
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2021

Commission File Number: 001-38764

Aptorum Group Limited
17 Hanover Square, London, W1S 1BN
United Kingdom
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Amended Share Option Plan

Aptorum Group Limited (“**Aptorum**” or the “**Company**”) adopted the amended 2017 Share Option Plan (the “**Amended Share Option Plan**”), as approved and authorized by the board of directors of the Company, effective November 5, 2021.

The Amended Share Option Plan includes a share award scheme and there is no change to the maximum number of shares reserved for issue, which amends and restates the previously adopted Share Option Plan dated October 13, 2017 (the “**Original Plan**”) of the Company in its entirety and assumes all awards granted under the Original Plan.

Related Party Loan Agreement with Talem Medical Group Limited

On November 17, 2021, Aptorum Therapeutics Limited (the “**Lender**”), a wholly-owned subsidiary of the Company, entered into a loan agreement (the “**Loan Agreement**”) with Talem Medical Group Limited (“**Talem**” or the “**Borrower**”). According to the Loan Agreement, the Lender will grant a loan of up to AUD4,700,000 for the Borrower for general working capital purposes of the Borrower and its subsidiaries. The loan is interest-bearing and secured by the entire issued shares of Talem Medical Group (Australia) Pty Limited held by the Borrower. We consider this loan to be a related party transaction as certain insiders, including Ian Huen, our Chief Executive Officer, Executive Director and Director of the Lender; Dr. Clark Cheng, our Chief Medical Officer, Executive Director and Director of the Lender; Darren Lui, our President, Executive Director and Director of the Lender; Professor Justin Wu, our Independent Non-Executive Director; and Dr. Thomas Lee, our Head of Research and Development and Director of the Lender have direct and indirect minority interests in the Borrower. The Loan Agreement was reviewed and approved by the Company’s audit committee prior to being submitted to the Company’s full Board of Directors for approval.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: November 17, 2021

Aptorum Group Limited

By: /s/Sabrina Khan
Sabrina Khan
Chief Financial Officer

EXHIBIT INDEX

Exhibit	Description
99.1	2017 Amended Share Option Plan
99.2	Loan Agreement between Aptorum Therapeutics Limited and Talem Medical Group Limited (portions of the exhibit have been omitted because they (i) are not material and (ii) would likely cause competitive harm to the Company if publicly disclosed.)
99.3	Specific Security Deed between Aptorum Therapeutics Limited and Talem Medical Group Limited

APTORUM GROUP LIMITED

知臨集團有限公司

2017 AMENDED SHARE OPTION PLAN

1. Purposes of the Plan. The purposes of this Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors and Consultants and to promote the success of the Company's business.
2. Definitions. The following definitions shall apply as used herein and in the individual Share Option Agreements except as defined otherwise in an individual Share Option Agreement. In the event a term is separately defined in an individual Share Option Agreement, such definition shall supersede the definition contained in this Section.
 - (a) "Administrator" means the Board or any of the Committees appointed to administer the Plan or such Officer or Officers as authorized by the Board or any of the Committees appointed to administer the Plan.
 - (b) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 promulgated under the Exchange Act.
 - (c) "Applicable Laws" means the legal requirements relating to the Plan and the Options under applicable provisions of the corporate and securities laws of any jurisdiction, the Code, the rules of any applicable stock exchange or national market system, and the rules of any jurisdiction applicable to Option granted to residents therein.
 - (d) "Appointment Letter" refers to documentation that describes the terms and conditions in which each Employee, Director, or Consultant is employed, appointed, or enlisted to service the Company and/or its subsidiaries and affiliated companies.
 - (e) "Articles" refers to the Company's Second Amended and Restated Memorandum of Articles of Association (Amended and Restated by special resolutions dated 13 October 2017).
 - (f) "Board" means the Board of Directors of the Company.
 - (g) "Change in Control" means a change in ownership or control of the Company effected through either of the following transactions:
 - i. the direct or indirect acquisition by any person or related group of persons (other than an acquisition from or by the Company or by a Company-sponsored employee benefit plan or by a person that directly or indirectly controls, is controlled by, or is under common control with, the Company) of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities pursuant to a tender or exchange offer made directly to the Company's shareholders, or

- ii. a change in the composition of the Board over a period of thirty-six (36) months or less such that a majority of the Board members (rounded up to the next whole number) ceases, by reason of one or more contested elections for Board membership, to be comprised of individuals who are Continuing Directors.
- (h) “Class A Ordinary Shares” means the Class A Ordinary Shares in the capital of the Company having a par value of USD 1.00 each having rights, and subject to the restrictions provided in the Company’s
- Articles. One Class A Ordinary Share shall equate to one vote per share for each share held by the shareholder and cannot be converted to any other class of share at any time.
- (i) “Class B Ordinary Shares” means the Class B Ordinary Shares in the capital of the Company having a par value of USD 1.00 each having the rights, and subject to the restrictions provided in the Company’s Articles. One Class B Ordinary Share shall equate to ten votes per share for each share held by the shareholder and can be converted to Class A Shares on a 1-to-1 basis at any time.
- (j) “Code” means the Internal Revenue Code of 1986, as amended.
- (k) “Committee” means any committee composed of members of the Board appointed by the Board to administer the Plan, including but not limited to the Compensation Committee as appointed by the Board.
- (l) “Company” means Aptorum Group Limited, an exempt company incorporated in Cayman Islands.
- (m) “Consultant” means any person (other than an Employee or a Director, solely with respect to rendering services in such person’s capacity as a Director) who is engaged by the Company or any
- Related Entity to render consulting or advisory services to the Company or such Related Entity.
- (n) “Continuing Directors” means members of the Board who either (i) have been Board members continuously for a period of at least thirty-six (36) months or (ii) have been Board members for less than thirty-six (36) months and were elected or nominated for election as Board members by at least a majority of the Board members described in clause (i) who were still in office at the time such election or nomination was approved by the Board.
- (o) “Continuous Service” means that the provision of services to the Company or a Related Entity in any capacity of Employee, Director or Consultant (collectively, “Service Provider”) is not interrupted or terminated. In jurisdictions requiring notice in advance of an effective termination as an Employee, Director or Consultant, Continuous Service shall be deemed terminated upon the actual cessation of providing services to the Company or a Related Entity notwithstanding any required notice period that must be fulfilled before a termination as an Employee, Director or Consultant can be effective under Applicable Laws. An Optionee’s Continuous Service shall be deemed to have terminated either upon an actual termination of Continuous Service or upon the entity for which the Optionee provides services ceasing to be a Related Entity. Continuous Service shall not be considered interrupted in the case of (i) any approved leave of absence, (ii) transfers among the Company, any Related Entity, or any successor, in any capacity of Employee, Director or Consultant, or (iii) any change in status as long as the individual remains in the service of the Company or a Related Entity in any capacity of Employee, Director or Consultant (except as otherwise provided in the Option Agreement). An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave.

- (p) “Corporate Transaction” means any of the following transactions, provided, however, that the Administrator shall determine under parts (iv) and (v) whether multiple transactions are related, and its determination shall be final, binding and conclusive:
- i. a merger or consolidation in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the jurisdiction in which the Company is incorporated;
 - ii. the sale, transfer or other disposition of all or substantially all of the assets of the Company;
 - iii. the complete liquidation or dissolution of the Company;
 - iv. any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the Ordinary Shares outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than forty percent (40%) of the total combined voting power of the Company’s outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction; or
 - v. acquisition in a single or series of related transactions by any person or related group of persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing more than fifty percent (50%) of the total combined voting power of the Company’s outstanding securities but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction.
- (q) “Director” means a member of the Board or the board of directors of any Related Entity.
- (r) “Disability” means as defined under the long-term disability policy of the Company or the Related Entity to which the Optionee provides services regardless of whether the Optionee is covered by such policy. If the Company or the Related Entity to which the Optionee provides service does not have a long-term disability plan in place, “Disability” means that an Optionee is unable to carry out the responsibilities and functions of the position held by the Optionee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. An Optionee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its discretion.

- (s) “Effective Date” means the date The Plan is adopted and approved by the shareholders of the Company, whether it be the first time the Plan is approved, or each date the Plan is renewed pursuant to shareholder approval in subsequent terms.
- (t) “Employee” means any person, including an Officer or Director, who is in the employment of the Company or any Related Entity, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method of performance. The payment of a director’s fee by the Company or a Related Entity shall not be sufficient to constitute “employment” by the Company.
- (u) “Exchange Act” means the Securities Exchange Act of 1934, as amended.
- (v) “Fair Market Value” means, as of any date, the value of the subject Shares determined as follows:
 - i. If the Shares at issue are listed on one or more established stock exchanges or national market systems, including without limitation the American Stock Exchange or The Nasdaq Global Market, its Fair Market Value shall be the closing sales price for such shares (or the closing bid, if no sales were reported) as quoted on the principal exchange or system on which the subject Shares are listed (as determined by the Administrator) on the date of determination (or, if no closing sales price or closing bid was reported on that date, as applicable, on the last trading date such closing sales price or closing bid was reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable;
 - ii. If the subject Shares are regularly quoted on an automated quotation system (including the OTC Bulletin Board) or by a recognized securities dealer, its Fair Market Value shall be the closing sales price for such shares as quoted on such system on the date of determination, but if selling prices are not reported, the Fair Market Value of the subject Shares shall be the mean between the high bid and low asked prices for the Shares on the date of determination (or, if no such prices were reported on that date, on the last date such prices were reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or
 - iii. In the absence of an established market for the subject Shares of the type described in (i) and (ii), above, the Fair Market Value thereof shall be determined by the Administrator in good faith.
- (w) “Listing” refers to a successful initial public offering in the Company’s Class A Ordinary Shares to be traded on a globally accredited stock exchange.

- (x) “Incentive Share Option” means an Option that is to qualify as an Incentive Share Option as such term is defined in Section 422 of the Code.
- (y) “Officer” means a person who is an officer of the Company or a Related Entity within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.
- (z) “Option” means an option to purchase Class A Ordinary Shares pursuant to an Option Agreement granted under the Plan and shall also include any share appreciation right, restricted share, restricted share unit, performance award, dividend equivalent, or other share-based award granted under the Plan.
- (aa) “Option Agreement” means the written agreement evidencing the grant of an Option executed by the Company and the Optionee, including any amendments thereto.
- (bb) “Optionee” means an Employee, Director or Consultant who receives an Option under the Plan.
- (cc) “Ordinary Shares” means the ordinary shares in the capital of the Company having a par value of USD 1.00 each, inclusive of Class A Ordinary Shares and Class B Ordinary Shares, having rights, and subject to restrictions, provided in the Company’s Articles.
- (dd) “Plan” means this Aptorum Group Limited 知臨集團有限公司 2017 Amended Share Option Plan.
- (ee) “Related Entity” means any Parent or Subsidiary of the Company and any business, corporation, partnership, limited liability company or other entity in which the Company or a Parent or a Subsidiary of the Company holds a substantial ownership interest, directly or indirectly.
- (ff) “Replaced” means that pursuant to a Corporate Transaction the Option is replaced with a comparable share Option or a cash incentive program of the Company, the successor entity (if applicable) or Parent of either of them which preserves the compensation element of such Option existing at the time of the Corporate Transaction and provides for subsequent payout in accordance with the same (or a more favorable) vesting schedule applicable to such Option. The determination of Option comparability shall be made by the Administrator and its determination shall be final, binding and conclusive.
- (gg) “Share” or “Shares” means Class A Ordinary Shares of the Company.
- (hh) “Subsidiary” means a “subsidiary corporation”, whether now or hereafter existing, as defined in Section 424(f) of the Code.
- (ii) “Trading Market Approval” means the pre-approval required from the globally accredited stock exchange or other stock exchange on which the Company’s Shares are then listed for trading for certain Share issuances.

3. Shares Subject to the Plan.

- (a) Subject to the provisions of Section 10 below, the maximum aggregate number of Class A Ordinary Shares reserved and available pursuant to this Plan shall be the aggregate of (i) 5,500,000 Shares, and (ii) on each January 1, starting with January 1, 2020, an additional number of shares equal to the lesser of (A) 2% of the outstanding number of Ordinary Shares (on a fully-diluted basis) on the immediately preceding December 31, and (B) such lower number of Ordinary Shares as may be determined by the Committee, subject in all cases to adjustment as provided in Section 10 below (the “Evergreen Plan”).
- (b) Further, if, after the Effective Date of the Plan, any Shares underlying an Option are forfeited, or if an Option otherwise terminates without the delivery of Shares or of other consideration, then the Shares underlying such Option, or the number of Shares otherwise counted against the aggregate number of Shares available under the Plan with respect to the Option, to the extent of any such forfeiture or termination, shall again be, or shall become, available for granting options under the Plan.

For the avoidance of doubt it is noted that, no Class B Ordinary Shares may be issued under the Plan.

4. Administration of the Plan.

(a) Plan Administrator.

- i. Administration with Respect to Directors and Officers. With respect to grants of Options to Directors or Employees who are also Officers or Directors of the Company, the Plan shall be administered by (A) the Board or (B) the Compensation Committee designated by the Board, which Compensation Committee shall be constituted in such a manner as to satisfy the Applicable Laws. Once appointed, such Compensation Committee shall continue to serve in its designated capacity contingent to its members’ ongoing fulfillment of obligations, the terms of termination of Committee members as stipulated by their Appointment Letters, or until otherwise directed by the Board. In the case of Options for Employees or Consultants who are neither Directors nor Officers of the Company, the Board may authorize one or more Officers to grant such Options and may limit such authority as the Board determines from time to time.
- ii. Administration Errors. In the event an Option is granted in a manner inconsistent with the provisions of this subsection (a), such Option shall be presumptively valid as of its grant date to the extent permitted by the Applicable Laws.

