

NOTICE OF ANNUAL GENERAL MEETING OF MAINZ BIOMED N.V.

Notice is given that the annual general meeting of Mainz Biomed N.V., a public company under Dutch law, registered with the Dutch trade register under number 82122571 (the "**Company**"), will be held at the offices of CMS Netherlands, Atrium, Parnassusweg 737, 1077 DG Amsterdam, the Netherlands, on 28 June 2022 at 15.00 hours CET (the "**AGM**").

Agenda

The agenda for the AGM and related documents and further information regarding the AGM can be found on the Company's website at <https://www.mainzbiomed.com/investors>. They are also available for inspection and can be obtained free of charge at the offices of the Company.

COVID-19 pandemic

Taking into account the current status of the pandemic the recent abolishment of related restrictive measures in the Netherlands, the Company decided to hold the AGM in physical form in the Netherlands with the following organisational measures:

- The Company encourages shareholders and other persons with meeting rights, including proxy holders, not to attend the AGM but to exercise their voting rights by written or electronic proxy in accordance with the procedure described below.
- Shareholders and other persons with meeting rights, including proxy holders, who wish to attend the meeting in person must in addition to the below registration process, provide a valid e-mail address and telephone number to the Company by e-mail to ir@mainzbiomed.com. These contact details will be used to inform the registered attendees of any last-minute changes or requirements.
- Persons showing symptoms of COVID-19 are strongly advised to stay home and will not be admitted in the meeting.
- On behalf of the Company, only the Chairperson of the Board will physically attend.
- The Company keeps continuous track of the developments with respect to the COVID-19 pandemic, including information and guidance published by healthcare authorities. If, in the opinion of the Company or by governmental directive, a health or safety issue would arise in relation to the meeting, last-minute changes to logistics or venue including additional requirements or limitations in relation to the attendance in person, may be taken. The Company will inform persons with meeting rights of any such changes. You are advised to regularly check the Company's website for any updated information on the AGM.

Record date

The Record Date for the AGM is 31 May 2022, which is the 28th day prior to the date of the AGM. Each share outstanding on the Record Date entitles the holder to one vote on each voting item at the AGM.

Shareholders of Record and Beneficial Owners

Shareholders of Record are those who are shareholders of the Company, or otherwise have voting rights or meeting rights in respect of shares in the Company's share capital, at the Record Date and who are recorded as such in the Company's register of shareholders.

Beneficial Owners are those who beneficially own shares in the Company's share capital through a bank, broker or other nominee on the Record Date.

Attendance

A Shareholder of Record who wishes to attend the AGM, in person or by a proxy, must notify the Company of its intention to do so by e mail at ir@mainzbiomed.com no later than 18.00 hours CET on 22 June 2022. The notice must contain the name and the number of shares the Shareholder of Record will represent at the AGM. In addition, a Shareholder of Record who wishes to attend the AGM by a proxy must enclose its signed proxy. A proxy can be downloaded from the Company's website at <https://www.mainzbiomed.com/investors>.

A Beneficial Owner who wishes to attend the AGM in person must notify the Company of its intention to do so by e-mail at ir@mainzbiomed.com no later than 18.00 hours CET on 22 June 2022. The notice must contain the name and the number of shares the Beneficial Owner will represent at the AGM. In addition, the Beneficial Owner must enclose:

- (a) proof of its beneficial ownership of the relevant shares, for instance a recent account statement;
- (b) a signed proxy from the bank, broker or other nominee registered in the Company's register of shareholders as the holder of the relevant shares on the Record Date confirming that the Beneficial Owner is authorised to attend the AGM. Beneficial Owners should contact their bank, broker or other nominee to obtain this proxy from them; and
- (c) if the Beneficial Owner wishes to attend the AGM by a proxy, a signed proxy. A proxy can be downloaded from the Company's website at <https://www.mainzbiomed.com/investors>.

Any notice of attendance, proof of beneficial ownership or signed proxy received after 18.00 hours CET on 22 June 2022 will be disregarded. Shareholders of Record, Beneficial Owners and proxyholders who have not complied with the procedures described above may be refused entry to the AGM.

All attendees must be prepared to show a valid proof of identity for admittance.

How to vote

Shareholders of Record may vote in person or by proxy at the AGM in accordance with the procedures described above.

Beneficial Owners may vote in person or by proxy at the AGM in accordance with the procedures described above or have their shares voted by following the procedures specified on their broker's voting instruction form. Shortly before the AGM, the brokers will tabulate the votes they have received and submit one or more proxy cards to the Company reflecting the aggregate votes of the Beneficial Owners.

Contact details

For further information please contact the Company's Investor Relations Department by e-mail at ir@mainzbiomed.com.

AGENDA OF THE ANNUAL GENERAL MEETING OF MAINZ BIOMED N.V.

Agenda of the annual general meeting of Mainz Biomed N.V., a public company under Dutch law, registered with the Dutch trade register under number 82122571 (the "**Company**"), to be held at the offices of CMS, Atrium, Parnassusweg 737, 1077 DG Amsterdam, the Netherlands, on 28 June 2022 at 15.00 hours CET (the "**AGM**").

- | | | |
|-----|---|------------------------|
| 1. | Opening | |
| 2. | Consideration of the the management report regarding the financial year ended 31 December 2021 | Discussion item |
| 3. | Adoption of the annual accounts for the financial year ended 31 December 2021 | Voting item |
| 4. | Discharge of the directors for their management and supervision during the financial year ended 31 December 2021 | Voting item |
| 5. | Approval of the 2022 Omnibus Incentive Plan | Voting item |
| 6. | Amendment of the Remuneration Policy | Voting item |
| 7. | Extension of the authorisation of the Board to acquire ordinary shares or depositary receipts thereof | Voting item |
| 8. | Extension of the authorisation of the Board to acquire preferred shares or depositary receipts thereof | Voting item |
| 9. | Assignment of Kreston Lentink Audit B.V. as the Dutch auditor for the financial year 2022 and to authorise the Board to assign a US auditor at its discretion in accordance with applicable law and stock exchange rules to audit the Company's annual accounts for the financial year 2022 for the purpose of SEC filings or otherwise | Voting item |
| 10. | Other matters for discussion | |
| 11. | Close | |

EXPLANATORY NOTES TO THE AGENDA OF THE ANNUAL GENERAL MEETING OF MAINZ BIOMED N.V.

1. Opening

2. Consideration of the management report regarding the financial year ended 31 December 2020

Consideration of the statutory management report for the financial year ended 31 December 2021 as prepared in accordance with Dutch law. The statutory management report is available on the Company's website at <https://www.mainzbiomed.com/investors> and is available for inspection at the offices of the Company.

3. Adoption of the annual accounts for the financial year ended 31 December 2021

It is proposed that the statutory annual accounts for the financial year ended 31 December 2021 as prepared in accordance with Dutch law be adopted. The adoption of the statutory annual accounts includes the allocation of the losses made in the financial year ended 31 December 2021. Lentink issued a compilation statement on the statutory annual accounts for the financial year ended 31 December 2021 as prepared in accordance with Dutch law. The statutory annual accounts are available on the Company's website at <https://www.mainzbiomed.com/investors> and are available for inspection at the offices of the Company.

