

Silver Pegasus Investment Limited

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

24 May 2024

To the Optionholders

Dear Sir/Madam,

OPTION OFFER

**IN RELATION TO THE PROPOSAL FOR THE PRIVATISATION OF
SCICLONE PHARMACEUTICALS (HOLDINGS) LIMITED BY SILVER
PEGASUS INVESTMENT LIMITED BY WAY OF A SCHEME OF
ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES ACT)**

A scheme document issued jointly by Silver Pegasus Investment Limited (the “**Offeror**”) and SciClone Pharmaceuticals (Holdings) Limited (the “**Company**”) dated the same date as this letter (the “**Scheme Document**”) is enclosed with this letter. Terms used but not defined in this letter shall have the same meanings and construction as in the Scheme Document. This letter should be read in conjunction with the Scheme Document.

The Offeror and the Company issued jointly the Announcement dated 28 March 2024 which stated, among others, that on 19 March 2024, the Offeror requested the Board to put forward the Proposal to the holders of Scheme Shares for the privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act. As stated in the Announcement, as part of the Proposal, the Offeror would make (or procure to be made on its behalf) an appropriate offer to the Optionholders to cancel every vested and unvested Subject Share Option in accordance with Rule 13 of the Takeovers Code. The Option Offer will be conditional upon the Scheme becoming effective.

This letter explains the actions you may take in relation to your Subject Share Option(s). You are advised to refer to the Scheme Document when considering them.

Your attention is also drawn to the terms and conditions of the Option Incentive Plan and the Post-IPO Option Plan (as applicable).

TERMS OF THE OPTION OFFER

We are making the Option Offer, which is conditional on the Scheme becoming effective, with respect to the Subject Share Option(s) held by you.

Any Share Options granted under the Option Incentive Plan or the Post-IPO Option Plan that are not exercised on or prior to the Latest Option Exercise Date or (if applicable) cancelled pursuant to the acceptance of the Option Offer (other than, in respect of Share Options granted under the Option Incentive Plan, the right to receive payment of the “see-through” price from the Option Trustee) will automatically lapse upon the Scheme becoming effective. You may accept the Option Offer by lodging a completed Form of Acceptance in respect of the Option Offer by the prescribed deadline and, if the Option Offer becomes unconditional, you will be entitled to the Option Offer Price with respect to the Shares underlying your Subject Share Option(s).

Under the Option Offer, the Offeror is offering the Optionholders the “see-through” price (being the Cancellation Price minus the relevant exercise price in the case of the Subject Share Options) for each Subject Share Option.

Exercise price per Subject Share Option <i>(HK\$)</i>	“See-through” price <i>(HK\$)</i>
Option Incentive Plan	
1.6562	17.1438
Post-IPO Option Plan	
6.33	12.47
6.832	11.968
7.892	10.908
8.40	10.40
8.48	10.32
9.29	9.51
10.18	8.62
10.434	8.366
13.40	5.40

The Option Offer is conditional upon the Scheme becoming effective. The Conditions are set out in the section headed “3. Conditions of the Proposal” in Part VII — Explanatory Memorandum of the Scheme Document. In addition, all payments in respect of the Option Offer Price will be

made to the Company as the agent of the Optionholders by cheque(s), or at the election of the Offeror, by wire transfer, in Hong Kong dollars. The Company will make payments in respect of the Option Offer Price to the respective Optionholders by wire transfer.

You are further advised to refer to the sections headed “19. Registration and Payment” and “21. Taxation Advice” in Part VII — Explanatory Memorandum of the Scheme Document.

Your attention is drawn to the letter from the Independent Board Committee set out in Part V of the Scheme Document and the letter from the Independent Financial Adviser set out in Part VI of the Scheme Document, which contain the recommendation of the Independent Board Committee and of the Independent Financial Adviser, respectively, in relation to the Proposal, the Scheme and the Option Offer.

COURSES OF ACTION AVAILABLE TO OPTIONHOLDERS

In summary, the choices available to you in respect of your Subject Share Option(s) are:

- (a) to the extent any of your Subject Share Option(s) is not exercised on or prior to the Latest Option Exercise Date, if you will be a holder of the Subject Share Option(s) as at the Option Offer Record Date (i.e. your Subject Share Option(s) will not lapse prior to the Option Offer Record Date under the terms of the Option Incentive Plan and the Post-IPO Option Plan (as applicable)), you may accept the Option Offer in respect of all of your Subject Share Option(s) in accordance with its terms, as set out in this letter and in the Scheme Document and elect by signing and returning the completed Form of Acceptance enclosed, by not later than 4:30 p.m. (Hong Kong time) on Wednesday, 3 July 2024 (or such later time and/or date as may be notified to you through announcement(s)), to receive the Option Offer Price for the relevant Shares under your Subject Share Option(s) if the Scheme becomes effective;
- (b) you may in accordance with the terms of the Option Incentive Plan and the Post-IPO Option Plan (as applicable), exercise, all of your outstanding vested Subject Share Option(s) (to the extent not already exercised) to its full extent or to the extent specified in your notice of exercise of Subject Share Options at any time up to the Latest Option Exercise Date. Optionholders who exercise their Subject Share Option at or before 4:30 p.m. on Friday, 7 June 2024 will be entitled to attend and vote at the Court Meeting and the EGM. Any Share issued as a result of the exercise of such Subject Share Option(s) as mentioned above, conditional on the passing of the resolutions to be proposed at the Court Meeting and the EGM to approve the Scheme, will be subject to and eligible to participate in the Scheme. Please refer to the Scheme Document for details of the Scheme and the Proposal in this regard;

- (c) you may reject the Option Offer in accordance with its terms, as set out in this letter and in the Scheme Document, and tick the “Reject” box on the Form of Acceptance and return it in accordance with the instructions therein. If you reject the Option Offer, you will not be entitled to receive the Option Offer Price in respect of any of your Subject Share Options if the Scheme becomes effective. If you reject the Option Offer and do not exercise all of your outstanding vested Subject Share Option(s) (to the extent not already exercised) on or before the Latest Option Exercise Date, and the Scheme becomes effective, your Subject Share Options will lapse automatically on the Effective Date and you will receive neither the Option Offer Price nor the Cancellation Price; or
- (d) do nothing, in which case, conditional on the passing of the resolutions to be proposed at the Court Meeting and the EGM to approve the Scheme, and the Scheme becoming effective, your Subject Share Options will lapse automatically on the Effective Date, and you will receive neither the Option Offer Price nor the Cancellation Price.

For further details, please refer to the remaining sections of this letter, the Scheme Document, the Form of Acceptance and the terms of the Option Incentive Plan and the Post-IPO Option Plan (as applicable).

OUTSTANDING SHARE OPTIONS HELD AS AT THE LATEST PRACTICABLE DATE

Information on the Subject Share Option(s) held by you as at the Latest Practicable Date is available from the Human Resources Department of the Company. If there is any exercise of your Subject Share Option(s) after the Latest Practicable Date, you may accept the Option Offer only in respect of such Subject Share Option(s) which remain unexercised or unvested as at the Option Offer Record Date.

LAPSED SHARE OPTION

Please note that nothing in this letter or the Scheme Document serves to extend the life of a Share Option which lapses, will lapse, or has already lapsed, under the terms of the Option Incentive Plan and the Post-IPO Option Plan (as applicable). As such, you may exercise the Share Option (to the extent such Share Option is vested but not already exercised) prior to the lapsing of the Share Options in accordance with the terms of the Option Incentive Plan and/or the Post-IPO Option Plan (as applicable), but you cannot accept the Option Offer in respect of a Subject Share Option which will have lapsed in accordance with its terms on or before the Option Offer Record Date.

In accordance with the terms of the Option Incentive Plan, the Post-IPO Option Plan and the Board Resolutions, if a general offer by way of a scheme of arrangement is made to all Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and has been approved by the necessary number of Shareholders at the requisite meetings, the optionholders shall be entitled to exercise the Share Options thereafter (up to the Latest Option Exercise Date) by notice in writing to the Company. To the extent that the Share Options have not been so exercised, the right to exercise the Share Options shall terminate on the Scheme Record Date and such Optionholders will only be entitled to the Option Offer. Any unexercised Share Option which are not tendered for acceptance under the Option Offer will automatically lapse (other than the right to receive payment of the “see-through” price from the Option Trustee) upon the Scheme becoming effective.

Any Share Options granted under the Option Incentive Plan or the Post-IPO Option Plan that are not exercised or (if applicable) cancelled pursuant to the acceptance of the Option Offer (other than, in respect of Share Options granted under the Option Incentive Plan, the right to receive payment of the “see-through” price from the Option Trustee) will automatically lapse upon the Scheme becoming effective.

PROFESSIONAL ADVICE

The information provided in this letter is intended to give you factual details on which to base your decision as to the action you wish to take.