(b) Powers of the Administrator. Subject to Applicable Laws, especially but not limited to those regarding shareholders approval, and the provisions of the Plan (including any other powers given to the Administrator hereunder), and except as otherwise provided by the Board, the Administrator shall have the authority, in its discretion:

- i. To select the Employees, Directors and Consultants to whom Options may be granted;

- ii. To determine whether and to what extent Options are granted hereunder;
- iii. To determine the number of Shares or the amount of other consideration to be covered by each Option granted hereunder;
- iv. To approve forms of Option Agreements for use under the Plan;
- v. To determine the terms and conditions of any Option subject to the terms and conditions contained herein
- vi. To amend the terms of any outstanding Option granted under the Plan, provided that (A) any amendment that would adversely affect the Optionee's rights under an outstanding Option shall not be made without the Optionee's written consent, (B) the reduction of the exercise price of any Option shall be subject to the Optionee's written consent and (C) canceling an

Option at a time when its exercise price exceeds the Fair Market Value of the underlying Shares, in exchange for another Option shall be subject to the Optionee's approval, unless the cancellation and exchange occurs in connection with a Corporate Transaction. Notwithstanding the foregoing, canceling an Option in exchange for another Option with an exercise price, purchase price that is equal to or greater than the exercise price of the original

Option shall not be subject to the Optionee's approval;

- vii. To construe and interpret the terms of the Plan and Options, including without limitation, any notice of Option or Option Agreement, granted pursuant to the Plan;
 - viii. To take such other action, not inconsistent with the terms of the Plan, as the Administrator deems appropriate.
- (c) Indemnification. In addition to such other rights of indemnification as they may have as members of the Board or as Officers or Employees of the Company or a Related Entity, members of the Board and any Officers or Employees of the Company or a Related Entity to whom authority to act for the Board, the Administrator or the Company is delegated shall be defended and indemnified by the Company to the extent permitted by law on an after-tax basis against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, investigation, action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any Option granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by the Company) or paid by them in satisfaction of a judgment in any such claim, investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such claim, investigation, action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct; provided, however, that within thirty (30) days after the institution of such claim, investigation, action, suit or proceeding, such person shall offer to the Company, in writing, the opportunity at the Company's expense to defend the same.

For the purpose of this clause "gross negligence" means in relation to a person a standard of conduct constituting extreme carelessness, beyond ordinary negligence, whereby that person's actions or inactions demonstrate reckless disregards for the duty of care owed to another.

5. Eligibility. The Optionees shall be such persons as the Administrator may select from among the Employees and Consultants.
6. Terms and Conditions of Options.
- (a) Designation of Option. Each Option shall be designated in the Option Agreement.
- (b) Conditions of Option. Subject to the terms of the Plan, the Administrator shall determine the provisions, terms, and conditions of each Option including, but not limited to, the Option vesting schedule, repurchase provisions, rights of first refusal, forfeiture provisions, form of payment (cash, Shares, cashless settlement, or other consideration) upon settlement of the Option, payment contingencies and the exercise price.
- (c) Deferral of Option Payment. The Administrator may establish one or more programs under the Plan to permit selected Optionees the opportunity to elect to defer receipt of consideration upon exercise of an Option, or other event that absent the election would entitle the Optionee to payment or receipt of Shares or other consideration under an Option. The Administrator may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, Shares or other consideration so deferred, and such other terms, conditions, rules and procedures that the Administrator deems advisable for the administration of any such deferral program.
- (d) Early Exercise. The Option Agreement may, but need not, include a provision whereby the Optionee may elect at any time while an Employee, Director or Consultant to exercise any part or all of the Option prior to full vesting of the Option. Any unvested Shares received pursuant to such exercise may be subject to a repurchase right in favor of the Company or a Related Entity or to any other restriction the Administrator determines to be appropriate.
- (e) Term of Option. The term of each Option shall be the term stated in the Option Agreement, provided, however that in the case of an option that is to qualify as an Incentive Share Option, the term shall not exceed ten (10) years.
- (f) Transferability of Options. Options shall be transferable (i) by will and by the laws of succession and distribution and (ii) during the lifetime of the Optionee, to the extent and in the manner authorized by the Administrator. Notwithstanding the foregoing, the Optionee may designate one or more beneficiaries of the Optionee's Option in the event of the Optionee's death on a beneficiary designation form provided by the Administrator.

(g) Termination of Employment Other than by Death or Disability.

- i. If an Optionee ceases to be an Employee for any reason other than his or her death or disability, the Optionee shall have the right, subject to the provisions of this Section 6, to exercise any Option held by the Optionee at any time within ninety (90) days after his or her termination of employment, but not beyond the otherwise applicable term of the Option and only to the extent that on such date of termination of employment the Optionee's right to exercise such Option has vested.
- ii. For purposes of this Section 6(j), the employment relationship shall be treated as continuing intact while the Optionee is an active Employee of the Company or any Affiliate, or is on military leave, sick leave, or other bona fide leave of absence to be determined in the sole discretion of the Administrator.

(h) Death of Optionee. If an Optionee dies while an Employee, or after ceasing to be an Employee but during the period while he or she could have exercised an Option under Section 6(j), any Option granted to the Optionee may be exercised, to the extent it had vested at the time of death and subject to the Plan, at any time within twelve (12) months after the Optionee's death, by the executors or administrators of his or her estate or by any person or persons who acquire the Option by will or the laws of succession and distribution, but not beyond the otherwise applicable term of the Option.

(i) Disability of Optionee. If an Optionee ceases to be an Employee due to becoming totally and permanently disabled within the meaning of Section 22(e)(3) of the Code, any Option granted to the Optionee may be exercised to the extent it had vested at the time of cessation and, subject to the Plan, at any time within twelve (12) months after the Optionee's termination of employment, but not beyond the otherwise applicable term of the Option.

(j) Time of Granting Options. The date of grant of an Option shall for all purposes be on the date which the Administrator makes the determination to grant such Option, or such other date as is determined by the Administrator.

7. Option Exercise or Purchase Price, Consideration and Taxes.

(a) Exercise or Purchase Price. The Administrator shall determine the exercise or purchase price in accordance with the Applicable Laws and/or pursuant to the Option Agreement to be executed between the Company and Optionee, if applicable or other relevant agreement between such parties.

- (b) Consideration. Subject to Applicable Laws, the consideration to be paid for the Shares to be issued upon exercise or purchase of an Option including the method of payment shall be determined by the Administrator. In addition to any other types of consideration the Administrator may determine, the Administrator is authorized to accept as consideration for Shares issued under the Plan the following:
- i. cash;
 - ii. cheque;
 - iii. with respect to Options, payment through a broker-dealer sale and remittance procedure pursuant to which the Optionee (A) shall provide written instructions to a Company designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (B) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction;
 - iv. cashless election; or
 - v. any combination of the foregoing methods of payment.
- (c) Taxes. No Shares shall be delivered under the Plan to any Optionee or other person until such Optionee or other person has made arrangements acceptable to the Administrator for the satisfaction of any national, provincial or local income and employment tax withholding obligations. Upon exercise of an Option the Company shall have the right, but not the obligation (except as required by applicable law), to withhold or collect from Optionee an amount sufficient to satisfy such tax obligations. The Optionee will be solely responsible for his/her own tax obligations.

8. Exercise of Option.

(a) Procedure for Exercise; Rights as a Shareholder.

- i. Any Option granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator under the terms of the Plan and specified in the Option Agreement.
- ii. An Option shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Option by the person entitled to exercise the Option and when the Company receives full payment for the Shares with respect to which the Option is exercised, including, to the extent selected, use of the broker-dealer sale and remittance procedure to pay the purchase price as provided in Section 7(b)(iii).

9. Conditions Upon Issuance of Shares.

- (a) Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with all Applicable Laws, and shall be further subject to the approval of counsel for the Company with respect to such compliance.
- (b) As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any Applicable Laws.

10. Adjustments Upon Changes in Capitalization.

Subject to any required action by the shareholders of the Company, the number of Shares covered by each outstanding Option, and the number of Shares which have been authorized for issuance under the Plan but as to which no Options have yet been granted or which have been returned to the Plan, the exercise or purchase price of each such outstanding Option, the maximum number of Shares with respect to which Options may be granted to any Optionee in any fiscal year of the Company, as well as any other terms that the Administrator determines require adjustment shall be proportionately adjusted for (i) any increase or decrease in the number of issued Ordinary Shares resulting from a share split, reverse share split, share dividend, combination or reclassification of the Ordinary Shares, or similar transaction affecting the Shares, (ii) any other increase or decrease in the number of issued Ordinary Shares effected without receipt of consideration by the Company, or (iii) as the Administrator may determine in its discretion, any other transaction with respect to Ordinary Shares including a corporate merger, consolidation, acquisition of property or equity, separation (including a spin-off or other distribution of shares or property), reorganization, liquidation (whether partial or complete) or any similar transaction; provided, however that conversion of any convertible securities of the

Company, including conversion of Class B Ordinary Shares, shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Administrator and its determination shall be final, binding and conclusive. Except as the Administrator determines, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason hereof shall be made with respect to, the number or price of Shares subject to an Option. In the event of a spin-off transaction, the Administrator may in its discretion make such adjustments and take such other action as it deems appropriate with respect to outstanding Options under the Plan, including but not limited to: (i) adjustments to the number and kind of shares, the exercise or purchase price per share and the vesting periods of outstanding Options, (ii) prohibit the exercise of Options during certain periods of time prior to the consummation of the spin-off transaction, or (iii) the substitution, exchange or grant of Options to purchase securities of the

Subsidiary; provided that the Administrator shall not be obligated to make any such adjustments or take any such action hereunder.

11. Corporate Transactions and Changes in Control.

- (a) Termination of Option to Extent Not Assumed in Corporate Transaction. Effective upon the consummation of a Corporate Transaction, all outstanding Options under the Plan shall terminate; provided, however, that to extent any Options are assumed in connection with the Corporate Transaction (“Assumed”), such Options shall not terminate.
- (b) Acceleration of Option Upon Corporate Transaction or Change in Control.
- i. Corporate Transaction. The Administrator may determine, in the event of a Corporate Transaction, for the portion of each Option that is neither Assumed nor Replaced, such portion of the Option shall automatically become fully vested and exercisable and be released from any repurchase or forfeiture rights (other than repurchase rights exercisable at Fair Market Value) for all of the Shares (or other consideration) at the time represented by such portion of the Option, immediately prior to the specified effective date of such Corporate Transaction, provided that the Optionee’s Continuous Service has not terminated prior to such date.
- ii. Change in Control. The Administrator may determine, in the event of a Change in Control (other than a Change in Control which also is a Corporate Transaction), each Option which is at the time outstanding under the Plan automatically shall become fully vested and exercisable and be released from any repurchase or forfeiture rights (other than repurchase rights exercisable at Fair Market Value), immediately prior to the specified effective date of such Change in Control, for all of the Shares (or other consideration) at the time represented by such Option, provided that the Optionee’s Continuous Service has not terminated prior to such date.

12. Effective Date and Term of Plan.

The Plan shall become effective upon its approval by the shareholders of the Company. It shall continue in effect for a term of ten (10) years unless sooner terminated or unless renewed for another period not to exceed 10 years pursuant to shareholder approval. Subject to Section 17, below, and Applicable Laws, Options may be granted under the Plan upon its becoming effective.

13. Amendment, Suspension or Termination of the Plan.

- (a) The Board may at any time amend, suspend or terminate the Plan; provided, however, that no such amendment shall be made without the approval of the Company’s shareholders to the extent such approval is required by Applicable Laws, or if such amendment would change any of the provisions of Section 3(a), Section 4(b)(vi) or this Section 13(a).
- (b) No Option may be granted during any suspension of the Plan or after termination of the Plan.
- (c) No suspension or termination of the Plan (including termination of the Plan under Section 12 above) shall adversely affect any rights under Options already granted to an Optionee.

14. Reservation of Shares.

- (a) The Company, during the term of the Plan, will at all times reserve and keep available out of its authorized but unissued Shares, such number of Shares as shall be sufficient to satisfy the requirements of the Plan.
- (b) The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

15. No Effect on Terms of Employment/Consulting Relationship.

The Plan shall not confer upon any Optionee any right with respect to the Optionee's Continuous Service, nor shall it interfere in any way with his or her right or the right of the Company or any Related

Entity to terminate the Optionee's Continuous Service at any time, with or without Cause, and with or without notice. The ability of the Company or any Related Entity to terminate the employment of an Optionee who is employed at will is in no way affected by its determination that the Optionee's

Continuous Service has been terminated for Cause for the purposes of this Plan. For Cause shall have the meaning and conditions set forth under Termination clauses, where applicable, in each such Optionee's Appointment Letter with the Company.

16. No Effect on Retirement and Other Benefit Plans.

Except as specifically provided in a retirement or other benefit plan of the Company or a Related Entity, Options shall not be deemed compensation for purposes of computing benefits or contributions under any retirement plan of the Company or a Related Entity, and shall not affect any benefits under any other benefit plan of any kind or any benefit plan subsequently instituted under which the availability or amount of benefits is related to level of compensation. The Plan is not a "Retirement Plan" or "Welfare Plan" under the Employee Retirement Income Security Act of 1974, as amended.

17. Shareholder and Trading Market Approval.

- (a) Subject to the Applicable Laws, including but not limited to Nasdaq Rule 5635(c), once this Plan is approved by the shareholders of the Company, the granting of individual Options hereunder will not require any further shareholder approvals, unless such approval is required under Applicable Laws.
- (b) If required by the Applicable Laws, no Options shall be granted unless and until the Company received Trading Market Approval of such Options and the Shares underlying such Options.

18. Unfunded Obligation.

Optionees shall have the status of general unsecured creditors of the Company. Any amounts payable to Optionees pursuant to the Plan shall be unfunded and unsecured obligations for all purposes. Neither the Company nor any Related Entity shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Optionee account shall not create or constitute a trust or fiduciary relationship between the Administrator, the Company or any Related Entity and an Optionee, or otherwise create any vested or beneficial interest in any Optionee or the Optionee's creditors in any assets of the Company or a Related Entity. The Optionees shall have no claim against the Company or any Related Entity for any changes in the value of any assets that may be invested or reinvested by the Company with respect to the Plan.