4. Discharge of the directors for their management and supervision during the financial year ended 31 December 2021

It is proposed that each director in office during the financial year ended 31 December 2021 be granted a discharge from liability for the exercise of his management and supervision duties during the financial year ended 31 December 2021 to the extent appearing from the statutory annual accounts or the statutory management report for the financial year ended 31 December 2021 or other public disclosures.

5. Approval of the 2022 Omnibus Incentive Plan

It is proposed to approve the resolution of the Board of Directors to adopt the 2022 Omnibus Incentive Plan and to grant to such persons such rights to subscribe for or otherwise acquire from the Company up to 500,000 ordinary shares in the share capital of the Company with a nominal value of EUR 0.01 each as shall be in accordance with the 2022 Omnibus Incentive Plan, all on the terms set out in and otherwise in accordance with the 2022 Omnibus Incentive Plan. Each executive director or non-executive director may be granted up to 25,000 stock options under the 2022 Omnibus Incentive Plan or amended or future plan each year or other awards under the 2022 Omnibus Incentive Plan or amended or future plan, all based on performance and market fairness on the terms set out in and otherwise in accordance with the 2022 Omnibus Incentive Plan or amended or future plan and the Company's Remuneration Policy.

6. Amendment of the Remuneration Policy

The Company has established a Remuneration Policy, which was adopted by the General Meeting. It is proposed to amend the Remuneration Policy in such manner that:

- (a) references to the 2021 Omnibus Incentive Plan in clause 5.1 of the Remuneration Policy shall be replaced by references to the 2022 Omnibus Incentive Plan; and
- (b) references to the 2021 Omnibus Incentive Plan in clauses 5.2, 6.3.2 and 7.1.2 shall be replaced by references to the 2022 Omnibus Incentive Plan or any amended or future plan.

7. Extension of the authorisation of the Board to acquire ordinary shares or depositary receipts thereof

On 9 November 2021, the general meeting of the Company authorised the Board to acquire ordinary shares in the share capital of the Company or depositary receipts thereof for consideration for a period of eighteen months, commencing on 9 November 2021, therefore ending on 9 May 2023.

It is proposed that the authorisation of the Board to acquire ordinary shares in the share capital of the Company or depositary receipts thereof for consideration be extended for a period of eighteen months, commencing on 28 June 2022.

The maximum number of ordinary shares permitted pursuant to applicable law and the articles of association from time to time may be acquired and ordinary shares may be acquired through repurchases negotiated in the open market or privately, in self-tender offers, or through accelerated repurchase arrangements, at prices ranging from the nominal value of the ordinary shares up to 110% of the market price of ordinary shares, provided that:

- (c) for open market or privately negotiated repurchases, the market price shall be the price for ordinary shares on the Nasdaq Stock Market at the time of the transaction;
- (d) for self-tender offers, the market price shall be the volume weighted average price for the ordinary shares on the Nasdaq Stock Market during a period, determined by the Board, of no less than one and no more than five consecutive trading days immediately prior to the expiration of the tender offer; and
- (e) for accelerated repurchase arrangements, the market price shall be the volume weighted average price of the ordinary shares on the Nasdaq Stock Market over the term of the arrangement;

the volume weighted average price for any number of trading days shall be calculated as the arithmetic average of the daily volume weighted average price on those trading days.

8. Extension of the authorisation of the Board to acquire preferred shares or depositary receipts thereof

On 9 November 2021, the general meeting of the Company authorised the Board to acquire financing preferred shares in the share capital of the Company or depositary receipts thereof for consideration for a period of eighteen months, commencing on 9 November 2021, therefore ending on 9 May 2023.

It is proposed that the authorisation of the Board to acquire financing preferred shares in the share capital of the Company or depositary receipts thereof for consideration for a period of eighteen months, commencing on 28 June 2022.

The maximum number of financing preferred shares permitted pursuant to applicable law and the articles of association from time to time may be acquired and financing preferred shares may be acquired through repurchases negotiated in the open market or privately, in self-tender offers, or through accelerated repurchase arrangements, at prices ranging from the nominal value of the financing preferred shares up to the higher of:

- (a) the amount that would be paid by the Company upon cancellation of such financing preferred shares in accordance with the relevant provisions of the Articles of Association; and
- (b) 110% of the market price of the ordinary shares into which the financing preferred shares may be converted in accordance with the relevant provisions of the Articles of Association, whereby the market price will be determined in the manner as set out above under 7.

9. Assignment of auditors for the financial year 2022

BF Borgers CPA PC has audited the Company's statutory annual accounts for the financial year ended 31 December 2021. Kreston Lentink Audit B.V. issued a compilation statement on the statutory annual accounts for the financial year ended 31 December 2021 as prepared in accordance with Dutch law.

It is proposed: (i) that Kreston Lentink Audit B.V. be assigned as auditor to audit the Company's statutory annual accounts for the financial year 2022 as prepared in accordance with Dutch law or to issue a compilation statement on the statutory annual accounts for the financial year ended 31 December 2021 as prepared in accordance with Dutch law (as may be required), and (ii) to authorise the Board to assign a US auditor at its discretion in accordance with applicable law and stock exchange rules to audit the Company's annual accounts for the financial year 2022 for the purpose of SEC filings or otherwise

10. Other matters for discussion

11. Close

VOTING PROXY

THE UNDERSIGNED

Name :

Address :

Postal code and city :

Country :

Acting on behalf of:

Only to be completed if relevant.

Name :

Legal form :

Country of incorporation :

Address :

Postal code and city :

Country :

(the "**Principal**").

GRANTS POWER OF ATTORNEY TO

Please check the applicable box.

- ☐ Mr. H. Hekland, Chairman of the board of the Company.
- ☐ each civil law notary and candidate civil law notary working with CMS Derks Star Busmann N.V.
- ☐ _____

Possibility to include the name of an authorised person of your own choice.

for the performance in the Principal's name, in its capacity as shareholder of Mainz Biomed N.V., a public company under Dutch law, registered with the Dutch trade register under number 82122571 (the "**Company**"), of the following legal acts:

- (a) representing the Principal at the annual general meeting of the Company to be held at the offices of CMS, Atrium, Parnassusweg 737, 1077 DG Amsterdam, the Netherlands, on 28 June 2022 at 15.00 hours CET (the "**AGM**");
- (b) attending and addressing the AGM;
- (c) exercising at the AGM the voting rights attached to the shares in the share capital of Company held by the Principal on 30 May 2022, being the record date for the AGM, and voting in favour of all proposals included in the agenda for the AGM, unless indicated otherwise below:

3. Adoption of the annual accounts for the financial year ended 31 December 2021

Against: ☐ Number of shares:

Abstain: ☐ Number of shares:

