

# Equity Incentive Agreement for the 2021 Stock Option and Restricted Shares Incentive Plan of Will Semiconductor Co., Ltd. Shanghai (Stock Option)

**Party A:** Will Semiconductor Co., Ltd. Shanghai

**Legal representative:** WANG Song

**Party B:** \_\_\_\_\_

**ID card number:** \_\_\_\_\_

## **Whereas:**

The *2021 Stock Option and Restricted Shares Incentive Plan of Will Semiconductor Co., Ltd. Shanghai* (hereinafter referred to as "the Incentive Plan") and the *Measures for Implementation Appraisal Management of the 2021 Stock Option and Restricted Shares Incentive Plan of Will Semiconductor Co., Ltd. Shanghai* (hereinafter referred to as "the Appraisal Management Measures") were deliberated and adopted at the second extraordinary general meeting of shareholders of Will Semiconductor Co., Ltd. Shanghai (hereinafter referred to as "the Company") in the 2021; on the principle of voluntariness, fairness, equality, mutual benefit, and good faith, Party A and Party B reached the following agreement on matters related to the granting and exercise of stock options:

**Article 1** Party A shall agree that Party B, an employee of Party A or its subsidiary, is the incentive object of the Incentive Plan, and shall grant stock options to Party B according to the Incentive Plan.

**Article 2** Party B undertakes to understand and comply with the Incentive Plan, the Appraisal Management Measures and other provisions related to the Incentive Plan, including but not limited to performance appraisal, grant and exercise conditions, grant and exercise procedures, rights and obligations of the incentive object and the changes and termination of the Incentive Plan.

**Article 3** In order to ensure the smooth implementation of the Incentive Plan, Party B agrees to open a securities account within the sales department of the securities company designated by Party A, and may not cancel the designated transaction without the consent of Party A during the validity period of the Incentive Plan.

**Article 4** Party B promises to know and accept the vesting conditions and timing of stock options.

The conditions for all or part of the vesting rights are as follows: Party A reaches performance indicators and Party B's individual performance appraisal results are above C level (for details on the vesting conditions, see Section 4 of the Stock Option Incentive Plan: Specific Contents of the Stock Option Incentive Plan / 8. Vesting Conditions of Stock Options).

The vesting timing is 12 months after the grant date of the stock options, and Party B eligible for the vesting conditions may exercise the stock options in three installments by 40%, 30% and 30% within the next 36 months (for details on the vesting conditions, see Section 4 of the Stock Option Incentive Plan: Specific Contents of the Stock Option and Restricted Shares Incentive Plan / 1. Stock Option Incentive Plan/ (4). Validity Period, Granting Date, Waiting Period, and Vesting Date of the Stock Option Incentive Plan”).

**Article 5** Party A intends to grant Party B Willsemi stock options of \_\_\_\_\_shares\_ at an exercise price of RMB 281.40 / share.

1. Party B confirms the grant of Willsemi stock options of \_\_\_\_\_shares.
2. Party B confirms the voluntary waiver of the Willsemi stock options of \_\_\_\_\_shares due to \_\_\_\_\_.

**Article 6** Party B may submit the 2021 Stock Option Exercise Application to Party A in each vesting period of the Incentive Plan. According to the vesting right ratio of the current stock option, Party B shall purchase the underlying stocks with the corresponding quantity at the exercise price confirmed in Article 5. If a unified exercise method is adopted in the Incentive Plan, Party B shall pay the vesting amount in a lump sum according to the requirements of Party A in each installment, and the payment account and specific arrangements will be notified by Party A. If the autonomous exercise method is adopted in the Incentive Plan adopts, Party B will exercise its own power during the vesting period.

**Article 7** In accordance with relevant laws and regulations Party A (including its wholly-owned subsidiaries and holding subsidiaries) shall not provide loans and other forms of financial assistance to Party B for exercising the stock options, including the guarantee provided for Party B loans.

**Article 8** If Party B fails to meet the vesting conditions specified in the Incentive Plan, the current stock options cannot be exercised by Party B but shall be cancelled by Party A, and such cancellation shall be conducted in accordance with the relevant provisions of the Incentive Plan.

**Article 9** If Party B fails to meet the relevant appraisal conditions specified in the Appraisal Management Measures, all or part of the stock options that have not been exercised in the current

period shall be cancelled by Party A, and such cancellation shall be conducted according to the relevant provisions in the Appraisal Management Measures and the appraisal results.

#### **Article 10 Handling of Abnormal Changes of the Company**

In the case of any of the following circumstances of the Company, the Incentive Plan shall be terminated, and the stock options that Party B have been granted but not yet exercised cannot be exercised and shall be cancelled by Party A;

1. Where the certified public accountant issues an audit report on the financial report of the most recent fiscal year, on which it expresses negative opinions or it cannot express any opinions;
2. Where the certified public accountant issues an audit report on the internal control of the financial report of the most recent fiscal year, on which it expresses negative opinions or it cannot express any opinions;
3. Where in the last 36 months after the listing, there have been cases where profits are not distributed according to laws, regulations, articles of association, and public commitments;
4. The circumstances in which laws and regulations stipulate that equity incentives cannot be implemented;
5. Other circumstances identified by the China Securities Regulatory Commission that require termination of the Incentive Plan.