19. Shareholder Rights

Except as otherwise provided in this Plan an Optionee shall have none of the rights of a shareholder of the Company with respect to the Shares covered by any Option until the Optionee becomes the recorded owner of such Shares, which typically occurs upon the exercise of any such Option and then only with respect to the Shares received upon such exercise.

20. Construction.

Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

21. Information to Optionees.

Each Optionee shall be provided with such information regarding the Company as the Board or the Committee from time to time deems necessary or appropriate; provided, however, that each Optionee shall at all times be provided with such information as is required to be provided from time to time pursuant to applicable regulatory requirements.

22. Governing Law

The Plan and any Agreements under the Plan hereunder shall be administered, interpreted and enforced under the laws of the Cayman Islands without regard to conflicts of laws thereof.

The 2017 Amended Share Option Plan sets forth the amendment of the terms and conditions of the Plan approved by the board of directors in which it shall govern the issuance of share options by the Company.

Adopted dated this 13th day of October 2017.

Amended dated this 5th day of November 2021.

(The remainder of this page is intentionally left blank)

Private & Confidential

Certain identified information, marked by [***], has been excluded from this exhibit because it is both not material and is the type that the Company treats as private or confidential.

Dated the 17th day of November 2021

APTORUM THERAPEUTICS LIMITED
(the “Lender”)

and

TALEM MEDICAL GROUP LIMITED
(the “Borrower”)

LOAN AGREEMENT
relating to facilities of up to
an aggregate amount of AUD4,700,000

THIS AGREEMENT is made on the 17th day of November 2021

BETWEEN

- (1) **APTORUM THERAPEUTICS LIMITED**, a company incorporated under the laws of the Cayman Islands with limited liability (company number: 313012), whose registered office is situate at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands (the “**Lender**”); and
- (2) **TALEM MEDICAL GROUP LIMITED**, a company incorporated under the laws of the Cayman Islands with limited liability (company number: 355040), whose registered office is situate at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands (the “**Borrower**”)

(collectively named as the “**Parties**” and individually named as the “**Party**”).

WHEREAS:

- (A) The Borrower is an exempted company incorporated in the Cayman Islands with limited liability.
- (B) The Borrower requires an aggregate sum of up to AUD4,700,000 as general working capital requirements for the Borrower and its subsidiaries.
- (C) In connection with this Agreement, the Borrower will simultaneously enter into a Promissory Note (as defined below) with the Lender.
- (D) At the request of the Borrower, the Lender has agreed, upon and subject to the terms and conditions herein contained, to make a secured term loan facility available to the Borrower in an aggregate principal amount of up to and not exceeding AUD4,700,000 for the purpose as set out in Recital (B) above.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS

- 1.1 In this Agreement including the Recitals, except where the context otherwise requires, the words and expressions specified below shall have the meanings attributed to them below:

“ Agreement ”	means this Loan Agreement as originally executed or as it may from time to time be amended, altered, varied or supplemented by the mutual consent of all the parties hereto;
“ AUD ” or “ Australian Dollars ”	means Australian Dollars, the lawful currency of Australia and
“ Availability Period ”	means the availability period of the Drawing, commencing on the date of this Agreement and ending on six (6) months after the Effective Date, unless the Facility is cancelled or terminated under the provisions of this Agreement; the Availability Period may be extended by the Parties in writing;
“ Banking Day ”	means a day (other than a Saturday) on which licensed banks are open for business in Hong Kong for the transaction of business of the nature required by this Agreement;
“ Conditions Precedent ”	means the conditions to the grant of the Facility by the Lender stipulated in Clause 3;

“Drawdown Date”	subject to Clause 3.1 and the other terms of this Agreement, means each date to be specified in the Drawdown Notice on which the Facility or any part thereof is or is to be advanced by the Lender to the Borrower pursuant to Clause 2;
“Drawdown Notice”	means a notice in the form set out in Schedule 1 which complies with the requirements of Clause 2.4;
“Drawing”	means drawing under the Facility;
“Encumbrance”	means (a) any claim, charge, mortgage, security, lien, option, warrant, equity, power of sale, hypothecation or other third party rights, retention of title, right of preemption, right of first refusal or security interest of any kind; (b) any arrangement whereby any rights are subordinated to any rights of any third party; (c) any contractual right of set-off; (d) the interest of a vendor or lessor under any agreement, lease, hire purchase agreement or other title retention arrangement;
“Event of Default”	means any event specified in Clause 10 or any event which with the giving of notice, the lapse of time, any determination of materiality or fulfillment of any other condition (or any combination of them) may become such event;
“Facility”	means the loan facility of up to Australian Dollars four million seven hundred thousand (AUD4,700,000) made available to the Borrower in accordance with the terms of this Agreement;
“First Extended Maturity Date”	means six (6) months from the Initial Maturity Date;
“Force Majeure Event”	means any event beyond the control of the Borrower, including but not limited to act of God, pandemic, war, hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilisation, requisition, or embargo; rebellion, revolution, insurrection, or military or usurped power, or civil war; contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radio-active toxic explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly; riot, commotion, strikes, go slows, lock outs or disorder; or acts or threats of terrorism;
“Group Companies”	means the Borrower, Talem Australia and each of the Talem Clinics;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Initial Maturity Date”	means six (6) months from the date of the first Drawdown Date;

“Interest Payment Date”	means each of six (6) months and twelve (12) months from the first Drawdown Date of each calendar year respectively, and on the Maturity Date;
“Interest Rate”	means ten percent (10%) per annum;
“Loan”	means the aggregate principal amount drawn and for the time being outstanding under the Facility;
“Maturity Date”	Means the Initial Maturity Date, or if extended pursuant to Clause 5.2, the First Extended Maturity Date, or if further extended to Clause 5.4, the Second Extended Maturity Date;
“Pledged Shares”	means the entire issued share capital in Talem Australia under the Share Pledge;
“Prepayment”	means the Borrower repays the Secured Indebtedness to the Lender before the Maturity Date;
“Promissory Note”	means the promissory note issued by the Borrower to the Lender to evidence the Loan and in the form of Schedule 2; the Promissory Note shall be incorporated as a part of this Agreement;
“Second Extended Maturity Date”	means six (6) months from the First Maturity Date;
“Secured Indebtedness”	means the Loan and all interest thereon and all other fees, costs, expenses, charges, commissions, monies, obligations and liabilities due and payable, owing and incurred by the Borrower and the Security Party to the Lender from time to time in respect of the Facility and/or under this Agreement and the Security Documents, whether actual or contingent, solely or jointly with any other person, as principal or surety, on a full indemnity basis or whether in whatever manner and in whatever currency and in whatever name, style or form;
“Security Documents”	means the Share Pledge and such other documents as may be required by the Lender from time to time in form and substance satisfactory to the Lender and executed by the parties thereto (except the Lender) as security for the Secured Indebtedness;
“Security Party”	means a party (other than the Lender) that is a party to the Security Documents (including Talem Australia);
“Share Pledge”	means the Specific Security Deed to be entered into by the Borrower in favour of the Lender relating to the Pledged Shares in the same form as set out in Schedule 3;
“Talem Australia”	means Talem Medical Group (Australia) Pty Limited, a company incorporated with limited liability under the laws of the state of New South Wales, Australia, with registered number [***], whose registered office is at [***];

“Talem Clinics”

means: [***];

“Tax” and “Taxes”

mean any and all fees (including, without limitation, licence, documentation and registration fees), taxes (including, without limitation, gross receipts, sales, rental, use, turnover, value-added, property (tangible or intangible), excise, franchise, capital, doing business, customs and stamp taxes), licences, levies, imposts, duties, charges, assessments or withholdings of any nature whatsoever, together with any assessments, penalties, fines, additions to tax and interest thereon, however imposed, withheld (or required to be withheld) levied or assessed by the government of the Cayman Islands, Hong Kong or any other jurisdictions or any political subdivision or agency or taxing authority thereof and “Taxation” shall be construed accordingly. For the avoidance of doubt, Tax and Taxes shall exclude taxes or levies on profit;

“%”

means percent.

1.2 Clause headings and the table of contents are inserted for convenience of reference only and shall be ignored in the interpretation of this Agreement.

1.3 In this Agreement, unless the context otherwise requires:

(a) references to Recitals, Clauses and Schedules are to be construed as references to the recitals of; clauses to; and schedules to, this Agreement and references to this Agreement include its Schedules;

- (b) references to (or to any specified provision of) this Agreement or any other document shall be construed as references to this Agreement that document or that provision as in force at the date of this Agreement and as amended from time to time with the prior written consent of the Lender;
- (c) references to any law, enactment or other statutory provision shall be deemed to include references to such law, enactment or other statutory provision as re-enacted, amended, extended, consolidated or replaced and any orders, decrees, proclamations, regulations, instruments or other subordinate legislation made thereunder;
- (d) “**applicable law**” includes, without limitation, (i) statutes, decrees, decree laws, acts, codes, ordinances, legislation, treaties, conventions, orders, rules, regulations, notices, directions, guidelines and similar instruments having the force of law or any exception to any of the foregoing and, in respect of any of the foregoing, any instrument passed in substitution therefor or for the purposes of consolidation thereof with any other instrument or instruments, in each case, as amended, modified, varied or supplemented from time to time, and (ii) final judgments, orders, determinations or awards of any court from which there is no right of appeal or if there is a right of appeal such appeal is not prosecuted within the allowable time;
- (e) a “**consent**” also includes an approval, authorisation, exemption, filing, licence, order, permission, recording or registration;
- (f) words importing the plural shall include the singular and vice versa; and
- (g) words importing any gender shall be construed as including every gender and references to a person shall be construed as including references to an individual, company, corporation, firm, consortium, joint venture, association, organisation, unincorporated body of persons, trust or any state or government or any instrumentality, agency or political sub-division thereof or authority, board or body created or constituted thereby (in each case, whether or not having separate legal personality).

2. THE FACILITY AND DRAWDOWN

- 2.1 The Lender, relying upon each of the representations, warranties, covenants, undertakings and indemnities of the Borrower made in this Agreement, hereby agrees to make available the Facility during the Availability Period, subject to the terms and conditions herein.
- 2.2 The Borrower shall use the Facility solely for the purposes set out in Recital (B), but the Lender shall not be under any obligation to check and/or verify whether the proceeds of the Facility have been used for any particular purpose.
- 2.3 Subject to Clause 3.1 and the other terms of this Agreement, the Borrower may make one or more Drawings under the Facility within the Availability Period.
- 2.4 Subject to Clause 3.1 and the other terms of this Agreement, any advance under the Facility shall be made to the Borrower following receipt by the Lender from the Borrower of a Drawdown Notice duly completed and signed by the Borrower by no later than 11:00 a.m. (Hong Kong time) on the Banking Day immediately before the relevant Drawdown Date. Upon receipt of any such Drawdown Notice from the Borrower, the Lender may in its own absolute discretion decide whether or not to agree to such advance requested by the Borrower. The Lender shall, as soon as practicable after the date of the Drawdown Notice, notify the Borrower in writing whether or not it agrees to the requested advance.

2.5 A Drawdown Notice shall (a) specify the principal amount to be advanced and the proposed Drawdown Date; (b) be substantially in the form of Schedule 1; and (c) be effective only on actual receipt by the Lender and, once given, be irrevocable. If for any reason a Drawing is not made in accordance with the Drawdown Notice and/or the Borrower purports to revoke the Drawdown Notice, the Borrower shall on demand indemnify the Lender in full for all losses, damages, costs and expenses incurred or suffered in liquidating or redeploying funds arranged for the purpose of the Drawing or in terminating any such arrangement or any hedging arrangement in respect of this Agreement or otherwise as a consequence of the Drawing not having been made in accordance with the Drawdown Notice. Any part of the Facility undrawn at the end of the Availability Period shall be cancelled.

3. CONDITIONS PRECEDENT

3.1 The Drawing of any part of the Facility shall be conditional upon:

- (a) the Lender having received the following documents:
 - (i) this Agreement duly executed by the Borrower and the Lender;
 - (ii) in relation to the Borrower and the Security Party, certified true copies of the following documents (where applicable):
 - (aa) resolutions of its board of directors approving the borrowing of the Loan and the grant of security and other rights conferred by the Security Documents to which it is a party and authorising a person or persons to execute this Agreement and the Security Documents to which it is a party and (where applicable) its affixing of the common seal thereto and any other notices or documents required in connection herewith or therewith, and the specimen signature(s) of such person(s);
 - (bb) supporting documents in relation to (a) the financial statements of the Borrower and all its subsidiaries, and (b) all financial information in relation to liabilities currently outstanding by the Borrower and all its subsidiaries;
 - (cc) the Certificate of Incumbency and the Certificate of Good Standing of the Borrower, and such certificates shall be issued within one (1) month from the date of this Agreement;
 - (dd) the Certificate of Incumbency and the Certificate of Good Standing of Talem Australia and such certificates shall be issued within one (1) month from the date of this Agreement;
 - (ee) any corporate documents (including but not limited to the business licence and the certificate of approval of Talem Clinics) and such other documents as may be requested by the Lender;
 - (ff) such other documents relating to any of the matters contemplated herein as the Lender may request;

- (b) the Share Pledge and any relevant documents referred to thereunder duly executed by the Borrower together with all the documents required to be delivered to the Lender pursuant thereto;
- (c) the Borrower as the pledgor or chargor under the Share Pledge shall promptly and no later than three (3) business days, after execution of this Agreement, register, create and maintain a register of charges of the Borrower in accordance with the laws of the Cayman Islands and/or Australia for the purpose of perfecting and protecting the Lender's rights and the security interests created under the Share Pledge and preserving the priority of the relevant rights and interests, and shall, within one (1) month of the date of this Agreement, provide the Lender with a certified true copy of the said updated register of charges, verification statement issued by the Australian Financial Security Authority and/or such other relevant proof of the registered charges as may be requested by the Lender; and
- (d) the Borrower shall promptly, upon the request of the Lender, procure that the Share Pledge (and other relevant documents) to be registered with the relevant governmental authorities or registrars in the Cayman Islands and Australia under their respective laws for the purpose of perfecting and protecting the Lender's rights and the security interests created under the Share Pledge and preserving the priority of the relevant rights and interests (if applicable).