For: □ Number of shares:

Against: ☐ Number of shares:

Abstain: ☐ Number of shares:

For: □ Number of shares:

Against: ☐ Number of shares:

Abstain: ☐ Number of shares:

For: □ Number of
shares:

Against: ☐ Number of shares:

Abstain: ☐ Number of shares:

No. Agenda item

7. Extension of the authorisation of the Board to acquire ordinary shares or depositary receipts thereof

For: ☐ Number of shares:

Against: ☐ Number of shares:

Abstain: ☐ Number of shares:

8. Extension of the authorisation of the Board to acquire preferred shares or depositary receipts thereof

For: ☐ Number of shares:

Against: ☐ Number of shares:

Abstain: ☐ Number of shares:

9. Assignment of Kreston Lentink Audit B.V. as Dutch auditor for the financial year 2022 and authorisation of the Board to assign a US auditor

For: ☐ Number of shares:

Against: ☐ Number of shares:

Abstain: ☐ Number of shares:

ON THE FOLLOWING TERMS

1. The Principal shall indemnify each Authorised Person against any claim made by any third party in connection with this power of attorney or as a result of any act or omission by an Authorised Person pursuant to or in connection with this power of attorney, unless the claim is the result of the intentional or deliberately reckless conduct of the Authorised Person. The indemnity shall also relate to any damages, losses, costs and expenses suffered, incurred or paid by the Authorised Person in connection with such claim.
2. This power of attorney shall be exclusively governed by and construed in accordance with Dutch law.

(Signature page follows)

(Signature page to power of attorney)

SIGNED BY

Name:

Date:

Please send a pdf of a completed and signed copy of this power of attorney by e-mail to ir@mainzbiomed.com no later than 18.00 hours CET on 22 June 2022.

ANNUAL REPORT 2021

**MAINZ BIOMED N.V.
GERMANY**

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REPORT OF THE AUDITORS

To the Shareholders and Board of Directors of
Mainz Biomed N.V.
Robert-Koch-Strasse 50
55129 Mainz

Huizen, May 19, 2022

Dear Board of Directors,

Enclosed you find the report regarding the financial statements for the year 2021 of your company.

1 SCOPE OF ENGAGEMENT

In accordance with your instructions we have compiled the annual accounts 2021 of your company, including the balance sheet with a total of \$ 12,113,585 and the profit and loss account with a negative result after tax of \$ 8,420,552.

2 ACCOUNTANT'S COMPILATION REPORT

The financial statements of Mainz Biomed N.V. at Germany have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at December 31, 2021, the profit and loss account for 2021 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Mainz Biomed N.V.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA, Dutch Code of Ethics). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

3 GENERAL

3.1 Board

The Board of Directors consist of G. Bächler, M.R. Eidens, A. Libanori, H.J. Hekland and O.N. Holden. The authorized representatives are P.C.P. Freese and W. Caragol.

3.2 Incorporation of a company

The company Mainz Biomed B.V. was incorporated on March 08, 2021 as a private company with limited liability. On November 9, 2021, the company Mainz Biomed B.V. was converted into a Dutch public company with limited liability; Mainz Biomed N.V.

4 FISCAL POSITION

4.1 Taxable amount 2021

The taxable amount for 2021 has been calculated as follows:

	2021	
	\$	\$
Result before taxes		-8,809,966
<i>Differences in valuation:</i>		
Stock based compensation		6,458,458
Taxable amount 2021		-2,351,508

4.2 Tax losses available for set-off

As per December 31, 2021 the compensable losses amount to \$ 2,351,508.

These losses can be compensated within a term of nine years with future fiscal profits.

For these off settable losses a deferred tax claim has been included which has been valued at the nominal expected effective tax rate of 21,5%.

We are confident that we have informed you sufficiently and remain prepared to provide you with further information should you so desire.

Yours sincerely,

Kreston Lentink Audit B.V.
J.I. Cid RA

FINANCIAL STATEMENTS

1 BALANCE SHEET AS AT DECEMBER 31, 2021
(after appropriation of the result)

	12/31/2021	
	\$	\$
ASSETS		
FIXED ASSETS		
Intangible fixed assets	(1)	
Incorporation and share issue costs		1,304,559
Financial fixed assets	(2)	
Participating interests in group companies		2
Other receivables		505,500
		<u>505,502</u>
CURRENT ASSETS		
Receivables, prepayments and accrued income	(3)	
Due from group companies		9,444,016
Taxes and social security contributions		94,085
Other receivables, prepayments and accrued income		<u>743,750</u>
		10,281,851
Cash and cash equivalents	(4)	21,673
		<u>12,113,585</u>

12/31/2021

\$

\$

SHAREHOLDERS' EQUITY AND LIABILITIES

SHAREHOLDERS' EQUITY

(5)

Issued capital

141,075

Share premium reserve

12,980,326

Legal and statutory reserves

8,460,703

Other reserves

-9,725,111

11,856,993

CURRENT LIABILITIES

(6)

Accounts payable

256,592

12,113,585

2 PROFIT AND LOSS ACCOUNT 2021

	2021	
	\$	\$
Operating expenses		
Amortization and depreciation	(7) 68,661	
Other operating expenses	(8) 8,724,453	
		8,793,114
Operating result		-8,793,114
Financial income and expenses	(9)	-16,852
Result of ordinary activities before taxation		-8,809,966
Taxation on result of ordinary activities		505,500
		-8,304,466
Result participating interests		-116,086
Result after taxation		-8,420,552

3 ACCOUNTING PRINCIPLES OF VALUATION AND DETERMINATION OF THE RESULT OF THE ANNUAL ACCOUNTS

GENERAL

Activities

The activities of Mainz Biomed N.V., with registered offices in Germany, mainly consist of developing and sell in-vitro diagnostic (“IVD”) tests, primarily flagship ColoAlert product in European markets and research use only tests for clinical diagnostics in the area of human genetics, focusing in the areas of personalized medicine. The registration number of the Chamber of Commerce is 82122571.

Group structure

In accordance with article 2:407 part 2A of the Netherlands Civil Code no consolidated annual account have been prepared.

GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE ANNUAL ACCOUNTS

The annual accounts have been prepared in accordance with Title 9 Book 2 of the Dutch Civil Code. Valuation of assets and liabilities and determination of the result take place at nominal value unless stated otherwise.

Income and expenses are allocated to the year to which they relate. Profits are only included insofar as they have been realized on the balance sheet date. Liabilities and possible losses that originate before the end of the reporting year are taken into account if they have become known before the preparation of the annual accounts.

Foreign currency

Functional currency

The functional currency is determined using the currency of the primary economic environment in which that entity operates. The functional currency of Mainz Biomed N.V. is the European dollar (EUR).

The presentation currency of Mainz Biomed N.V. is the US dollar. For presentation purposes, all amounts are translated from the Euro functional currency to the US dollar presentation currency for each period using the exchange rate at the end of each reporting period for the statement of financial position. Revenues and expenses are translated on the basis of average exchange rates during the year.

