsimile transmission to the central facsimile number of the Company.

Address: Suite 201, Building A, No.135 Qinghe Road, Haidian District, Beijing, PRC

Email: wangxiaoyi@66nao.com

Attention: Wang Xiaoyi

- (F) Any notice or other document which has to be given to the Trustee under or in connection with this Scheme may be delivered or sent by post to it at the address set out below (or such other place as the Trustee may from time to time decide and notify to the Company and/or the Selected Employee) or by facsimile transmission to the central facsimile number of the Trustee or the work e-mail address of a designated person of the Trustee as notified by the Trustee to the Company.

Address: 14/F Golden Centre, 188 Des Voeux Road Central, Hong Kong

Fax: (852) 2850 4090

Email: trustservices.hk@tridenttrust.com

Attention: Thomas Ng/ Sasha Tian/ Katrina Leung

- (G) Any notice or other document if given by a Selected Employee shall be irrevocable and shall not be effective until actual receipt by the Trustee or the Company (as the case may be).

- (H) Notices sent by post will be deemed to have been given by the Company or the Trustee on the first day after the date of posting. Notices served by hand will be deemed to be served when delivered.
- (I) The Company, the Board, the Trust and the Trustee shall not be responsible for any failure by any Employee to obtain any consent or approval required for such Employee to participate in the Scheme as a Selected Employee or for any tax, duty, expenses, fees or any other liability to which he may become subject as a result of his participation in the Scheme.
- (J) Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such and in the event of any provision or provisions being or becoming unenforceable in whole or in part. To the extent that any provision or provisions hereof are unenforceable they shall be deemed to be deleted from these rules of the Scheme, and any such deletion shall not affect the enforceability of the rules of the Scheme as remain not so deleted.

13 GOVERNING LAW

- (A) The Hong Kong courts shall have the exclusive jurisdiction to determine any claim, dispute or difference arising out of or in connection with this Scheme or any Awarded Shares granted under it.
- (B) The Scheme and all Awarded Shares granted under it shall be governed by and construed in accordance with the laws of Hong Kong.

Appendix 1

GRANT NOTICE

[Letterhead of BrainAurora Medical Technology Limited]

PRIVATE AND CONFIDENTIAL

[Date]

[Name and address of Employee]

Dear Sir,

Pre-IPO Share Award Scheme adopted on 2023

Grant Notice

We refer to the pre-IPO share award scheme adopted by the Company on (the “**Pre-IPO Share Award Scheme**”). Except as otherwise defined, capitalised terms used herein shall have the same meaning as defined in the rules of the Pre-IPO Share Award Scheme (the “**Scheme Rules**”).

We are pleased to inform you that the board of directors of the Company (the “**Board**”) decided on [*] to grant you [*] Awarded Shares under the Pre-IPO Share Award Scheme. These Awarded Shares are being granted to you on and subject to the terms and conditions of the Pre-IPO Share Award Scheme, including, without limitation, the vesting conditions set out in Paragraphs 5.3(B), 5.3(C) and 5.4 of the Scheme Rules and the vesting conditions set out below, which provide that the Awarded Shares being granted to you will, subject to your acceptance, become vested in you in the proportion and on the dates as follows:

- (i) 30% of such Awarded Shares shall be vested on the date of the first anniversary of the Listing;
- (ii) 30% of such Awarded Shares shall be vested on the date of the second anniversary of the Listing; and
- (iii) 40% of such Awarded Shares shall be vested on the date of the third anniversary of the Listing.

You are not entitled to enjoy the voting rights nor any rights in respect of the Awarded Shares, including but not limited to, any dividends or other distributions, before such Awarded Shares are vested in you.

[The grant is also being made subject to the following conditions:

- a) you shall remain an employee of the Group on the relevant vesting dates;
- b) there shall be no occurrence of triggering events for the surrender of the Awarded Shares (as specified in Paragraph 5.4(B) of the Scheme Rules);
- c) you and your associate(s) shall not be employed by or operate or invest in any entity, during the period from the grant date to the relevant vesting dates, the business of which competes with the core business of the Group; and
- d) you shall not dispose of nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of any of the Awarded Shares in the period commencing on the relevant vesting dates and ending on the date to be determined by the Board.