3.2 All the documents and evidence referred to in Clause 3.1 shall be in form and substance satisfactory to the Lender prior to their issue and delivery to the Lender and shall be supplied in such number of copies, certified true copies and counterparts as the Lender may reasonably require. Copies required to be certified shall be certified by a director or duly authorised officer of the Borrower in the case of the Borrower and a director or duly authorised officer of the Security Party in the case of the Security Party.

3.3 The Lender may, in its absolute and sole discretion, with or without conditions waive any of the requirements under Clause 3.1, and such waiver (if any) by the Lender shall be in writing.

4. INTEREST

4.1 The Loan shall bear simple interest at the Interest Rate. Interest shall be payable by the Borrower to the Lender in arrears on or prior to the Interest Payment Date.

4.2 Any interest and other payments of a periodical nature under this Agreement, if any, shall accrue from day to day and be calculated on the basis of actual days elapsed and a 360-day year. Specifically, the Loan shall bear interest which shall start occurring from the first Drawdown Date and continue until the Secured Indebtedness is paid in full.

5. MATURITY DATE

5.1 Save that the outstanding interest shall be payable by the Borrower on or before the Interest Payment Date as specified under Clause 4 and subject to other provisions of this Agreement, the Borrower agrees, undertakes and covenants to repay in full the Secured Indebtedness and all other amounts outstanding under this Agreement to the Lender on the Initial Maturity Date.

- 5.2 Upon written request by the Borrower, and subject to the sole discretion of the Lender and confirmation in writing from the Lender, the Maturity Date may be extended for six (6) months to the First Extended Maturity Date, provided that all of the following conditions are satisfied:
- (a) Borrower shall notify Lender of its irrevocable request to extend the Maturity Date as aforesaid no later than one (1) month prior to the Initial Maturity Date; and
 - (b) no Default or Event of Default shall have occurred and be continuing on the Initial Maturity Date.

In the event that, for any reason, Borrower fails to satisfy all of the foregoing conditions, the Loan shall mature and the Secured Indebtedness shall be due and payable in full on the Initial Maturity Date, or an earlier date pursuant to this Agreement.

- 5.3 Following the successful extension of the Maturity Date pursuant to Clause 5.2, Borrower shall continue to pay Lender on each Interest Payment Date in accordance with the terms of this Agreement, and the First Extended Maturity Date shall become the Maturity Date for all purposes under this Agreement and the Security Documents.

- 5.4 After the extension of the First Extended Maturity Date, Borrower may further request in writing, and subject to the sole discretion of the Lender and confirmation in writing from the Lender, the Maturity Date may be further extended for six (6) months to the Second Extended Maturity Date, provided that all of the following conditions are satisfied:

- (a) Borrower shall notify Lender of its irrevocable request to extend the Maturity Date as aforesaid no later than one (1) month prior to the First Extended Maturity Date; and
- (b) no Default or Event of Default shall have occurred and be continuing on the First Extended Maturity Date.

In the event that, for any reason, Borrower fails to satisfy all of the foregoing conditions, the Loan shall mature and the Secured Indebtedness shall be due and payable in full on the First Extended Maturity Date, or an earlier date pursuant to this Agreement.

- 5.5 Following the successful extension of the Maturity Date pursuant to Clauses 5.4, Borrower shall continue to pay Lender on each Interest Payment Date in accordance with the terms of this Agreement, and the Second Extended Maturity Date shall become the Maturity Date for all purposes under this Agreement and the Security Documents.

6. PREPAYMENT

- 6.1 The Borrower shall be entitled to prepay the Secured Indebtedness any time by giving not less than fourteen (14) day prior written notice to the Lender, provided that Prepayment shall be made together with the accrued interest of the outstanding Secured Indebtedness up to the date of Prepayment. No amount prepaid may be re-borrowed.

- 6.2 If the period of notice provided by the Borrower is less than fourteen (14) days as stipulated under Clause 6.1, the Borrower shall have to pay to the Lender the break cost in an amount equivalent to the interest of the outstanding Loan for additional fourteen (14) days.

- 6.3 Any notice of Prepayment given by the Borrower under this Agreement shall be irrevocable, shall specify the date upon which such Prepayment is to be made, the amount of such Prepayment and interest payable and shall oblige the Borrower to make such Prepayment on such date.

- 6.4 Subject to the Lender's agreement otherwise, the Borrower may make partial prepayment of the Secured Indebtedness before the Maturity Date.

6.5 Notwithstanding any provision of this Agreement, the Lender reserves the overriding right at its absolute discretion and without cause to cancel or terminate this Agreement and the Loan, and upon such cancellation or termination of this Agreement, the Loan, the interest and all the Secured Indebtedness or any part thereof (as may be specified by the Lender) shall become payable by the Borrower to the Lender within 90 calendar days in such manner as the Lender shall direct.

7. PAYMENTS, TAXES, ACCOUNTS AND CALCULATIONS

- 7.1 (a) All payments to be made by the Borrower to the Lender under this Agreement shall be made, in full, without any set-off, counterclaim, restriction or condition whatsoever in Australian Dollars and immediately available funds, free and clear of any deductions or withholdings whether on account of Taxes or otherwise, no later than 11.00 a.m. (Hong Kong time) on the due date for payment by delivery to the Lender cashier's order drawn in favour of the Lender or to the order of the Lender (drawn on a licensed bank in Hong Kong) in immediately available funds or if the Lender shall direct in writing, by telegraphic transfer to such bank account(s) as the Lender may direct in writing.
- (b) The Borrower's obligation to make any and all payments hereunder shall not be affected by any circumstance, including without limitation (i) any set-off, counterclaim, defence or other right which the Borrower may have against the Lender or any other person for any reason whatsoever, (ii) any insolvency, bankruptcy, reorganisation, arrangement, readjustment of debt, dissolution, liquidation or similar proceedings by or against any person, or (iii) any other circumstance or event whatsoever, whether or not similar to any of the foregoing.
- (c) If at any time the Borrower or any other person is required to make any deduction or withholding in respect of Taxes or otherwise from any payment due under this Agreement for the account of the Lender, the sum due from the Borrower in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Lender receives on the due date for such payment (and retains, free from and clear of any taxes, deduction or withholding or otherwise) a net sum equal to the sum which it would have received had no such deduction or withholding been required to be made and the Borrower shall indemnify the Lender against any losses or costs incurred by it by reason of any failure of the Borrower to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment. The Borrower shall promptly forward to the Lender copies of official receipts or other evidence showing that the full amount of any such deduction or withholding has been paid over to the relevant taxation or other authority.
- (d) If at any time the Borrower becomes aware that any such deduction, withholding or payment contemplated by Clause 7.1(c) above is or will be required, it shall immediately notify the Lender in writing and supply all available details thereof to the Lender.
- 7.2 If any amount received by the Lender is less than the full amount due, the Lender shall have absolute right to apply and allocate the amount received towards principal, interest and/or any other sums owing hereunder and under the Security Documents in any manner as it considers appropriate.
- 7.3 When any payment under this Agreement would otherwise be due on a day which is not a Banking Day, the due date for payment shall be the immediately preceding Banking Day.

7.4 The Lender shall maintain on its books in accordance with its usual practice a set of accounts recording the amounts from time to time owing by the Borrower hereunder. In any legal proceedings and otherwise for the purposes of this Agreement the entries made in such accounts shall, in the absence of manifest error, be conclusive and binding on the Borrower as to the existence and amounts of the obligations of the Borrower recorded therein.

7.5 Without prejudice to other terms and conditions of this Agreement, the Lender may at its sole discretion certify or determine an outstanding amount and/or interest payable by the Borrower, and a certificate by the Lender as to such amount or interest shall be conclusive and binding on the Borrower in the absence of manifest error.

8. REPRESENTATIONS AND WARRANTIES

8.1 The Borrower represents and warrants to the Lender that:

- (a) the Borrower is an exempted company duly incorporated with limited liability and validly existing under the laws of the Cayman Islands and is a separate legal entity capable of suing and being sued and has full power, authority and legal right to carry on its business as such business is now being conducted and to own its property and assets and to carry on its business and operations and has complied with all legal requirements relative to its business;
- (b) the Borrower has full power, authority and legal right to execute, deliver and engage in the transactions contemplated by and to perform its obligations under this Agreement and each of the Security Documents to which it is a party and has taken or obtained all necessary corporate and other action and consents to authorise the execution and performance of this Agreement and such Security Documents in accordance with the laws of the applicable jurisdictions and its constitutional documents;
- (c) neither the execution of this Agreement and each of the Security Documents nor the performance hereof and thereof by the Borrower of any of its obligations or the exercise of any of its rights hereunder or thereunder will conflict with or result in a breach of any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or by which it is bound or cause any limitation placed on it or the powers of its directors to be exceeded or result in the creation of or oblige the Borrower or any Security Party to create an Encumbrance in respect of any of its property or assets (except pursuant to the terms of such Security Documents);
- (d) the Borrower has no indebtedness to any person except indebtedness arising in the ordinary course of its business or as previously disclosed to the Lender;
- (e) all necessary authorisations, consents, approvals or licence from any governmental or other authority or from any shareholders or creditors of the Borrower for or in connection with the execution, validity and performance of this Agreement and any of the Security Documents to which the Borrower is a party have been obtained and are in full force and effect;
- (f) each Talem Clinic has obtained and maintained all necessary and valid business permits and accreditations required to operate its business, namely, general practice medical center;
- (g) no litigation, arbitration, winding up, bankruptcy, liquidation or administrative proceeding of whatsoever nature is currently taking place or, to its knowledge, pending or threatened against the Borrower or any of its assets or any of the Group Companies;

- (h) the Borrower is not in default under any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or its assets or revenues, the consequences of which default could affect its business or financial condition or its ability to perform its obligations under this Agreement and any of the Security Documents to which it is a party and no Event of Default or, so far as it is aware, prospective Event of Default has occurred which has not been waived or remedied (if capable of being remedied) to the Lender's satisfaction;
 - (i) the information, documents, exhibits and reports (if any) furnished and circulated to the Lender by the Borrower in connection with or as may be required under this Agreement are true and accurate in all material respects;
 - (j) the entry into by the Borrower into, the exercise by it of its rights and the performance and compliance with its obligations under, this Agreement and the Security Documents to which it is a party do not and will not breach or contravene:
 - (i) any law or directive to which it is subject; or
 - (ii) its memorandum and articles of association or equivalent constitutional documents; or
 - (iii) any terms or conditions of any agreement or licence or consent or permit to which it is a party or which is binding on it or its assets;
 - (k) this Agreement and the Security Documents to which the Borrower is a party constitute (or, as and when executed, will constitute) legal, valid, binding and enforceable obligations of the Borrower in accordance with their respective terms;
 - (l) no event or circumstance which constitutes, or which with the giving of notice or lapse of time or both would constitute, an Event of Default has occurred and which has not been waived or remedied or about to be remedied (if capable of being remedied) to the Lender's satisfaction;
 - (m) the obligations of the Borrower under this Agreement and the Security Documents to which it is a party are primary, direct, general and unconditional obligations of the Borrower;
 - (n) the Borrower is the legal and beneficial owner of the Pledged Shares free from Encumbrances; and
 - (o) all statements of facts stated in Recitals (A) to (C) are true and correct.
- 8.2 The Borrower further represents and warrants to and undertakes with the Lender that the representations and warranties in Clause 8.1 inclusive will be true and accurate on the date of this Agreement and throughout the continuance of this Agreement and so long as any sum remaining owing hereunder and under the Security Documents with reference to the facts and circumstances subsisting from time to time.
- 8.3 The Borrower hereby acknowledges that the Lender has entered into this Agreement in reliance upon the representations and warranties contained in this Clause 8.

9. UNDERTAKINGS

9.1 The Borrower hereby undertakes and agrees with the Lender throughout the continuance of this Agreement and so long as any sum remains owing hereunder and under the Security Document by the Borrower and the Security Party to the Lender that the Borrower shall:

- (a) supply or procure the supply to the Lender promptly on request, such financial or other information relating to it as the Lender may from time to time request;
- (b) unless otherwise agreed by the Lender, promptly repay the Secured Indebtedness and other sum of monies upon the receipt by any of the Group Companies or their ultimate beneficial owners pursuant to this Agreement and the Security Documents;
- (c) keep proper records and books of account in respect of the business of itself;
- (d) ensure that all accounts to be delivered by it under this Agreement are prepared in accordance with the applicable laws and accounting principles and practices generally accepted in the Cayman Islands and consistently applied and have been prepared, examined, reported on and approved in accordance with its memorandum and articles of association or equivalent constitutional documents and the applicable laws and, give a true and fair view of the financial condition and operations of the Borrower for the period indicated and as at the last day of that period;
- (e) promptly inform the Lender in writing of :
 - (i) any occurrence of which it becomes aware which might affect the ability of the Borrower to perform any of the obligations under this Agreement and any of the Security Documents;
 - (ii) any loss or damage or any Force Majeure Event which has an adverse effect on the cashflow or operations of the Borrower;
 - (iii) the occurrence of any Event of Default or prospective Event of Default;
 - (iv) any litigation, arbitration or administrative proceeding taking place or pending or may take place or threaten to take place against any of the Group Companies;
 - (v) any change or proposed change in the shareholders or directors of and in the ownership (legal or beneficial) of the Borrower or any of the Group Companies;
 - (vi) any proceeding as referred to in Clause 8.1(f); or
- (f) maintain its corporate existence and conduct its business in a proper and efficient manner and in compliance with all laws, regulations, authorisations, agreements and obligations and pay all taxes imposed on it when due;
- (g) maintain in full force and effect all such authorisations as are referred to in Clause 8.1(e), and take immediate steps to obtain or cause to be obtained and thereafter maintain in full force and effect any other authorisations which may become necessary or advisable for the purposes stated therein;
- (h) ensure that its obligations under this Agreement shall at all times be secured under the Security Documents and rank in priority to all other present and future indebtedness of the Borrower, except for those obligations which are mandatorily preferred by law and not by contract;

- (i) send to the Lender as many copies as it may reasonably require of every audited and unaudited balance sheet, audited and unaudited profit and loss account, report, notice or like document issued by it to its shareholders, in each case as soon as practicable;
- (j) punctually pay all sums due from it and otherwise comply with its obligations under this Agreement and the Security Documents to which it is a party; and
- (k) use the Facility exclusively for the purposes specified in Clause 2.2.