Exchange gains and losses arising from translation to the presentation currency are recorded as exchange differences on translation to reporting currency, which is included in other comprehensive income.

Financial instruments

Financial instruments include both primary financial instruments, such as receivables and payables, and financial derivatives. For the principles of primary financial instruments, reference is made to the recognition per balance sheet item.

ACCOUNTING PRINCIPLES APPLIED TO THE VALUATION OF ASSETS AND LIABILITIES

Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortisation and, if applicable, less impairments in value. Amortisation is charged as a fixed percentage of cost, as specified in more detail in the notes to the balance sheet. The useful life and the amortisation method are reassessed at the end of each financial year.

Financial fixed assets

Participations

Participating interests where significant influence is exercised over the business and financial policy are valued according to the equity method on the basis of the net asset value. Participating interests without such influence, are valued at cost, taking into account a provision for value decreases. The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of an associate based on the net asset value is negative, it will be stated at nil. If and insofar as Mainz Biomed N.V. can be held fully or partially liable for the debts of the associate, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Deferred tax asset

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred income taxes are recognised at nominal value.

Shareholders' equity

Share based compensation

Our stock option grants may contain time based or market-based vesting provisions. Time based options are expensed on a straight-line basis over the vesting period. Market based options ("MBOs") are expensed on a straight-line basis over the derived service period, even if the market condition is not achieved.

The fair value of the stock options is determined on the grant date and is affected by our stock price and other assumptions regarding a number of complex and subjective variables. These variables include our expected stock price volatility over the term of the awards, risk free interest rates, expected dividends, and the expected option exercise term. The Company estimates the fair value of time-based stock options using the Black-Scholes-Merton pricing model. The simplified method is used to estimate the expected term of stock options due to a lack of related historical data regarding exercise, cancellation, and forfeiture. For MBOs, the fair value is estimated using Monte Carlo simulation techniques.

Where an equity-settled award is cancelled, it is treated as if it vested on the date of the cancellation and any expense not yet recognized for the award (being the total expense as calculated at the grant date) is recognized immediately. This includes any awards where vesting conditions within the control of either the Company or the employee are not met. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled award and new awards are treated as if they were a modification of the original awards.

ACCOUNTING PRINCIPLES FOR THE DETERMINATION OF THE RESULT

General

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

Expenses general

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

Financial income and expenses

Interest income and interest expenses

Financial income and expenses comprise interest income and expenses, as well as exchange rate differences and other related income and expenses.

Taxes

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years (to the extent that they have not already been included in the deferred tax assets) and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Result participating interests

Where significant influence is exercised over participations, the group's share in the participations' results is included in the profit and loss account. This result is determined on the basis of the accounting principles applied by Mainz Biomed N.V.

4 NOTES TO THE BALANCE SHEET AS AT DECEMBER 31, 2021

ASSETS

FIXED ASSETS

1. Intangible fixed assets

	Incorporation and share issue costs
	\$
<i>Carrying amount as of January 1, 2021</i>	
Purchase price	-
Cumulative amortisation and impairment	-
	-
<i>Movement</i>	
Investments	1,373,220
Amortisation	-68,661
	1,304,559
<i>Carrying amount as of December 31, 2021</i>	
Purchase price	1,373,220
Cumulative amortisation and impairment	-68,661
	1,304,559
<i>Amortisation rates</i>	%
Incorporation and share issue costs	20

2. Financial fixed assets

	12/31/2021
	\$
Participating interests in group companies	
Mainz Biomed Germany GmbH at Mainz, Germany (100%)	1
Mainz Biomed USA, Inc. at Mainz (100%)	1
	<u>2</u>
	<u>2</u>
	2021
	\$
<i>Mainz Biomed Germany GmbH</i>	
Carrying amount as of January 1	-
Investments	116,087
Share in result	-116,086
Carrying amount as of December 31	<u>1</u>
	<u>1</u>
<i>Mainz Biomed USA, Inc.</i>	
Carrying amount as of January 1	-
Investments	1
Carrying amount as of December 31	<u>1</u>
	<u>1</u>
	12/31/2021
	\$
Other receivables	
Deferred tax asset	<u>505,500</u>
	<u>505,500</u>

CURRENT ASSETS

3. Receivables, prepayments and accrued income

Due from group companies

Mainz Biomed Germany GmbH	703,436
Mainz Biomed USA, Inc.	8,740,580
	<u>9,444,016</u>
	<u>9,444,016</u>

No interest was calculated.

	12/31/2021
	\$
Taxes and social security contributions	
Value added tax	94,085
Other receivables, prepayments and accrued income	
Prepaid expenses	743,750
4. Cash and cash equivalents	
Pax-Bank Dollar	10,346
Pax-Bank Euro	11,327
	21,673

EQUITY AND LIABILITIES

5. Shareholders' equity

	12/31/2021
	\$
Issued capital	
Subscribed and paid up 12,010,000 ordinary shares at par value \$ 0,01	141,075

The Company has 45 million ordinary shares authorized. Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. The par value of share capital is EUR0.01 per share.

During the year ended December 31, 2021, the Company issued ordinary shares as follows:

- 1 share was issued to the founder for no value.
- Pursuant to the Contribution Agreement, the Company issued 6,000,000 of its common shares to the former shareholders of PG in exchange for all of the issued and outstanding shares of PG.
- Pursuant to the recruitment of our CEO in 2021, the Company issued 200,000 restricted stock awards, valued at \$0.28 per share and they were non-paid.
- During 2021 the Company sold 3,510,000 shares for \$2.2 million gross proceeds.
- At the time of the Company's initial public offering in November 2021, the Company sold 2,300,000 shares for \$5.00 per share for proceeds of \$10,425,160, net of fees and expenses.

	2021
	\$
Share premium reserve	
Carrying amount as of January 1	-
Allocation	12,980,326
Carrying amount as of December 31	12,980,326

	12/31/2021
	\$
Legal and statutory reserves	
Reserve for incorporation and share issue costs	1,304,559
Reserve applicable to warrants	754,286
Reserve applicable to stock options	6,430,158
Stock based compensation	-28,300
	<u>8,460,703</u>

Warrants

During the year ended December 31, 2021, in conjunction with private sales of ordinary shares, the Company issued 3,745,000 warrants and 140,000 underwriter warrants valued at \$754,286, which was recorded to Reserve in equity. The warrants were valued using the Black-Scholes pricing model. The Black-Scholes model requires six basic data inputs: the exercise or strike price, time to expiration, the risk free interest rate, the current stock price, the estimated volatility of the stock price in the future, and the dividend rate. Changes to these inputs could produce a significantly higher or lower fair value measurement.

Stock options

We adopted our 2021 Omnibus Incentive Plan (the "Plan"). Under the Plan, we are authorized to issue equity incentives in the form of incentive stock options, non-statutory stock options, restricted shares, restricted share units, share appreciation rights, performance units or performance shares under separate award agreements. Under the Plan, the aggregate number of shares underlying awards that we could issue cannot exceed 2,300,000 ordinary shares.