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

DECLARATION

By signing and returning the completed Form of Acceptance, you thereby:

- (a) warrant and confirm that each Subject Share Option in respect of which you accept the Option Offer is valid and subsisting, free from all liens, charges, mortgages and third party interests of any nature whatsoever and you acknowledge that any option certificate or documents in respect of such Subject Share Option shall become void once that Subject Share Option has been cancelled as a result of your acceptance of the Option Offer pursuant to the Form of Acceptance;

- (b) acknowledge and agree that you cease to have any rights and obligations, and waive all rights and claims against any party (including the Offeror and the Company), in respect of all the Subject Share Option(s) held by you for which you accept the Option Offer, that all rights and obligations under all such Subject Share Option(s) will be cancelled;
- (c) confirm that the decisions which you have made on the Form of Acceptance cannot be withdrawn or altered;
- (d) authorise the Offeror, the Company, CICC and/or such person or persons as any of them may direct to do all acts and things and to complete, amend and execute any document on your behalf as may be necessary or desirable to give effect to or in connection with the acceptance you have made on the Form of Acceptance, and you hereby undertake to execute any further assurance that may be required in respect of such acceptance;
- (e) undertake to confirm and ratify any action properly or lawfully taken on your behalf by any person authorised or appointed by or pursuant to this letter and the Form of Acceptance; and
- (f) confirm that you have read, understood and agreed to the terms and conditions of the Option Offer (including, without limitation, those set out in the Scheme Document, this letter and the Form of Acceptance), and that you have received and read the Scheme Document and this letter.

GENERAL

- (a) All communications, notices, Forms of Acceptance, cheques, certificates and other documents of any nature to be delivered by or sent to or from the Optionholders will be delivered by or sent to or from them, or their designated agents, at their risk, and none of the Offeror, the Company or CICC accepts any liability for any loss or any other liabilities whatsoever which may arise as a result.
- (b) The provisions set out in the Form of Acceptance form part of the terms of the Option Offer.
- (c) The Option Offer and all acceptances will be governed by and construed in accordance with the laws of Hong Kong.
- (d) Due execution of the Form of Acceptance in respect of the Option Offer will constitute an authority to the Offeror, the Company, CICC or such person(s) as any of them may direct to complete and execute on behalf of the accepting Optionholder, the Form of Acceptance and any document and to do any other act that may be necessary or expedient for the purpose of

cancelling, or vesting in the Offeror or such person(s) as the Offeror shall direct, all rights of the Optionholders in respect of the Subject Share Option(s) which are the subject of such acceptance.

- (e) The delivery of the Form of Acceptance, duly signed, may, if the Offeror determines it appropriate, be as effective as if it were duly completed, executed and received notwithstanding that it is not completed, executed or received strictly in accordance with the Forms of Acceptance and this letter, including the date specified for receipt or the absence of any witness attesting to the execution of any Form of Acceptance.
- (f) By completing the Form of Acceptance in respect of a particular Subject Share Option, you irrevocably and at your own risk elect to authorise the Offeror, the Company, CICC and/or their respective agent(s) to send to you, or procure the sending to you of, the payment to which you are entitled.
- (g) Any acceptance of the Option Offer and the receipt of cash consideration may trigger taxes subject to withholding obligations of the Offeror and/or the Company. Cash consideration under the Option Offer may be paid to you net of such applicable taxes, if any. All Optionholders are recommended to consult their professional advisers if in any doubt as to the taxation implications of the Option Offer.

ACTIONS TO BE TAKEN FOR ACCEPTING THE OPTION OFFER

In order to accept the Option Offer, you must complete and return the duly completed and executed Form of Acceptance together with relevant certificate(s) (if any) or any other document(s) evidencing the grant of the Subject Share Option(s) to you or other document(s) of title or entitlement (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Company at 22/F, Central Plaza, 381 Middle Huaihai Road, Shanghai, PRC and marked “SciClone Pharmaceuticals (Holdings) Limited — Option Offer” by no later than 4:30 p.m. (Hong Kong time) on Wednesday, 3 July 2024 (or such later time and/or date as may be notified to you through announcement(s)). If you do not complete a Form of Acceptance, subject to and conditional upon the Scheme becoming effective, your Subject Share Option(s) will lapse.

Before forwarding the Form of Acceptance to the sole director of the Offeror, please ensure that you have duly executed the Form of Acceptance and that your signature has been witnessed.

Assuming the Option Offer will close on Wednesday, 3 July 2024, payment for the Option Offer Price is expected to be made within seven business days (as defined in the Takeovers Code) of the Effective Date (i.e. Friday, 12 July 2024).

No acknowledgement of receipt of any Form of Acceptance, the relevant certificate(s) (if any) or any other document(s) evidencing the grant of the Subject Share Option(s) or other document(s) of title or entitlement (and/or any satisfactory indemnity of indemnities required in respect thereof) will be given.

RESPONSIBILITY STATEMENT

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this letter and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this letter have been arrived at after due and careful consideration and there are no other facts not contained in this letter, the omission of which would make any statement in this letter misleading.

Yours faithfully,
For and on behalf of
Silver Pegasus Investment Limited

A handwritten signature in black ink, appearing to be 'LI Zhenfu', written in a cursive style.

LI Zhenfu
Director