9.2 The Borrower further irrevocably undertakes and agrees with the Lender throughout the continuance of this Agreement and so long as any sum remains owing hereunder by the Borrower to the Lender that the Borrower shall not unless expressly permitted herein or the Lender otherwise agrees in writing:

- (a) issue shares or other securities or purchase or redeem any of its issued shares or other securities or reduce its share capital or make a distribution of assets or other capital distribution to its shareholders or make any repayment of loan or other indebtedness owing to any of its shareholders;
- (b) change the nature of its business or sell, transfer or otherwise assign, deal with or dispose of or enter into arrangement with similar effect of a disposal in relation to all or any part of its business or assets or revenues other than in the normal course of its business;
- (c) make or grant any loan or advance or guarantee or in any other manner be or become directly or indirectly or contingently liable for any indebtedness or other obligation of any other person other than in the normal course of business of that company;
- (d) save as contemplated under this Agreement and/or any Security Documents, create or attempt or agree to create or permit to arise or exist any Encumbrance over all or any part of its property, assets or revenues other than in its normal course of business;
- (e) save as contemplated under this Agreement and/or any Security Documents, borrow or raise money or credit or permit to subsist or incur any indebtedness other than in the normal course of business of that company;
- (f) save as contemplated under this Agreement and/or any Security Documents, enter into any agreement or obligation or make any acquisitions which is likely to adversely affect its financial or business conditions;
- (g) declare or pay out any dividend or similar distribution by the Company, whether of an income or capital nature and whether in cash or in specie or make any payment whatsoever to its members;
- (h) enter into or effect any merger, reorganisation or consolidation with any other person or enter into any arrangement for or in respect of such merger, reorganisation or consolidation;
- (i) amend or supplement its memorandum and its articles of association or equivalent constitutional documents in any way which may affect its ability to perform its obligations hereunder and under the Security Documents;

- (j) transfer, sell, dispose or otherwise create Encumbrances or deal with any of the shares, charged assets, options, warrants or other securities convertible into shares of the Borrower, or enter into any agreement to do so (except as contemplated in the Share Pledge) and shall not issue and allot or agree to issue and allot any new shares, options, warrants or other securities convertible into shares in the capital of each of them or enter into any agreement to do so or alter its share capital in any way, including without limitation, any consolidation or sub-division of its shares or issue of any shares or equity share capital which is of a class different from its shares, whether or not ranking pari passu in any respect with its other shares; take any step with a view to bankrupt, dissolution, liquidation or winding-up (as appropriate); and
- (k) do any act or things or refrain from doing any act or things which may affect or jeopardize the Lender's rights, powers, interests or otherwise under this Agreement or any of the Security Documents.

9.3 The Borrower shall cause and procure the Security Party to further irrevocably undertake and agree with the Lender throughout the continuance of this Agreement and so long as any sum remains owing hereunder by the Borrower to the Lender that the Security Party shall not, unless expressly permitted herein or the Lender otherwise agrees in writing:

- (a) issue shares or other securities or purchase or redeem any of its issued shares or other securities or reduce its share capital or make a distribution of assets or other capital distribution to its shareholders or make any repayment of loan or other indebtedness owing to any of its shareholders;
- (b) make or grant any loan or advance or guarantee or in any other manner be or become directly or indirectly or contingently liable for any indebtedness or other obligation of any other person other than in the normal course of business of that company;
- (c) borrow or raise money or credit or permit to subsist or incur any indebtedness other than in the normal course of business of that company;
- (d) enter into any agreement or obligation or make any acquisitions which are likely to adversely affect its financial or business conditions;
- (e) declare or pay out any dividend or similar distribution, whether of an income or capital nature and whether in cash or in specie or make any payment whatsoever to its shareholders;
- (f) enter into or effect any merger, reorganization or consolidation with any other person or enter into any arrangement for or in respect of such merger, reorganization or consolidation, or
- (g) do any act or things or refrain from doing any act or things which may affect or jeopardize the Lender's rights, powers, interests or otherwise under the Security Documents, including but not limited to rescinding or altering any passed board resolutions in favor of the Lender;
- (h) transfer, sell, dispose or otherwise create Encumbrances or deal with any of the shares, assets, options, warrants or other securities convertible into shares of the Talem Australia, or enter into any agreement to do so (except as permitted in the Share Pledge) and shall not issue and allot or agree to issue and allot any new shares, options, warrants or other securities convertible into shares in the capital of each of them or enter into any agreement to do so or alter its share capital in any way, including without limitation, any consolidation or sub-division of its shares or issue of any shares or equity share capital which is of a class different from its shares, whether or not ranking pari passu in any respect with its other shares.

9.4 Notwithstanding anything to the contrary hereunder, the Borrower and the Security Party are hereby authorized to obtain to obtaining financing from conducting one or more of the activities set forth in Clause 9.3(a), (b), (c) or (h) with respect to the Talem Clinics (“**Permitted Financing Activities**”), provided that the full proceeds from such Permitted Financing Activities (less any transaction fees) shall be first used for Prepayment of the Secured Indebtedness pursuant to Clause 6.

9.5 Prior to entering into any transaction agreements regarding the Permitted Financing Activities, Borrower shall timely notify Lender regarding the terms and conditions of such Permitted Financing Activities in writing. Lender may demand that all proceeds received by the Borrower from such Permitted Financing Activities to be simultaneously applied to prepay the Secured Indebtedness.

10. EVENTS OF DEFAULT

10.1 Unless expressly permitted herein or the Lender otherwise agrees in writing, each of the following events shall be an Event of Default:

- (a) the Borrower fails to pay any sum payable under this Agreement and the Security Documents to which it is a party in accordance with the provisions hereof and thereof;
- (b) the Borrower or any Security Party fails to duly and punctually perform or comply with any of its respective obligations or undertakings hereunder or under any Security Documents to which it is a party within any applicable grace period provided herein or therein (if any) and, in each case in respect of a failure which in the sole opinion of the Lender is capable of remedy and which is not a failure to pay money, does not remedy such failure to the Lender’s satisfaction within fourteen (14) days (or such longer period as the Lender may approve) after receipt of written notice from the Lender requiring it to do so;
- (c) any representation or warranty or statement made or deemed to be made by the Borrower or any Security Party in or in connection with this Agreement or in any of the Security Documents to which it is a party, proves to have been incorrect or misleading in any respect, or does not remain true or correct in all aspect at all times;
- (d) any of the authorisations referred to in Clause 8.1(e) or any Security Party stipulated under any of the Security Documents is not granted or ceases to be in full force and effect or modified in a manner which would affect the business or financial condition of the Borrower or any Security Party or the Borrower’s or the Security Party’s ability to perform its obligations under this Agreement or the Security Documents to which it is a party, or if any law, regulation, judgment or order suspends, varies, terminates or excuses performance by the Borrower or any Security Party of any of its obligations under this Agreement or the Security Documents to which it is a party or purports to do any of the same;
- (e) a creditor takes possession of all or any part of the business or assets of the Borrower or any Security Party or any Group Companies or any execution or other legal process is enforced against the business or any asset of the Borrower or any Security Party or any Group Companies and is not discharged within three (3) days after such execution or enforcement;

- (f) a petition is presented or a proceeding is commenced or an order is made or an effective resolution is passed for the winding-up, insolvency, administration, reorganisation, reconstruction, dissolution or bankruptcy of the Borrower, any Security Party or any Group Companies or for the appointment of a liquidator, receiver, administrator, trustee or similar officer of the Borrower, any Security Party, or any Group Companies or of all or any part of their business or assets;
- (g) the Borrower or any Security Party stops or suspends payments to its creditors generally or is unable or admits its inability to pay its debts as they fall due or is declared or becomes bankrupt or insolvent or begins negotiations or takes any proceeding or other step with a view to readjustment, rescheduling or deferral of its indebtedness (or of a part of its indebtedness which it will or might otherwise be unable to pay when due) or proposes or makes a general assignment or any arrangement, compromise or composition with or for the benefit of its creditors or a moratorium is agreed or declared in respect of or affecting all or any part of its indebtedness;
- (h) the Borrower or any Security Party or any Group Companies ceases or threatens to cease to carry on its business or any part thereof or changes or threatens to change the nature or scope of their business or any Security Party or any Group Companies disposes of or threatens to dispose of or any governmental or other authority expropriates or threatens to expropriate all or any part of its business or assets;
- (i) this Agreement or any of the Security Documents or any provision hereof or thereof ceases for any reason to be in full force and effect or is terminated or jeopardized or becomes invalid or unenforceable or if there is any dispute regarding such potential jeopardy, invalidity or enforceability or if there is any purported termination of the same or it becomes impossible or unlawful for the Borrower or any Security Party to perform any of its obligations hereunder or thereunder or for the Lender to exercise all or any of its rights, powers and remedies hereunder or thereunder or any undertaking in Clause 9 is not enforceable;
- (j) any obligation of the Borrower or any Security Party under this Agreement and/or the Security Documents is not (or is claimed by any such party not to be) in full force and effect;
- (k) the Borrower or any Group Companies makes any financial or other commitment other than on arm's length terms for full value;
- (l) there is any change to the shareholders or the directors of the Borrower or any Group Companies;
- (m) any lawful step is taken by any person for the purpose of a reconstruction, amalgamation, reorganisation, merger or take-over involving the Borrower or any Security Party or any Group Companies; or
- (n) any situation occurs which in the sole and absolute opinion of the Lender gives grounds to believe that an adverse change in the business or financial condition or prospects of the Borrower or any Security Party has occurred or that is likely to affect the ability (i) of the Borrower to perform any of its obligations hereunder, or otherwise to comply with any of the terms of this Agreement; or (ii) of the Lender to exercise or enforce any right, power or remedy under this Agreement.

- 10.2 If an Event of Default has occurred and is continuing, the Lender may, after giving written notice to the Borrower and that the Borrower fails to remedy to the Lender's satisfaction within fourteen (14) days from the said notice, enforce the security of this Agreement and/or the Security Documents:
- (a) declare the Loan, accrued interest on the Loan and all other sums outstanding and payable hereunder to be immediately due and payable, and whereupon they shall become, immediately due and payable without further demand, notice or other legal formality of any kind; and
 - (b) declare the Facility terminated whereupon the obligation of the Lender to make any advance hereunder shall immediately cease.

11. DEFAULT INTEREST

If the Borrower fails to pay any sum payable under this Agreement and the Security Documents when due, the Borrower shall pay interest on such sum from and including the due date up to and including the date of actual payment (as well after as before judgment) at an additional margin of 5% per annum over and above the Interest Rate calculated on the basis of actual days elapsed and a 360-day year with reference to such periods and such amounts as the Lender considers appropriate and shall be payable from time to time on demand.

12. INDEMNITIES AND SET-OFF

- 12.1 The Borrower shall on demand indemnify and keep indemnified the Lender from and against all losses, liabilities, damages, costs and expenses which the Lender may incur as a consequence of any Event of Default or breach of representations, warranties and/or undertakings made and/or given by the Borrower and/or any Security Party under this Agreement and/or the Security Documents and any loss and expense incurred in liquidating or redeploying funds required to maintain the Secured Indebtedness or arranged for the purpose of a Drawing (as the case may be) and any interest or fees incurred in funding any unpaid sum.
- 12.2 Australian Dollars shall be the currency of account and of payment in respect of sums payable under this Agreement. If an amount is received in another currency, pursuant to a judgment or order or in the liquidation of the Borrower or otherwise, the Borrower's obligations under this Agreement shall be discharged only to the extent that the Lender may purchase Australian Dollars with such other currency in accordance with normal banking procedures upon receipt of such amount. If the amount in Australian Dollars which may be so purchased, after deducting any costs of exchange and any other related costs, is less than the relevant sum payable under this Agreement, the Borrower shall indemnify the Lender in full against the shortfall.
- 12.3 If an Event of Default or a prospective Event of Default has occurred, the Lender shall (without prejudice to any general or banker's lien, right of set-off or any other right to which it may be entitled) have the right, without notice to the Borrower or any other person, to set off and apply any credit balance on any account (whether subject to notice or not and whether matured or not and in whatever currency) of the Borrower with the Lender, and any other indebtedness owing by the Lender to the Borrower, against the liabilities of the Borrower under this Agreement and the Security Documents, and the Lender is authorised to purchase with the monies standing to the credit of any such account such other currencies as may be necessary for this purpose.

12.4 Each of the indemnities in this Clause 12 shall be an obligation of the Borrower separate and independent of and in addition to its other obligations under this Agreement and the Security Documents to which it is a party, shall give rise to separate and independent cause of action, and shall take effect notwithstanding any time or other concession granted to the Borrower or any judgment or order being obtained or the filing of any claim in the liquidation, dissolution or bankruptcy (or analogous process) of the Borrower.

13. ASSIGNMENT

This Agreement shall be binding upon, and enure for the benefit of, the Lender and the Borrower and their respective successors and permitted assigns, provided that the Borrower shall not assign or transfer any of their rights or obligations under this Agreement without the prior written consent of the Lender.

14. GOVERNING LAW AND JURISDICTION

This Agreement and the rights and obligations of the Parties shall be governed by and construed in accordance with the laws of Hong Kong. The Parties hereby agree that Hong Kong Courts shall have non-exclusive jurisdiction in any legal action or proceedings with respect to this Agreement.