During the year ended December 31, 2021, the Company granted 1,504,650 stock options valued at \$13,968,627. Stock options with time-based vesting were valued using the Black-scholes pricing model, while stock options with market-based vesting were valued using the Monte Carlo simulation. During the year ended December 31, 2021, the Company recorded share-based compensation of \$6,430,158 and the unamortized expense of \$7,538,469 as of December 31, 2021. Forfeitures are estimated at the time of grant and adjusted, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

6. Current liabilities

Accounts payable

Creditors	<u>256,592</u>
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5 NOTES TO THE PROFIT AND LOSS ACCOUNT 2021

Staff

During 2021, no employees were employed on a full-time basis.

7. Amortization and depreciation

	2021
	\$
<i>Amortization of intangible fixed assets</i>	
Incorporation and share issue costs	68,661

8. Other operating expenses

Accommodation expenses	25,564
Sales and marketing expenses	311,304
General expenses	1,120,278
Management expenses	808,849
Stock based compensation	6,458,458
	<u>8,724,453</u>

Accommodation expenses

Rent buildings	4,095
Taxes	21,469
	<u>25,564</u>

Sales and marketing expenses

Advertising and promotion	213,285
Marketing	98,019
	<u>311,304</u>

General expenses

Audit fees	99,902
Consultancy fees	405,495
Legal charges	525,137
Edgar and filing	17,884
Transfer agent	15,500
Filing fee	49,960
Other general expenses	6,400
	<u>1,120,278</u>

	2021
	\$
<i>Management expenses</i>	
Management fees	589,023
Board fees	10,500
Travel expenses	33,745
Insurance expenses	170,464
Other	5,117
	<u>808,849</u>
9. Financial income and expenses	
<i>Interest and similar expenses</i>	
Other	-2,773
Exchange differences	-14,079
	<u>-16,852</u>

6 OTHER NOTES

Subsequent events

Subsequent to year end 202,943 shares were issued from the exercise of warrants. Net proceeds received from these exercises was \$382,500.

On January 28, 2022, the Company conducted a follow-on public offering in which 1,725,000 ordinary shares were sold for gross proceeds of \$25,875,000.

Recognition of the loss for 2021

The board of directors proposes to deduct the negative 2021 result from the other reserves for an amount of \$ 8,420,552. The General Meeting will be asked to approve the appropriation of the 2021 result, this proposition is already recognised in the financial statements.

Signing of the annual accounts

Preparation annual accounts

The annual accounts are prepared by the management.

Germany, May 19, 2022

G. Bächler

M.R. Eidens

A. Libanori

H.J. Hekland

O.N. Holden

MAINZ BIOMED N.V.

2022 OMNIBUS INCENTIVE PLAN

SECTION 1. Establishment and Purpose.

(a) **Purpose.** The purpose of the Plan is to promote the interests of Mainz Biomed N.V., a corporation incorporated in the Netherlands (the “Corporation”), and its shareholders by providing eligible employees, directors and consultants with additional incentives to remain with the Corporation and its affiliated entities and subsidiaries, to increase their efforts to make the Corporation more successful, to reward such persons by providing an opportunity to acquire Ordinary Shares and to attract and retain the best available personnel to participate in the ongoing business operations of the Corporation. The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Restricted Shares, Restricted Share Units, Share Appreciation Rights, Performance Units and Performance Shares.

(b) **Adoption and Term.** The Plan has been adopted by the Board of Directors, and subject to the approval of the general meeting of the Corporation, is effective ____, 2022. The Plan will remain in effect until terminated or abandoned by action of the Board of Directors except as otherwise provided in Section 16.

SECTION 2. Definitions.

(a) **“Applicable Laws”** means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Ordinary Shares are listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

(b) **“Award”** means the grant of Incentive Stock Options, Nonstatutory Stock Options, Restricted Shares, Restricted Share Units, Share Appreciation Rights, Performance Units or Performance Shares made pursuant to the Plan.

(c) **“Award Agreement”** means an agreement entered into by the Corporation and the Participant setting forth the terms applicable to an Award granted to the Participant under the Plan.

(d) **“Board of Directors” or “Board”** means the board of directors of the Corporation, as constituted from time to time.

(e) **“Cause”** means (i) conviction of, or the entry of a plea of guilty or no contest to, a felony or any other crime that causes the Corporation public disgrace or disrepute, or adversely affects the Corporation’s operations, condition (financial or otherwise), prospects or interests, (ii) gross negligence or willful misconduct with respect to the Corporation, including, without limitation fraud, embezzlement, theft or dishonesty in the course of his or her employment; (iii) alcohol abuse or use of controlled drugs other than in accordance with a physician’s prescription; (iv) refusal, failure or inability to perform any material obligation or fulfill any duty (other than any duty or obligation of the type described in clause (6) below) to the Corporation (other than due to a disability), which failure, refusal or inability is not cured within 10 days after delivery of notice thereof; (v) material breach of any agreement with or duty owed to the Corporation; or (vi) any breach of any obligation or duty to the Corporation (whether arising by statute, common law, contract or otherwise) relating to confidentiality, noncompetition, nonsolicitation or proprietary rights. Notwithstanding the foregoing, if a Participant and the Corporation have entered into an employment agreement, consulting agreement or other similar agreement that specifically defines “Cause,” then with respect to such Participant, “Cause” shall have the meaning defined in that employment agreement, consulting agreement or other agreement.

(f) **“Change of Control”** means the occurrence of any of the following, in one transaction or a series of related transactions: (i) any person (as such term is used in Section 13(d) and 14(d) of the Exchange Act) becoming a “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Corporation representing more than 50% of the voting power of the Corporation’s then outstanding capital stock; (ii) a consolidation, share exchange, reorganization or merger of the Corporation resulting in the shareholders of the Corporation immediately prior to such event not owning at least a majority of the voting power of the resulting entity’s securities outstanding immediately following such event or, if the resulting entity is a direct or indirect subsidiary of the entity whose securities are issued in such transaction(s), the voting power of such issuing entity’s securities outstanding immediately following such event; (iii) the sale or other disposition of all or substantially all the assets of the Corporation (other than a transfer of financial assets made in the ordinary course of business for the purpose of securitization or any similar purpose); (iv) a change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any period of 24 consecutive months by Directors whose appointment or election is not endorsed by a vote of at least two-thirds of the members of the Board prior to the date of the appointment or election; (v) a liquidation or dissolution of the Corporation; or (vi) any similar event deemed by the Committee to constitute a Change in Control for purposes of the Plan. For the avoidance of doubt, a transaction or a series of related transactions will not constitute a Change in Control if such transaction(s) result(s) in the Corporation, any successor to the Corporation, or any successor to the Corporation’s business, being controlled, directly or indirectly, by the same person or persons who controlled the Corporation, directly or indirectly, immediately before such transaction(s).