[Insert any additional conditions]

The grant of the Awarded Shares to you referred to above will only be effective if you sign and return the attached acceptance form to us within five (5) Business Days after the date of this notice. If you fail to do this, the grant of the Awarded Shares to you referred to above will lapse and you will not have any right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Awarded Shares or any right thereto or interest therein in any way.

Yours faithfully,

**For and on behalf of
the Board of Directors of
BrainAurora Medical Technology Limited**

Name:

Position:

Copy: The Trustee
Trident Trust Company (HK) Limited

To: The Board of Directors of
BrainAurora Medical Technology Limited

Copy: The Trustee
Trident Trust Company (HK) Limited

Acceptance Form

I, _____ (holder of [*insert description of identity document*] numbered [*insert number*], Nationality:[]), confirm my acceptance of the Awarded Shares being granted to me by the Board on behalf of the Company. I agree and accept that such Awarded Shares are being granted to me on and subject to the terms and conditions of the Scheme Rules and the Grant Notice and I agree to be bound by those terms and conditions and the Scheme Rules.

Date:

Appendix 2

VESTING NOTICE

[Letterhead of BrainAurora Medical Technology Limited]

PRIVATE AND CONFIDENTIAL

[Date]

[Name and address of Selected Employee]

Dear Sir,

Pre-IPO Share Award Scheme adopted on

Vesting Notice

We refer to the Pre-IPO share award scheme adopted by the Company on (the “**Pre-IPO Share Award Scheme**”). Except as otherwise defined, capitalised terms used herein shall have the same meaning as defined in the rules of the Pre-IPO Share Award Scheme (the “**Scheme Rules**”).

In accordance with the vesting conditions set out in [the Grant Notice], [insert number] Awarded Shares (the “**Vesting Shares**”) granted to and accepted by you and currently being held by the Trustee or the HoldCo under the Trust will become vested in you on [insert date] (the “**Vesting Date**”), subject to [you remaining an Employee on such date] [and all of the other conditions set out in the Grant Notice being satisfied].

The Vesting Shares will only vest in you if you complete, sign and return the attached reply slip to us not later than [*] (being ten [10] Business Days before the Vesting Date). If you fail to do this, the Vesting Shares will be forfeited in accordance with the terms of the Scheme Rules and you will not have any right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those Vesting Shares or any right thereto or interest therein in any way.

Yours faithfully,

**For and on behalf of
the Board of Directors of
BrainAurora Medical Technology Limited**

Name:

Position:

Copy: The Trustee
Trident Trust Company (HK) Limited

To: The Board of Directors of
BrainAurora Medical Technology Limited

Copy: The Trustee
Trident Trust Company (HK) Limited

Reply Slip

I, _____ (holder of [insert description of identity document] numbered [insert number], Nationality:[]), hereby authorise you to instruct the Trustee to procure the transfer of the Vesting Shares referred to in the above Vesting Notice to me/_____, a company wholly-owned by me* by depositing them into the following securities account/bank account on the Vesting Date:

For Vesting Shares

Name of custodian/broker: _____

CCASS No. of custodian/broker: _____

Contact Person of custodian/broker: _____

Telephone number of custodian/broker: _____

Account Name: _____

(Note: The Account must be in the sole name of the Selected Employee or the SPV)

Account Number: _____

Signed by the Selected Employee

Selected Employee's Signature verified by
the Company

Name:

Name:
Authorized Signatory of the Company

** delete as appropriate*

Appendix 3

LIST OF SELECTED EMPLOYEES

Name of Employee	Number of Awarded Shares
谭铮	27, 129
王晓怡	26, 946
蔡龙军	12, 631
王俊杰	1, 266
赖知远	1, 266
李天佑	1, 266
杨学文	1, 085
马小卉	940
刘晨阳	723
张坤	723
沈一	652
管嵩	543
刘艳玲	543
秦丽	543
边志明	543
张茂闻	543
马珠江	543
佟双	543
叶泳聪	543
杜鑫	543
戚聿娟	543

黄建兴	543
董明	543
周冰	543
王云霞	362
潘兴亮	362
董晓	181
罗川	181
李国华	181
张枫	181
孙悦文	181
李耀宇	181
高伟	181
刘川	181
李海	109
李青松	109
魏明月	109
程祯祯	109
张宝月	109
李朋怀	109
郑淼	109
常思佳	109
仝传涛	109
樊国平	109
李瑞璇	109

戴甜	109
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