15. NOTICES

15.1 Each notice, demand or other communication given or made under this Agreement and the Security Documents shall be in writing and delivered or sent to the relevant Party via email or at its address set out below (or such other address as the addressee has by five (5) days' prior written notice specified to the other parties):

to Lender:

Email: [***]

Attention: [***]

to Borrower:

Email: [***]

Attention: [***]

Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (a) if delivered by hand, when actually received by the addressee, (b) if sent by post, on the second (2nd) day after the date of dispatch, and (c) if given by email, on the date of dispatch (provided that confirmation of despatch is produced).

15.2 For the avoidance of doubt, any service of process in the proceedings in Hong Kong to the addresses listed in Clause 15.1 shall be deemed completed on delivery to person named next to the address listed in Clause 15.1 (whether or not it is forwarded to and received by the relevant Party). If for any reason the person named in Clause 15.1 (or its successor) no longer serves as agent of the relevant Party for this purpose, the relevant Party shall promptly appoint a successor agent in Hong Kong and notify the other Parties provided that until a Party receives such notification, it shall be entitled to treat the person named in Clause 15.1 (or its successor) as the agent of the relevant Party. All Parties agree that any such legal process shall be sufficiently served on it if delivered to such person for service at its address for the time being in Hong Kong whether or not such person gives notice thereof to the relevant Party.

16. COSTS AND EXPENSES

All fees, costs and expenses incurred relating to the negotiation, preparation, execution, registration and implementation of this Agreement, the Security Documents and other related agreements, including the due diligence, travelling, accommodation, documentation expenses and fees and expenses of legal advisers incurred by each Party shall be borne by the respective Party. The Borrower shall pay (or reimburse as the case may be) to the Lender the fees, costs and expenses provided in this Clause 16 upon demand.

17. FURTHER ASSURANCE

- 17.1 The Borrower shall, immediately upon demand by the Lender, and entirely at its own cost and expense, make, execute, do, perform and provide or cause or procure to be made, executed, done, performed and provided, all such further acts, agreements, assurances, bills, bonds, contracts, deeds, documents, evidences of indebtedness, guarantees, indemnities, instruments, letters, loan notes, notes, notices, powers of attorney, promissory notes, receipts, undertakings, matters and things as the Lender shall require to perfect or improve the security afforded or created, or intended to be afforded or created by this Agreement.
- 17.2 The Borrower agrees and undertakes with the Lender that, from the date of this Agreement and so long as any moneys are owing under this Agreement, it will, on demand, duly execute or procure the Security Party duly execute in favour of the Lender such documents and agreements referred to in Clause 17.1, in addition to the Security Documents as the Lender shall from time to time require on or over or in respect of all or any part of the present and/or future undertakings, properties, assets, rights and/or revenues of the Borrower or any Security Party as a continuing security for the Borrower's obligations under this Agreement, and which shall:
- (a) be in such form and duly executed, delivered, created, secured and/or perfected in such manner as the Lender shall stipulate;
 - (b) if necessary or desirable under applicable law for its creation, legality, validity, priority, enforceability, admissibility in evidence or effectiveness or for the performance by the Borrower or any Security Party or any of their respective obligations thereunder, be duly notarised, filed, recorded, registered and/or enrolled according to such law; and
 - (c) not, without the prior written consent of the Lender, secure or prefer or be extended so as to secure or prefer any present or future indebtedness or obligation except the Borrower's obligations under this Agreement.

18. AMENDMENT

Any amendment or waiver of any provision of this Agreement shall only be effective if made in writing and signed by the Parties.

19. MISCELLANEOUS

- 19.1 The Borrower shall at all times use its best endeavours to keep confidential any information concerning this Agreement, the Security Documents and any documents as mentioned in and/or related to this Agreement and the Security Documents (the "**Confidential Information**"), and shall not disclose any of the Confidential Information except with the consent of the Lender and shall not use for its own benefit any of the Confidential Information except with the consent of the Lender. This Clause 19.1 shall continue without limit of time, and shall survive the termination of this Agreement.

- 19.2 This Agreement, together with any documents referred to in it, constitutes the whole agreement between the Parties relating to the Facility and, unless expressly stated otherwise, supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature, whether in writing or oral, relating to the Facility.
- 19.3 No failure or delay on the part of the Lender to exercise any power, right or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise by the Lender of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy by, nor shall the giving by the Lender of any consent to any act or thing which by the terms of this Agreement requires such consent prejudice its right to withhold or give consent to the doing of any other similar act or thing. The rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights or remedies provided by applicable law.
- 19.4 Any provision of this Agreement prohibited by or unlawful or unenforceable under any applicable law actually applied by any court of competent jurisdiction shall (to the extent required by such law) be severed from this Agreement and rendered ineffective so far as is possible without modifying the remaining provisions of this Agreement. Where however the provisions of any such applicable law may be waived, they are hereby waived by the parties hereto to the full extent permitted by such law, to the end that this Agreement shall be a valid and binding agreement enforceable in accordance with its terms.
- 19.5 The time for payment of all sums payable by the Borrower hereunder, and for the performance by the Borrower of its obligations hereunder, shall be of the essence of this Agreement.
- 19.6 No person, other than the Parties, has, may or will have, any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce, make or pursue any claim, or enjoy any benefit under any provisions of this Agreement. Application of the said ordinance is hereby expressly excluded.
- 19.7 In the event of any inconsistency between any of the terms of this Agreement and any of the terms of the Security Documents, the terms of this Agreement shall prevail.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been executed on the day and year first above written above.

The Lender

SIGNED by)
for and on behalf of)
APTORUM THERAPEUTICS LIMITED)
)
in the presence of:)

Name of witness:

The Borrower

SIGNED by)
for and on behalf of)
TALEM MEDICAL GROUP LIMITED)
)
in the presence of:)

Name of witness:

**SCHEDULE 1
DRAWDOWN NOTICE**

To: Aptorum Therapeutics Limited
Attention: Board of Directors

Date:

Loan Agreement
relating to a Facility of AUD4,700,000

We refer to the above agreement (the "**Loan Agreement**"). Words and expressions defined in the Loan Agreement shall have the same meanings when used in this Drawdown Notice.

We hereby give you notice that we intend to make a Drawing of AUD _____ under the Facility on _____, and such sum should be disbursed to [***].

We hereby certify and confirm that:

- (1) the Drawing will be used in accordance with Clause 2.2 of the Loan Agreement;
- (2) the representations and warranties set out in Clause 8.1 of the Loan Agreement repeated with reference to the facts and circumstances subsisting at the date of this notice, remain true and correct in all respects;
- (3) the undertakings set out in Clause 9 of the Loan Agreement have at all times been duly complied with, observed and performed; and
- (4) no Event of Default or prospective Event of Default or circumstances set out in Clause 10.1 has occurred which remains unwaived or unremedied.

For and on behalf of:

Talem Medical Group Limited

Name:
Title: Director

We, the undersigned, hereby acknowledge receipt of the above notice.

For and on behalf of

Aptorum Therapeutics Limited

Name:
Title: Director

SCHEDULE 2
PROMISSORY NOTE

AUD4,700,000

Date:

FOR VALUE RECEIVED, **TALEM MEDICAL GROUP LIMITED**, an exempted company incorporated in the Cayman Islands, with a registered address at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands, does hereby unconditionally agree and promise to pay to the order of **APTORUM THERAPEUTICS LIMITED**, an exempted company incorporated in the Cayman Islands, with a registered address at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Island (the “**Lender**”) and/or its successors and assigns (collectively, with the Lender), at, or such other place as the Lender may from time to time designate, the principal sum of four million seven hundred thousand dollars (AUD4,700,000) or such lesser amount subject to the Drawings under the Loan Agreement (as defined below) (the “**Secured Indebtedness**”), together with interest on the outstanding Secured Indebtedness evidenced by this Promissory Note at the Interest Rate (defined below).

Unless otherwise expressly defined in this Promissory Note, all capitalized terms used herein shall have the same meaning as assigned to them in the Loan Agreement, of even date herewith, between the Borrower and the Lender (the “**Loan Agreement**”).

- (a) The entire Secured Indebtedness advanced under the Loan Agreement shall be due and payable on the earlier to occur of (a) the occurrence and continuation of an Event of Default (as defined in the Loan Agreement) under the Loan Agreement, or (b) the Maturity Date.
 - (b) The Initial Maturity Date may be extended for two periods of six (6) months to the First Extended Maturity Date and further to the Second Extended Maturity Date in accordance with the terms of the Loan Agreement.
 - (c) Interest shall be payable on the outstanding Secured Indebtedness at the rate of ten percent (10%) per annum (the “**Interest Rate**”), payable semi-annually in arrears on six (6) months from the first Drawdown Date, twelve (12) months from the first Drawdown Date, and on the Maturity Date. Interest at the Interest Rate on all outstanding Drawings and shall be payable with the then outstanding Secured Indebtedness on the Maturity Date.
 - (d) All payments shall be applied first to interest and then to principal. Borrower may prepay, in whole or in part, the Secured Indebtedness and all Interest accrued at any time prior to the Maturity Date pursuant to the Loan Agreement.
 - (e) The Borrower may prepay any amounts contemplated under this Promissory Note in full or in part prior to the Maturity Date as provided in the Loan Agreement.
 - (f) This Promissory Note is intended to be governed by the laws of Hong Kong.
 - (g) It is agreed that time is of the essence in the performance of this Promissory Note. Upon the occurrence and during the continuation of an Event of Default under this Promissory Note that is not cured within the applicable cure period, if any, set forth in the Loan Agreement, the Lender shall have the right and option to declare, without notice, all the remaining indebtedness of unpaid principal and interest evidenced by this Promissory Note immediately due and payable.
-

- (h) In an Event of Default, Borrower agrees to promptly pay all of Lender's costs and expenses incurred in attempting or effecting collection hereunder or the enforcement of this Promissory Note, including, without limitation, all attorneys' fees and related charges, as and when incurred by Lender, whether or not any action, suit or proceeding is instituted for collection or for the enforcement of this Promissory Note; and all such costs and expenses of collection and enforcement shall be added to the principal amount outstanding of this Promissory Note.
- (i) The Borrower hereby waives diligence, presentment, demand, protest, notice of intent to accelerate, notice of acceleration, and any other notice of any kind. No delay or omission on the part of the Lender in exercising any right hereunder shall operate as a waiver of such right or of any other remedy under this Promissory Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right or remedy on a future occasion.
- (j) All agreements between the Lender and the Borrower are hereby expressly limited so that in no contingency or event whatsoever, whether by reason of acceleration of maturity of the indebtedness evidenced hereby or otherwise, shall the amount paid or agreed to be paid to the Lender for the use, forbearance, loaning or detention of the indebtedness evidenced hereby exceed the maximum permissible under applicable law.
- (k) Borrower acknowledges that Lender's willingness to make the loan represented by this Promissory is based on the facts represented to Lender by Borrower as set forth in the Loan Agreement.

IN WITNESS WHEREOF, this Promissory Note has been executed by Borrower as of the day and year first set forth above.

TALEM MEDICAL GROUP LIMITED

By: _____
Name:
Title:

**SCHEDULE 3
SHARE PLEDGE**

Specific Security Deed (Shares)

APTORUM THERAPEUTICS LIMITED

Secured Party

and

TALEM MEDICAL GROUP LIMITED

Grantor

Specific Security Deed (this Deed)

Date 17- November 2021

Parties:

APTORUM THERAPEUTICS LIMITED
(Secured Party)

Floor 4, Willow House, Cricket Square, Grand Cayman KYI-9010, Cayman Islands

TALEM MEDICAL GROUP LIMITED
(Grantor)

Floor 4, Willow House, Cricket Square, Grand Cayman KYI-9010, Cayman Islands

Recitals:

- A. The Grantor is (or will become) the legal and beneficial owner of the Collateral.
- B. The Grantor has agreed to enter into this Deed in favour of the Secured Party in order to provide security for the payment of the Secured Money and the performance of the Secured Obligations.

Deed:

1. Definitions and interpretation

1.1 **Definitions.** In this Deed, unless expressly stated otherwise:

Attorney means an attorney appointed under this Deed.

Authorised Representative means in respect of each party, a solicitor of that party or a person nominated by notice to the other party as an authorised representative, and in respect of a party which is a corporation:

- (a) a company secretary or director, or any officer of the corporation whose title or office includes the words “manager” or “director”; or
- (b) a person acting with the title or in the office of manager or director.

Collateral means the personal property described in Schedule 1 of this Deed (including proceeds as that term is defined in the PPSA) or any part of those items of property, whether or not subject to a trust, and it includes anything in relation to which the Grantor has at any time a sufficient right, interest or power to grant a Security Interest, and includes New Rights and Documents of Title.

Control has the meaning given to that term in the PPSA.

Control Party means an intermediary of, or a person who is the issuer or the registered owner of, any financial property or intermediated security which is Collateral (the terms ‘intermediary’, ‘financial property’ and ‘intermediated security’ have the meanings given to such terms in the PPSA).

Corporations Act means the *Corporations Act 2001* (Cth).

Documents of Title includes:

- (a) documents of title and negotiable instruments (as those terms are defined in the PPSA);
- (b) each Transfer; and
- (c) any certificate or other document that evidences title to a Marketable Security, any notice of entitlement and any other document (whether negotiable or not) that the Grantor is required to deposit with the Secured Party under this Deed.

Encumbrance means:

- (a) a Security Interest;
- (b) any other mortgage, pledge, lien or charge;
- (c) any other arrangement or interest that secures the payment of money or the performance of Secured Obligations (including a bill of sale, trust, power or title retention arrangement, right of set-off, assignment of income, garnishee order or monetary claim and a flawed deposit arrangement); or
- (d) any third party right or interest in property, or any right arising as a consequence of the enforcement of a judgement.

Event of Default means an event specified in Clause 6.