#### **Article 11 Handling of Abnormal Changes of the Incentive Object**

(1) Where Party B has a normal job change, but is still in the Company, or is employed in a branch or subsidiary of the Company, the stock options granted will be exercised in full accordance with the procedures stipulated in the Incentive Plan before the job change.

(2) Where Party B loses the qualification to participate in the Incentive Plan due to one of the following circumstances, the rights and interests exercised by Party B will continue to be valid, and the stock options that he has been granted but not yet exercised cannot be exercised and shall be cancelled by the Company:

1. Where in the last 12 months, Party B was identified as an inappropriate candidate by the stock exchange;
2. Where in the last 12 months, Party B was identified as an inappropriate candidate by the China Securities Regulatory Commission and its dispatched offices;

3. Where in the last 12 months, Party B was subject to the administrative punishments imposed by or the market prohibition measures adopted by the China Securities Regulatory Commission and its dispatched offices;

4. Where Party B is not allowed to serve as senior management personnel of the company as stipulated in the Company Law;

5. Where during the validity period of the Incentive Plan, Party B becomes independent director, supervisor or other personnel who cannot hold the stock options of the Company as stipulated by laws and regulations;

6. Where the job changes due to resignation, ineligibility for job position, breach of laws, violation of professional ethics, leakage of company secrets, negligence or malfeasance, etc., resulting in the damages to the Company's interests or reputation or the Company's termination of labor relations with Party B, The board of directors reserves the right to recover all or part of the proceeds from its exercised stock options, depending on the severity of the circumstances;

7. Where Party B has other circumstances which result in serious violations of the Company's relevant regulations or serious damages to the Company's interests;

8. The circumstances in which laws and regulations stipulate that Party B is not allowed to participate in the equity incentives of listed companies;

9. Other circumstances as determined by the China Securities Regulatory Commission.

(3) If Party B resigns due to resignation and layoffs of the Company or due to the termination of employment agreement, the stock options that Party B has been granted but not yet exercised cannot be exercised and shall be cancelled by the company.

(4) If Party B resigns due to the retirement age specified by the state and the Company, the board of directors may decide that the stock options that Party B has been granted under the Incentive Plan but not yet exercised cannot be exercised and shall be cancelled by the Company; If Party B is re-employed for the same position and such re-employment is still within the scope of incentives, he may exercise according to the corresponding number of rights and interests of the re-employment position.

(5) Party B's resignation due to loss of labor capacity shall be handled in accordance with the following two situations:

1. If Party B resigns due to loss of labor capacity which is caused by the performance of his duties,

his rights and interests that he has been granted will be carried out in full accordance with the procedures stipulated in the Incentive Plan before the loss of labor capacity, and the board of directors may decide that its individual performance appraisal results are no longer included in the vesting conditions;

2. If Party B resigns due to loss of labor capacity which is not caused by the performance of his duties, the stock options that he has been granted but not yet exercised cannot be exercised and shall be cancelled by the company.

(6) Party B's death shall be handled in accordance with the following two cases:

1. If Party B dies due to the execution of his duties, the stock options he has been granted will be held by his designated heirs or legal heirs. The stock options that that he has been granted but not yet exercised are subject to the procedures specified in the Incentive Plan before his death. The results of individual performance appraisal are no longer included in the vesting conditions.

2. If Party B dies for other reasons, the stock options that that he has been granted but not yet exercised cannot be exercised and shall be cancelled by the Company.

(7) Other unspecified circumstances shall be determined by the board of directors and the way of handling shall also be determined by the board of directors.

**Article 12** Party B agrees that if Party A has to cancel part of the stock options granted by Party A in accordance with the relevant provisions of the Incentive Plan and the Agreement, Party A shall select the time and perform the cancellation procedures in accordance with relevant regulations.

**Article 13** Party A shall withhold and remit individual income tax and other taxes payable by Party B in accordance with tax laws and regulations of the State.

**Article 14** Party B promises that if Party A is ineligible for the granting or exercise of rights and interests due to false records, misleading statements or major omissions in the information disclosure documents, Party B shall return all the proceeds from the Incentive Plan after the relevant information disclosure documents are confirmed to have false records, misleading statements or major omissions.

**Article 15** Party B guarantees to Party A that it understands and abides by all the terms of the Incentive Plan, and promises to fulfill the information confidentiality system, and not to disclose information such as the number of stock options that it has been granted to other unrelated third parties. The Incentive Plan shall be construed by Party A.

**Article 16** During the validity period of the Incentive Plan, if any term of the Incentive Plan changes, Party A shall notify Party B with an announcement document.

**Article 17** The Agreement is made in triplicate, of which Party A shall hold two copies, and Party B shall hold one. The Agreement enters into effect from the date on which the signature or seal of both parties is completed. The matters not covered in the Agreement shall be settled by both parties, and a supplementary agreement shall be formed.

**Article 18** Any dispute arising from the Agreement shall be settled by both parties in accordance with the provisions of the Agreement and the Incentive Plan; if the provisions are unclear, both parties shall settle the dispute in accordance with the laws of the State and the principle of fairness and reasonableness; if the negotiation fails, the dispute shall be submitted to the people's court with jurisdiction in the place where Party A domiciles.

Party A (Seal): Will Semiconductor Co., Ltd. Shanghai

Date: MM/DD/2021

Party B (Signature):

Date: MM/DD/2021