(g) **“Code”** means the Internal Revenue Code of 1986, as amended.

(h) **“Committee”** means the Compensation Committee of the Board of Directors or such other committee or individuals satisfying Applicable Laws appointed by the Board in accordance with Section 3 hereof.

(i) **“Consultant”** means any person other than an Employee, engaged by the Corporation or Subsidiary to render services to such entity.

(j) **“Corporation”** means Mainz Biomed N.V., a corporation incorporated in the Netherlands and, where applicable, its Subsidiaries.

(k) **“Date of Grant”** means the date on which the Committee grants an Award pursuant to the Plan.

(l) **“Directors”** means a directors of the Corporation.

(m) **“Disability”** means total and permanent disability as defined in Section 22(e)(3) of the Code, provided that in the case of Awards other than Incentive Stock Options, the Committee in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Committee from time to time.

(n) **“Effective Date”** means _____, 2022.

(o) **“Employee”** means any individual who is a common-law employee of the Corporation or a Subsidiary.

(p) **“Exchange Act”** means the Securities Exchange Act of 1934, as amended.

(q) **“Exchange Program”** means a program established by the Committee under which outstanding Awards are amended to provide for a lower Exercise Price or surrendered or cancelled in exchange for (i) Awards with a lower exercise price, (ii) a different type of Award or awards under a different equity incentive plan, (iii) cash, or (iv) a combination of (i), (ii) and/or (iii). Notwithstanding the preceding, the term Exchange Program does not include any (i) action described in Section 13 or any action

taken in connection with a Change in Control transaction or (ii) transfer or other disposition permitted under Section 13.

(r) **“Exercise Price”** with respect to an Option, means the price per share at which an Optionee may exercise his Option to acquire all or a portion of the Ordinary Shares that are the subject of such Option, as determined by the Committee on the Date of Grant. Except with respect to Substitute Awards, in no event shall the Exercise Price of any Ordinary Shares made the subject of an Option, be less than (i) the higher of (a) the Fair Market Value on the Date of Grant and (b) the nominal value of an Ordinary Share or (ii) for 10% Shareholders, (a) the higher of 110% of the Fair Market Value on the Date of Grant and (b) the nominal value of an Ordinary Share.

(s) **“Fair Market Value”** means, as of any date, the value of Ordinary Shares determined as follows:

(i) If the Ordinary Shares are listed on any established stock exchange or a national market system, including without limitation the New York Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market of The Nasdaq Stock Market, its Fair Market Value will be the closing sale price for such Ordinary Shares (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable;

(ii) If the Ordinary Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, or if the Ordinary Shares are quoted on the Over-the-Counter (OTC) market, be that the OTCQB, OTCBB or Pink Sheets, the Fair Market Value of a Share will be the mean between the high bid and low asked prices for the Ordinary Shares on the day of determination, as reported in *The Wall Street Journal*, the OTC, or such other source as the Committee deems reliable;

(iii) For purposes of any Awards granted on the Registration Date, the Fair Market Value will be the initial price to the public as set forth in the final prospectus included within the registration statement in Form F-1 filed with the Securities and Exchange Commission for the initial public offering of the Corporation’s Ordinary Shares; or

(iv) In the absence of an established market for the Ordinary Shares, the Fair Market Value will be determined in good faith by the Board of Directors after taking into account such factors as the Board shall deem appropriate

(s) **“Incentive Stock Option” or “ISO”** means a stock option intended to satisfy the requirements of Section 422(b) of the Code.

(t) **“Nonstatutory Option”** means a stock option not intended to satisfy the requirements of Section 422(b) of the Code.

(u) **“Officer”** means a person who is an officer of the Corporation within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(v) **“Option”** means an ISO or Nonstatutory Option granted under the Plan and entitling the holder to purchase Ordinary Shares.

(w) **“Ordinary Shares”** means those ordinary shares, par value € 0.01 per share, of the Corporation as authorized by the Corporation’s Articles of Association, as amended.

(x) **“Option Shares”** means those Ordinary Shares made the subject of an Option granted pursuant to the Plan.

(y) **“Optionee”** means an individual who is granted an Option.

(z) **“Other Share-Based Award”** means an equity-based or equity-related Award, other than an Option, Performance Share, Performance Unit, SAR, Restricted Shares, or Restricted Share Unit, granted in accordance with the terms and conditions set forth under Section 11 (including upon the attainment of any performance goals or otherwise as permitted under the Plan).

(aa) **“Outside Director”** means a member of the Board of Directors who is not an Employee.

(bb) **“Participant”** means a person who has an outstanding Award under the Plan. The term Participant also refers to an Optionee.

(cc) **“Performance Goal”** means a performance goal established by the Committee pursuant to Section 10(c) of the Plan.

(dd) **“Performance Share”** means an Award denominated in Shares which may be earned in whole or in part upon attainment of Performance Goals or other vesting criteria as the Committee may determine pursuant to Section 10.

(ee) **“Performance Unit”** means an Award which may be earned in whole or in part upon attainment of Performance Goals or other vesting criteria as the Committee may determine and which may be settled for cash, Shares or other securities or a combination of the foregoing pursuant to Section 10.

(ff) **“Plan”** means this Mainz Biomed B.V. (to be renamed Mainz Biomed N.V.) 2022 Omnibus Incentive Plan.

(gg) **“Registration Date”** means the effective date of the first registration statement that is filed by the Corporation and declared effective pursuant to Section 12(g) of the Exchange Act, with respect to any class of the Corporation’s securities.

(hh) **“Restricted Shares”** means those Ordinary Shares made the subject of an Award granted under the Plan.

(ii) **“Restricted Share Unit”** means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 8. Each Restricted Share Unit represents an unfunded and unsecured obligation of the Corporation.

(jj) **“Rule 16b-3”** means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(kk) **“Section 16(b)”** means Section 16(b) of the Exchange Act.

(ll) **“Service”** means service as an Employee, Consultant or Outside Director.

(mm) **“Share”** means an Ordinary Shares, as adjusted in accordance with Section 13 of the Plan.

(nn) **“Share Appreciation Right” or “SAR”** means a right awarded to a Participant pursuant to Section 9 of the Plan, which shall entitle the Participant to receive cash, Ordinary Shares, other property or a combination thereof, as determined by the Committee, in an amount equal to or otherwise based on the excess of (a) the Fair Market Value of an Ordinary Share at the time of exercise over (b) the exercise price of the right, as established by the Committee on the date the award is granted.

(oo) **“Subsidiary”** means any corporation (other than the Corporation) in an unbroken chain of corporations beginning with the Corporation if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(pp) **“Substitute Award”** means an Award granted under the Plan in assumption of, or in substitution for, outstanding awards previously granted by an entity acquired by the Corporation or with which the Corporation combines.

SECTION 3. Administration.