Insolvency Event means, in relation to a person:

- (a) a receiver, receiver and manager, administrator, liquidator, provisional liquidator, or similar officer is appointed to the person or any of its assets;
- (b) a resolution is passed or an application to a court is taken or an order is made for the winding up, dissolution, official management or administration of the person;
- (c) the person ceases to (or is unable to) pay its creditors (or any class of them) in the ordinary course of business, or announces its intention not to pay its creditors;
- (d) the person is (or states that it is) insolvent or is deemed to be insolvent under the Corporations Act;
- (e) the making by the person of an assignment or attempted assignment for the benefit of its creditors;
- (f) any enforcement process (as that term is defined under the Corporations Act) is taken against or in relation to a substantial portion of the assets of that person and is not satisfied or withdrawn within 21 days; or
- (g) anything having a substantially similar effect to any of the events specified above happens under the law of any applicable jurisdiction.

Marketable Securities has the meaning given to the term 'securities' in the Corporations Act and includes:

- (a) an undertaking referred to in the exceptions to paragraphs (a), (b) and (c) of the definition of 'debenture' under the Corporations Act;
- (b) a negotiable instrument;
- (c) a unit or other interest in a trust or partnership; or
- (d) a right or an option in relation to any of the above, whether issued or unissued.

New Rights means all of the Grantor's present and future rights and interests attaching to or arising from or otherwise in connection with the Collateral including all:

- (a) benefits, distributions, premiums, profits, dividends, interest, money, instruments, accounts, offers, privileges, rights bonuses, allotments, Marketable Securities, stock, units, interest in a managed investment scheme, debentures, securities, distributions;
- (b) rights to take up Marketable Securities or the allotment of or other in specie distribution of further Marketable Securities;
- (c) rights resulting from any conversion, consolidation, redemption, cancellation, reclassification, subdivision or forfeiture of any Marketable Securities;
- (d) rights relating to a reduction of capital, buy-back, liquidation or scheme of arrangement; and
- (e) Documents of Title to any Marketable Securities or any other thing in relation to any of the matters described above.

Permitted Encumbrance means:

- (a) an Encumbrance created under this Deed and/or under other Transaction Documents (including but not limited to Permitted Financing Activities under the Loan Agreement); and
- (b) an Encumbrance that the Secured Party agrees is a Permitted Encumbrance.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Receiver means:

- (a) a receiver or receiver and manager appointed ; or
- (b) anyone else who (whether or not as agent for the person) is in possession, or has control, of that property to enforce an Encumbrance.

Secured Money means all debts, monetary liabilities and obligations of the Grantor to the Secured Party under a Transaction Document, irrespective of whether the debts, liabilities or obligations are past, present or future, actual or contingent, joint or several or as principal, surety or otherwise.

Secured Obligations means all obligations, whether present or future, of the Grantor to the Secured Party, which are additional to the payment of the Secured Money.

Security Interest means:

- (a) in relation to any personal property (as defined in the PPSA and to which the PPSA applies), has the same meaning as the PPSA; and
- (b) in relation to any other property, any interest in or right over property which secures the payment of a debt or other monetary Secured Obligation or the compliance with any other Secured Obligation.

Transaction Documents means:

- (a) this Deed;
- (b) the Loan Agreement relating to facilities of up to an aggregate amount of AUD4,700,000 entered into between the parties on or about the date of this Deed;
- (c) any other document which the parties agree in writing is a Transaction Document; and
- (d) any document, amending, varying, supplementing or replacing any of the above.

Transfer means a blank executed document of transfer in registrable form that is sufficient to transfer all legal and beneficial ownership in the Marketable Securities to the Secured Party.

Verification Statement means the written statement provided in accordance with section 156 of the PPSA.

1.2 **Interpretation.** In this Deed, unless inconsistent with the context:

- (a) if a word or phrase is defined, then its other grammatical forms have a corresponding meaning;
- (b) the singular includes the plural and vice versa;
- (c) the word *includes* and similar words, are not words of limitation and do not restrict the interpretation of a word or phrase in this Deed;
- (d) a reference to a document, includes a variation or replacement of it;
- (e) a reference to a statute includes its subordinate legislation and a modification, replacement or re-enactment of either;
- (f) a reference to person, includes a reference to:
 - (i) an individual, a body corporate, a trust, a partnership, a joint venture an unincorporated body or other entity, whether or not it is a separate legal entity;
 - (ii) if the person is an individual, the person's personal representatives and assigns; and
 - (iii) if the person is not an individual, the person's successors and assigns;
- (g) if the date on which a thing must be done is not a business day, then that thing must be done on the next business day;
- (h) if a period of time runs from a given date, act or event, then the time is calculated exclusive of the date, act or event; and
- (i) a clause is not to be construed against a party solely on the ground that the party is responsible for the preparation of this Deed or that clause.

1.3 Trusts

- (a) Unless the context requires otherwise, a reference to a transaction, asset, act or liability of any nature of the Grantor includes its transactions, assets, acts or liabilities as trustee.
- (b) Where the Grantor incurs an obligation, it incurs that obligation both in its own right and in its capacity as trustee, unless the obligation relates only to an asset which it holds in its own right and not as trustee.

2. Security**2.1 Security Interest granted by this Deed.**

- (a) To secure the due payment of the Secured Money and the performance of the Secured Obligations, the Grantor grants to the Secured Party a Security Interest in the Collateral.
- (b) The Security Interest granted by this Deed is intended to take effect as a first ranking security subject only to those Permitted Encumbrances which the Secured Party agrees in writing rank in priority to those Security Interest.
- (c) Nothing in this Deed will be construed as an agreement by the Secured Party to subordinate any Security Interest granted by this Deed to any other Encumbrance or interest affecting the Collateral at any time.

2.2 Continuing security. The Security Interest created under this Deed is a continuing security, despite intermediate payments, settlement of accounts or anything else.

2.3 Security Interest is unconditional. The Security Interest created under this Deed is not discharged nor are the obligations of the Grantor in relation to the Security Interest affected by any matter or thing, including:

- (a) time, indulgence, waiver or consent at any time given to the Grantor;
- (b) any amendment to, or the enforceability of, any Transaction Documents; or
- (c) insolvency, receivership, administration, winding up or change of control occurring in relation to the Grantor.

3. Undertakings

3.1 Provide assistance. At the Secured Party's request, the Grantor must do everything that the Secured Party requires to allow the Secured Party to:

- (a) obtain the full benefit of its rights under this Deed;
- (b) obtain a more effective security or obtain the priority that the Secured Party requires over any property subject to the Security Interest given by the Grantor including by:
 - (i) depositing with the Secured Party any certificate or Document of Title evidencing any Collateral; and
 - (ii) assisting with procuring any Control Party to enter into a Control agreement with respect to such Collateral;

- (c) continuously maintain perfection of any Security Interest that forms part of the Collateral including perfecting as a purchase money security interest as defined in the PPSA where applicable;
- (d) be assigned or transferred absolutely any Collateral including an account due to the Grantor;
- (e) promptly do everything necessary or reasonably required by the Secured Party (including the stamping of any Security Interest), such as:
 - (i) to preserve and protect the value of its Collateral; and
 - (ii) to protect and enforce its title and the title of the Secured Party as secured party to its Collateral (including perfecting and continuously maintaining perfection of any Security Interest); and
 - (iii) to comply with all Security Interest affecting its Collateral and the Secured Obligations secured by those Security Interest.

3.2 **Deposit of documents.** The Grantor agrees to deposit with the Secured Party:

- (a) all documents of title relating to the Collateral; and
- (b) any other documents the Secured Party requests relating to the Collateral, including the Transfers.

3.3 **Maintenance of Collateral; Voting Rights.**

- (a) The Grantor must:
 - (i) not do anything, permit anything to be done or fail to do anything that materially lowers the value of the Collateral; and
 - (ii) not do or omit to do anything which might render the Collateral liable to forfeiture, cancellation, avoidance or loss or might otherwise prejudicially affect the Grantor's interest in the Collateral.
- (b) Unless an Event of Default occurs and continues to be occurring, the Grantor may exercise all voting powers in respect of the Collateral.
- (c) The Grantor must not exercise any voting powers in respect of the Collateral under this Clause 3.3 in any way which might adversely affect the value of the Collateral.
- (c) If an Event of Default occurs, the rights of the Grantor under this Clause 3.3 immediately cease and the Secured Party, any Receiver or Attorney is entitled to receive all Distributions and exercise all voting powers in respect of the Collateral to the exclusion of the Grantor.

3.4 **Default.** The Grantor must ensure it does not breach the terms of this Deed and an Event of Default does not occur.

3.5 **Distribution re-investment plan.** The Grantor will not participate in any distribution re-investment plan in connection with the Collateral.

3.6 **Blank Transfers.** The Grantor must deposit with the Secured Party, or as the Secured Party directs, the Transfers in respect of their interest in the Collateral on execution of this Deed. Notwithstanding the above, if there is any changes in the applicable laws during the charge which would render the Transfer as provided in this Deed to contravene any then-existing applicable laws, Grantor shall timely inform the Secured Party and, notwithstanding anything to the contrary in the Transaction Document, the Secured Party shall not carry out any activities and/or cause the Grantor (an/or its relevant parties) to carry out any activities which are likely to contravene with the then-existing applicable laws.

3.7 **Verification statement.** The Grantor waives its right to receive a Verification Statement in relation to the registration of a financing statement or financing change statement.

4. Representations and Warranties

4.1 The Grantor represents and warrants to the Secured Party that:

- (a) its obligations under this Deed are legal, valid, binding and enforceable against it in accordance with their terms;
- (b) it has taken all necessary action to authorise the execution and performance of this Deed in accordance with its terms;
- (c) it is the legal and beneficial owner of the Collateral and no other person holds any interest in the Collateral other than in respect of the Permitted Encumbrances;
- (d) it has good title to the Collateral free from any Encumbrance;
- (e) the Collateral is fully paid-up and not subject to any prior ranking or equally ranking Encumbrance;
- (f) it has disclosed to the Secured Party all of its interest in the Collateral;
- (g) no Event of Default subsists that has not been notified in writing to the Secured Party and waived by the Secured Party; and
- (h) it has not suffered an Insolvency Event and would not reasonably be expected to suffer an Insolvency Event as a result of entering into this Deed.

5. Dealing with Collateral

5.1 **Permitted dealings.** Until an Event of Default occurs or the Collateral is registered in the Secured Party's or its representative's name:

- (a) but subject to the provisions of any other Transaction Documents, the Grantor may receive and retain all dividends and any other income that forms part of or is derived from the Collateral; and
- (b) the Grantor:
 - (i) may attend meetings and exercise all rights including voting rights in connection with the Collateral; and
 - (ii) must not vote in favour of any resolution that would materially or adversely affect the value of the Collateral or any of the rights attached to the Collateral.

5.2 Deposit Documents of Title.

- (a) The Grantor must deposit with the Secured Party all Documents of Title (including the number of Transfers that the Secured Party specifically requires) in relation to the Collateral at the time it signs this Deed.
- (b) The Grantor allows the Secured Party to hold and retain possession or Control or to take possession or Control of Documents of Title until the Secured Party discharges the Security Interest created by this Deed.

5.3 Rights of Grantor cease. If an Event of Default occurs and is continuing:

- (a) the rights of the Grantor under Clause 5.1 shall immediately cease;
- (b) the Secured Party is entitled to:
 - (i) receive any New Rights and apply them or their sale proceeds as it sees fit and in this respect, the Grantor agrees to procure that all dividends and all other income paid in relation to the Collateral are paid directly to the Secured Party; and
 - (ii) attend meetings and exercise or refrain from exercising any rights in connection with the Collateral; and
- (c) the Grantor must at its own expense:
 - (i) execute proxies and other instruments that the Secured Party may require to enable the Secured Party to attend meetings and exercise rights; and
 - (ii) if requested by the Secured Party, do everything necessary to ensure that the Collateral is registered in the Secured Party's or its representative's name, as stated in the request.

5.4 Restricted dealings. Except in accordance with this Deed or under written consent of the Secured Party, the Grantor must not:

- (a) grant, allow to exist or agree to an Encumbrance over the Collateral other than a Permitted Encumbrance;
- (b) transfer, sell, dispose or otherwise deal with Collateral;
- (c) waive any of the Grantor's rights or release any person from its obligations in connection with this Security Property;
- (d) assign or otherwise deal in any way with the Security Interest or any interest in it or create or allow any interest in it to be arise or be varied;
- (e) allow any person other than the Secured Party to have an Encumbrance in respect of the Collateral; or
- (f) give Control or possession of the Collateral to another person other than the Secured Party.

Where by law the Secured Party may not restrict the creation of any Encumbrance over an asset ranking after the Security Interest granted under this Deed or any Transaction Document, this Clause 5.4 will not restrict that creation, but before creating that Encumbrance the Grantor shall ensure the holder of that Encumbrance enters into a deed of priority in form and substance specified by the Secured Party.

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- 5.5 **Release.** The Secured Party will release the Collateral from the Security Interest created by this Deed if the Grantor's obligation to pay the Secured Money and perform all of the Secured Obligations are satisfied and in the Secured Party's reasonable opinion:
- (a) there is no prospect that money or damages will become owing (whether actually or contingently) by the Grantor to the Secured Party; and
 - (b) no payment towards the satisfaction of the Grantor's obligation to pay the Secured Money is likely to be void, voidable or refundable under any applicable law (including any law relating to insolvency).

6. Events of Default

6.1 An Event of Default occurs if one or more of the following occurs:

- (a) the Grantor does not pay the Secured Money when due;
- (b) the Grantor fails to perform the Secured Obligations and that failure continues without waiver or consent by the Secured Party for a period of 14 days;
- (c) execution or distress takes place or is attempted or an order to execute a judgment (however described) is made against the Grantor or any of its assets and is not stayed or withdrawn within 14 days;
- (d) the Grantor is the subject of an Insolvency Event;
- (e) a present or future Encumbrance over any Collateral is enforced or becomes enforceable;
- (f) any part of the Transaction Documents is terminated or is or becomes void, illegal, invalid, unenforceable, defective or of limited force and effect;
- (g) any Collateral is transferred (including by sale or creating a Security Interest or under proceedings to enforce a judgment) in breach of a provision of this Deed;
- (h) an event occurs which is specified in the Transaction Documents as an Event of Default or an event of default (as the expression or any equivalent expression is defined in any Transaction Documents) occurs;
- (i) the Grantor does not comply with an undertaking given to the Secured Party (including the undertakings in this Deed) within the period specified in the undertaking, or where no period is specified and the undertaking is not an ongoing undertaking, within 14 days after the date of the undertaking; or
- (j) a representation, warranty or statement made by or on behalf of the Grantor is not true in a material respect or is misleading in a material respect when made or repeated.

7. Rights the Secured Party may exercise at any time

7.1 **Performance of Grantor's Secured Obligations.** If at any time a party to this Deed fails to perform any Secured Obligation in any Transaction Document, the Secured Party or any person it authorises may do anything which in its opinion is necessary or expedient to make good or to attempt to make good that failure to its satisfaction.

7.2 **Secured Party may enter.** The Secured Party or any person it authorises may inspect and copy the records of the Grantor related to the Collateral at any time while an Event of Default subsists. The Grantor will do everything in its power to assist that inspection and copying and ensure that its employees and officers and their employees and officers do the same.

7.3 **Right to rectify.** The Secured Party performs any Secured Obligations pursuant to Clause 7.1, the Grantor agrees to pay the Secured Party's reasonable fees, costs and expenses on demand in writing.

8. Enforcement

8.1 **Circumstances when this Deed may be enforced.** If an Event of Default occurs, then the Secured Money will immediately become payable at the Secured Party's option (despite any delay or previous waiver of the right to exercise that option) and this Deed will immediately become enforceable (whether or not the Secured Money has become payable in this manner).

8.2 **Enforcement despite earlier payment.** This Deed may be enforced:

- (a) even if the Secured Party accepts a payment of interest or other amount after any Event of Default (except where the payment is sufficient to cure the default); and
- (b) without the need for any consent or agreement of, the Grantor or any other person.

8.3 **Powers on enforcement.**

- (a) If an Event of Default occurs, then the Secured Party, any of its Authorised Representatives, Receiver or the Attorney (except to the extent specifically excluded by the terms of appointment), may do anything in respect of the Collateral that an absolute beneficial legal owner of the property could do, which includes the power to do any of the following, in addition to anything else the law or this Deed allows the Secured Party to do:
 - (i) Seize, take and retain possession of the Collateral.
 - (ii) Obtain registration of the Collateral in the Secured Party or its nominee's name.
 - (iii) Do everything necessary to enable the Secured Party or its nominee to receive any New Rights.
 - (iv) Grant or take put or call options.
 - (v) Anything to maintain, protect or improve any of the Collateral or to obtain income or returns from any of the Collateral.
 - (vi) Borrow or raise any money from the Secured Party or any other person approved by the Secured Party, give guarantees and grant any Encumbrance over any of the Collateral to secure that money or guarantee. Such Encumbrance may rank in priority to or equally with or after, the Security Interest granted under this Deed and it may be given in the name of the Grantor or otherwise.
 - (vii) Lend money or provide financial accommodation.
 - (viii) Make or accept any arrangement or compromise.
 - (ix) Give receipts for money and other assets.
 - (x) Perform or enforce, exercise or refrain from exercising the Grantor's rights and powers under or obtain the benefit in other ways of, any documents or agreements or rights which form part of the Collateral and any documents or agreements entered into in exercise of any power.
 - (xi) Surrender, release or transfer any of the Collateral or exchange it (xi) with any person for other property.
 - (xii) Promote the formation of any corporation with a view to purchasing any of the Collateral or assuming the Secured Obligations of the Grantor or otherwise.

- (xiii) Delegate to any person acceptable to the Secured Party any power conferred on the Secured Party, Receiver or Attorney (including delegation).
 - (xiv) Exercise any voting or other rights or powers in respect of any of the Collateral.
 - (xv) Do anything incidental to the exercise of any other power of the Secured Party, Receiver or Attorney.
- (b) The Secured Party may exercise any powers set out in Clause 8.3(a):
- (i) without any need to take possession and without being liable as mortgagee in possession; and
 - (ii) through one or more agents, in which case anything done or incurred by an agent will be taken to be done or incurred by the Secured Party.

9. Statutory Powers

9.1 Powers in augmentation. The powers conferred on the Secured Party by law:

- (a) are in addition to the powers conferred by this Deed or any Transaction Document;
- (b) to the extent permitted by law, may be exercised immediately when an Event of Default occurs and at any time subsequently; and
- (c) are excluded or varied only so far as they are inconsistent with the express terms of this Deed or any Transaction Document.

10. Registration under PPSA

10.1 **Registration.** The Secured Party may, at the Grantor's expense, apply for any registration, or give any notification, in connection with the Security Interest under this Deed. This includes registration under the PPSA for the Collateral. The Grantor consents to any such registration or notification and agrees not to make an amendment demand.

10.2 **Notice requirements.** The Grantor hereby acknowledges receipt of a copy of this Deed, and waives any right it may have to receive a Verification Statement in relation to the registration or amendment of any Security Interest by the Secured Party in connection with this Deed.

11. Application of money

11.1 Money that the Secured Party, a Receiver or an Attorney receives under or because of this Deed is to be applied in the following order, unless the Secured Party is obliged to pay anyone with a prior claim:

- (a) First in payment of all expenses the Secured Party, Receiver or Attorney incurs in or incidental to the exercise or attempted exercise of a power or otherwise in relation to this Deed.
- (b) Then in payment of any other outgoings the Secured Party or Receiver thinks it appropriate to pay.
- (c) Then in payment to the Receiver and the Attorney of any remuneration (whether by way of commission or otherwise).
- (d) Then in payment to the Secured Party, a Receiver or an Attorney of any amount necessary to give effect to any indemnity contained in this Deed.
- (e) Then in payment to the Secured Party of the Secured Money.

11.2 Any surplus will belong to the Grantor or other persons entitled to it. The Secured Party, Receiver or Attorney may pay the surplus to the credit of a bank account in the name of the Grantor or other person entitled to it and will then be under no further liability in relation to it. The surplus will not accrue interest.

12. Third party dealings

12.1 **Secured Party's receipts and discharges.** The Secured Party may give discharges and receipts for any money payable by any third party in respect of any exercise of a right by the Secured Party, a Receiver or an Attorney.

12.2 No duty to enquire.

- (a) Any person dealing with the Secured Party, a Receiver or an Attorney in relation to the exercise by any of them of a right under this Deed need not be concerned to enquire whether:
- (i) the right is exercisable or properly exercised;
 - (ii) the Receiver or Attorney is properly appointed;
 - (iii) any money paid by it to the Secured Party, a Receiver or an Attorney is properly applied; and
 - (iv) the title of that person to any property acquired by it from the Secured Party, Receiver or Attorney will not be adversely affected by the right not being exercisable or any improper appointment, exercise of the right or application of money by the Secured Party, a Receiver or an Attorney of which it does not have actual notice.
- (b) The Grantor agrees that if the Secured Party, a Receiver or an Attorney sells or otherwise disposes of the Collateral the Grantor will not challenge the acquirer's right to acquire the Collateral (including on the ground that the Secured Party, the Receiver or the Attorney was not entitled to dispose of the Collateral or that the Grantor did not receive notice of the intended disposal) and the Grantor will not seek to reclaim that property.
- (c) The benefit of Clause 12.2(a) is held on trust for the benefit of the Secured Party, each Receiver, each Attorney and each person dealing with any of them.

13. Protection of Secured Party**13.1 Protection of Secured Party, Receiver and Attorney.**

- (a) The Secured Party is not obliged to, but may:
- (i) notify any debtor or member of the Grantor or any other person of this Deed; or
 - (ii) enforce payment of any money payable to the Grantor or take any step or proceeding for any similar purpose.
- (b) None of the Secured Party, any of its Authorised Representatives, Receiver nor Attorney is liable for any omission or delay in exercising any power, right, discretion or remedy under this Deed or for any involuntary loss or irregularity that may occur in relation to the exercise or non exercise of any of them except to the extent of its own fraud, negligence or wilful misconduct.

13.2 **Conflict of interests.** The Secured Party, an Authorised Representative of the Secured Party or other person appointed by the Secured Party under this Deed, an administrator of the Grantor appointed by the Secured Party, a Receiver or an Attorney may exercise or agree to exercise a power given by this Deed or by law even though that person may have a conflict of interests in exercising the power.

13.3 Liability for loss.

- (a) No Secured Party, Receiver or Attorney will be liable:
 - (i) in respect of any conduct, delay, negligence or breach of duty in the exercise or attempted exercise of, or failure to exercise, any of its Rights contained in this Deed;
 - (ii) in respect of any release or dealing with any other guarantee or Encumbrance (including any prejudice to or loss of the Grantor's Rights of subrogation), nor
 - (iii) for any loss (including consequential loss) which results.
- (b) If the Secured Party, a Receiver or an Attorney enters into possession of all or any part of the Collateral, none of the Secured Party, any of its Authorised Representatives, Receiver or Attorney is liable:
 - (i) to account as mortgagee in possession or for anything except actual receipts; or
 - (ii) for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

14. Preservation of Secured Party's Rights**14.1 Reinstatement of Rights of Secured Party.**

- (a) If any transaction or payment relating to the Secured Money is void, voidable or otherwise unenforceable or refundable:
 - (i) the Secured Party is entitled against the Grantor to all Rights under this Deed that it would have had if the transaction or payment was not void, voidable or unenforceable or refundable; and
 - (ii) the Grantor must do all things and sign such documents necessary or convenient to restore to the Secured Party the Security Interest created by this Deed and its Rights under this Deed immediately before that transaction or payment.
- (b) The Grantor's Secured Obligations under Clause 14.1(a) are continuing Secured Obligations, independent of the Grantor's other Secured Obligations under this Deed and continue after this Deed ends.

14.2 Suspension of Grantor's rights. The Grantor must not exercise a right of set-off or counterclaim which reduces or extinguishes the Secured Obligation of the Grantor to pay the Secured Money.

14.3 No merger. This Deed is in addition to and is not in any way prejudiced by any judgment, order or other thing and the Secured Party's Rights under this Deed will not be merged with any judgment, order or other thing.

15. Indemnities

15.1 Indemnity for exercise of Rights or proceeding. To the extent permitted by law, the Grantor must indemnify the Secured Party, each Authorised Representative of the Secured Party and each Receiver, Attorney, agent, administrator of the Grantor or any other person appointed under this Deed, the PPSA or the Corporations Act by or on behalf of the Secured Party as a secured party under this Deed against, and must pay each of them on demand the amount of all losses, liabilities, expenses and taxes they each incur (except to the extent of their own fraud, negligence or wilful misconduct):

- (a) (directly or indirectly) in the exercise or attempted exercise of any of the powers, Rights, discretions or remedies (express or implied) vested in them under this Deed, the PPSA or the Corporations Act; and
- (b) in connection with all proceedings, expenses, claims and demands in relation to anything done or omitted in any way relating to the Collateral;

including legal expenses on a full indemnity basis and expenses incurred in engaging consultants.

15.2 Recovery from Collateral. A person who is entitled to be indemnified for a loss, liability, expense or tax under Clause 15.1 may recover the amount to be indemnified direct from the Collateral.

16. General provisions

16.1 Governing law and jurisdiction.

- (a) The law of New South Wales governs this Deed.
- (b) The parties submit to the non-exclusive jurisdiction of the courts of New South Wales, and Australia.

16.2 Variation. The parties can vary this Deed only if the variation is in writing and signed by each party.

16.3 Assignment, novation or transfer. A party must obtain the prior written consent of the other party before it transfers, assigns or novates a right or obligation under this Deed.

16.4 Rights are cumulative. A party's rights under this Deed are in addition to its rights at law.

16.5 Severance. If any provision of this Deed is invalid, illegal or unenforceable, that provision shall be severed from this Deed and ignored in the interpretation of this Deed to the minimum extent necessary and to the intent that the remaining provisions of this Deed remain in full force and effect. The severance of that provisions shall not in any manner affect or render illegal, invalid or unenforceable any other provision of this Agreement.

16.6 Waiver

- (a) A party's failure, partial failure or delay in exercising a right relating to this Deed, is not a waiver of that right.
- (b) A single or partial exercise or waiver by the Secured Party of a right relating to this Deed does not prevent any other exercise of that right or the exercise of any other right.

16.7 Survival

- (a) The representations and warranties contained in this agreement survive termination of this agreement.
- (b) To the extent that a party has not satisfied an obligation or it is a continuing obligation, that obligation survives termination of this agreement.

16.8 Further assurance. Each party at its own expense must do everything necessary to give full effect to this Deed.

16.9 Counterparts

- (a) The parties may execute this Deed in any number of counterparts, which taken together constitute one instrument.
- (b) The parties may exchange counterparts by scanning the entire duly executed counterpart and emailing it to the other party.

16.10 No merger. A party's rights and obligations do not merge on the execution or completion of this Deed or the completion of a transaction under this Deed.

16.11 Time is of the essence. Time is of the essence in this Deed and no extension or variation of time granted by any party operates as a waiver of this Clause.

[signature pages to follow]

Executed as a deed.

Executed as a deed by **APTORUM**)
THERAPEUTICS LIMITED in accordance with)
section 127 of the Corporations Act 2001 (Cth):)
)

Director

Director

Date
17 November 2021

Date
17 November 2021

Executed as a deed by **TALEM MEDICAL GROUP**)
LIMITED in accordance with section 127 of the)
Corporations Act 2001 (Cth):)
)

Director

Director

Date
17 November 2021

Date
17 November 2021

Schedule 1 – Collateral

The entire issued share capital in Talem Medical Group (Australia) Pty Limited (ACN 636 527 378).