(a) **Committee of the Board of Directors.** The Plan may be administered by the Compensation Committee of the Board of Directors or such other Committee or individuals as appointed by the Board to administer the Plan. Each Committee shall have such authority and be responsible for such functions as the Board of Directors has assigned to it. Members of the Committee shall serve for such period of time as the Board of Directors may determine and shall be subject to removal by the Board of Directors at any time. The Board of Directors may also at any time terminate the functions of the Committee and reassume all powers and authorities previously delegated to the Committee. If no Committee has been appointed, the entire Board of Directors shall administer the Plan.

To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder will be structured to satisfy the requirements for exemption under Rule 16b-3.

(b) **Authority.** Subject to the terms and conditions of the Plan, the Committee shall have the sole discretionary authority:

- (i) to authorize the granting of Awards under the Plan;
- (ii) to select the Employees, Consultants or Outside Directors who are to be granted Awards under the Plan and to determine the conditions subject to such Awards;
- (iii) to construe and interpret the Plan;
- (iv) to determine Fair Market Value;
- (v) to establish and modify administrative rules for the Plan;
- (vi) to impose such conditions and restrictions with respect to the Awards, not inconsistent with the terms of the Plan, as it determines appropriate;
- (vii) to execute or cause to be executed Award Agreements; and
- (viii) generally, to exercise such power and perform such other acts in connection with the Plan and the Awards, and to make all determinations under the Plan as it may deem necessary or advisable or as required, provided or contemplated hereunder.

Any person delegated or designated by the Committee shall be subject to the same obligations and requirements imposed on the Committee and its members under the Plan.

(c) **Exchange Program.** Notwithstanding anything in this Section 3, the Committee shall not implement an Exchange Program without the approval of the majority of the members of the Committee.

(d) **Delegation by the Committee.** The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or any part of its authority and powers under the Plan to one or more Directors or officers of the Corporation; provided, however, that the Committee may not delegate its authority and powers (a) with respect to Section 3(c), (b) an Officer or (c) in any way which would jeopardize the Plan’s qualification under Code Section 162(m), if applicable, or Rule 16b-3.

(e) **Indemnification.** To the maximum extent permitted by law, the Corporation shall indemnify each member of the Committee, the Board, and any Employee with duties under the Plan, against all liabilities and expenses (including any amount paid in settlement or in satisfaction of a judgment)

reasonably incurred by the individual in connection with any claims against the individual by reason of the performance of the individual's duties under the Plan. This indemnity shall not apply, however, if: (i) it is determined in the action, lawsuit, or proceeding that the individual is guilty of gross negligence or intentional misconduct in the performance of those duties; or (ii) the individual fails to assist the Corporation in defending against any such claim. The Corporation shall have the right to select counsel and to control the prosecution or defense of the suit. The Corporation shall not be obligated to indemnify any individual for any amount incurred through any settlement or compromise of any action unless the Corporation consents in writing to the settlement or compromise.

SECTION 4. Eligibility and Award Limitations.

(a) **Award Eligibility.** Employees, Consultants and Outside Directors shall be eligible for the grant of Awards under the Plan. Only Employees shall be eligible for the grant of Incentive Stock Options.

(b) **Award Limitations.** The Corporation may apply limits on the grant of Awards during any fiscal year or any particular type or amount of Award.

SECTION 5. Shares Subject To The Plan.

(a) **Shares Subject to the Plan.** Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is 500,000 Shares (the "Initial Share Reserve"). The Shares may be authorized, but unissued, or reacquired Ordinary Shares. Notwithstanding the foregoing and, subject to adjustment as provided in Section 13, the maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal the aggregate Share number stated in this Section 5(a), plus, to the extent allowable under Section 422 of the Code and the Treasury Regulations promulgated thereunder, any Shares that become available for issuance under the Plan pursuant to Section 5(b).

(b) **Lapsed Awards.** To the extent an Award expires, is surrendered pursuant to an Exchange Program or becomes unexercisable without having been exercised or, with respect to Restricted Shares, Restricted Share Units, Performance Units or Performance Shares, is forfeited to or repurchased by the Corporation due to failure to vest, the unpurchased Shares (or for Awards other than Options or Share Appreciation Rights the forfeited or repurchased Shares), which were subject thereto will become available for future grant or sale under the Plan (unless the Plan has terminated). Notwithstanding the foregoing (and except with respect to Restricted Shares that are forfeited rather than vested), Shares that have actually been issued under the Plan under any Award will not be returned to the Plan and will not become available for future distribution under the Plan; provided, however, that if Shares issued pursuant to Awards of Restricted Shares, Restricted Share Units, Performance Shares or Performance Units are repurchased by the Corporation or are forfeited to the Corporation, such Shares will become available for future grant under the Plan. Shares used to pay the exercise price of an Award or to satisfy the tax withholding obligations related to an Award will become available for future grant under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan.

SECTION 6. Terms And Conditions Of Stock Options.

(a) **Power to Grant Options.** Subject to the maximum per person share limitation in Section 4, the Committee may grant to such Employees or persons as the Committee may select, Options entitling the Optionee to purchase Ordinary Shares from the Corporation in such quantity, and on such terms and subject to such conditions not inconsistent with the terms of the Plan, as may be established by the Committee at the time of grant or pursuant to applicable resolution of the Committee, and as set forth in the Participant's Option Award Agreement. Options granted under the Plan may be Nonstatutory Stock Options or Incentive Stock Options.

(b) **Optionee to Have No Rights as a Shareholder.** An Optionee, or a transferee of an Optionee, shall have no rights as a shareholder of the Corporation with respect to the Ordinary Shares made subject to an Option unless and until such Optionee exercises such Option and is issued the shares purchased thereby. No adjustments shall be made for distributions, dividends, allocations, or other rights with respect to any Ordinary Shares prior to the exercise of such Option.

(c) **Award Agreements.** The terms of any Option shall be set forth in an Award Agreement in such form as the Committee shall from time to time determine. Each Award Agreement shall comply with and be subject to the terms and conditions of the Plan and such other terms and conditions as the Committee may deem appropriate. In the event that any provision of an Option granted under the Plan shall conflict with any term in the Plan as constituted on the Date of Grant of such Option, the term in the Plan constituted on the Date of Grant of such Option shall control. No person shall have any rights under any Option granted under the Plan unless and until the Corporation and the Optionee have executed an Award Agreement setting forth the grant and the terms and conditions of the Option.

(d) **Vesting.** Unless a different vesting schedule is listed in an individual Award Agreement, the Shares subject to an Option granted under the Plan shall vest and become exercisable in accordance with the following schedule:

Completed Years of Employment/Service From Date of Grant	Cumulative Vesting Percentage
1	25%
2	50%
3	75%
4 Years or more	100%

(e) **Exercise Price and Procedures.**

(1) **Exercise Price.** The Exercise Price means the price per share at which an Optionee may exercise his Option to acquire all or a portion of the Ordinary Shares that are the subject of such Option. Notwithstanding the foregoing, except with respect to Substitute Awards, in no event shall the Exercise Price of any Ordinary Shares made the subject of an Option be less than the higher of (i) the Fair Market Value of such Ordinary Shares, determined as of the Date of Grant, and (ii) the nominal value of an Ordinary Share.

(2) **Exercise Procedures.** Each Option granted under the Plan shall be exercised by providing written notice to the Committee, together with payment of the Exercise Price, which notice and payment must be received by the Committee on or before the earlier of (i) the date such Option expires, and (ii) the last date on which such Option may be exercised as provided in paragraph (f) below.

(3) **Payment of Exercise Price.** The Exercise Price times the number of the shares to be purchased upon exercise of an Option granted under the Plan shall be paid in full at the time of exercise. The Committee will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Committee will determine the acceptable form of consideration at the time of grant. Such consideration for both types of Options may consist entirely of: (i) cash; (ii) check; (iii) promissory note, to the extent permitted by Applicable Laws, (iv) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided that accepting such Shares will not result in any adverse accounting consequences to the Corporation, as the Committee determines in its sole discretion; (v) consideration received by the Corporation under a broker-assisted (or other) cashless exercise program (whether through a broker or otherwise) implemented by the Corporation in connection with the Plan; (vi) by net exercise; (vii) such other consideration and method of payment for the issuance

of Shares to the extent permitted by Applicable Laws; or (viii) any combination of the foregoing methods of payment.

Unless the Committee determines otherwise at the time of a grant of an Option, all Options shall be exercisable by the Optionee on a “cashless” basis whereby such Optionee may, in lieu of paying the Exercise Price in cash, elect to pay the Exercise Price by surrendering a portion of the Options being exercised in exchange for Shares in accordance with the following formula:

$$X = (Y(A-B))/A$$

Where,

X = The number of Shares to be issued to Optionee;

Y = The number of Shares for which the Option is being exercised;

A = The Fair Market Value of one Share at the time of exercise; and

B = The Exercise Price. **(f) Effect of Termination of Service.** Subject to paragraph (k) below regarding Special Rules for Incentive Stock Options, the following provisions shall govern the exercise of any Options granted to an Optionee that are vested and outstanding at the time Optionee's Service ceases:

(1) **Termination of Employment for Reasons Other than Death, Disability or a Termination for Cause.** Should Optionee's Service with the Corporation cease for any reason other than death, Disability or a termination for Cause (as determined by the Committee), then each Option shall remain exercisable until the close of business on the earlier of (i) 3 months following the date Optionee's Service ceased or (ii) the expiration date of the Option.

(2) **Termination of Employment Due to Death or Disability.** Should Optionee's Service cease due to death or Disability, then each Option shall remain exercisable until the close of business on the earlier of (i) the 12 month anniversary of the date Optionee's Service ceased, or (ii) the expiration date of the Option.

(3) **Termination for Cause.** Should Optionee's Service be terminated for Cause while his Option remains outstanding, each outstanding Option granted to Optionee (whether vested or unvested) shall terminate immediately and Optionee shall forfeit all rights with respect to such Award.

(g) Limited Transferability of Options. An Option shall be exercisable only by the Optionee during his lifetime and shall not be assignable or transferable other than by will or by the laws of inheritance following Optionee's death.

(h) Acceleration of Exercise Vesting. Notwithstanding anything to the contrary in the Plan, the Committee, in its discretion, may allow the exercise in whole or in part, at any time after the Date of Grant, any Option held by an Optionee, which Option has not previously become exercisable. In the event of a Change of Control of the Corporation, any unvested equity award shall become 100% vested and exercisable on the date of the Change of Control. Options shall also become 100% vested in the event Optionee dies or becomes Disabled while employed.

(i) Modification, Extension, Cancellation and Regrant. Within the limitations of the Plan and after taking into account any possible adverse tax or accounting consequences, the Committee may modify, or extend outstanding Options or may accept the cancellation of outstanding Options (whether granted by the Corporation or another issuer) in return for the grant of new Options for the same or a different number of shares and at the same or a different Exercise Price. The foregoing notwithstanding, no modification of an Option shall, without the consent of the Optionee, impair the Optionee's rights or increase the Optionee's obligations under such Option or cause a violation of Code Section 409A.

(j) **Term of Option.** No Option shall have a term in excess of ten (10) years measured from the date that the Option is granted.

(k) **Special Rules For Incentive Stock Options (“ISOs”).** In addition to the provisions of this Section 6, the terms specified below shall be applicable to all Incentive Stock Options granted under the Plan. Except as modified by the provisions of this paragraph (k), all of the provisions of the Plan shall be applicable to Incentive Stock Options. Options that are specifically designated as Nonstatutory Options are not subject to the terms of this paragraph (k).

(1) **Eligibility.** Incentive Options may only be granted to Employees.

(2) **Dollar Limitation.** The aggregate Fair Market Value of the Ordinary Shares (determined as of the Date of Grant) for which one or more Incentive Options granted to any Employee pursuant to the Plan may for the first time become exercisable as Incentive Options during any one calendar year shall not exceed \$100,000. To the extent that an Optionee’s Options exceed that limit, they will be treated as Nonstatutory Options (but all of the other provisions of the Option shall remain applicable), with the first Options that were awarded to Optionee to be treated as Incentive Stock Options.

(3) **Restrictions on Sale of Shares.** Shares issued pursuant to the exercise of an Incentive Stock Option may not be sold by the Employee until the expiration of 12 months after exercise and 24 months from the Date of Grant. Shares that do not satisfy these restrictions shall be treated as a grant of Nonstatutory Options.

(4) **Special Rules for Incentive Stock Options Granted to 10% Shareholder.**

a. **Exercise Price.** If any Employee to whom an Incentive Stock Option is granted is a 10% Shareholder, the Exercise Price of the Incentive Stock Option must be at least 110% of the Fair Market Value of the Corporation’s Ordinary Shares.

b. **Term of Option.** If any Employee to whom an Incentive Stock Option is granted is a 10% Shareholder, then the Option term shall not exceed five years measured from the date the Incentive Stock Option is granted.

c. **Definition of 10% Shareholder.** For purposes of the Plan, an Employee is deemed to be a “10% Shareholder” if he owns more than 10% of the Corporation or any Subsidiary.

(5) **Special Rules for Exercise of Incentive Stock Options Following Termination of Employment.**

a. **Death or Disability.** In order to preserve tax treatment as an Incentive Stock Option, Options granted to an Optionee who dies or becomes Disabled while employed must be exercised by the Optionee or his executor or beneficiary no later than (i) 12 months following the date of death or Disability, or (ii) the expiration date of the Incentive Stock Option, if earlier.

b. **Termination For Reason Other Than Death or Disability.** In order to preserve tax treatment as an Incentive Stock Option, an Optionee must exercise any vested and outstanding Incentive Stock Options no later than: (i) three (3) months following the date the Optionee terminates employment for any reason other than death or Disability; or (ii) the expiration date of the Incentive Stock Option if earlier.

(6) **Miscellaneous.** With respect to Incentive Stock Options, if this Plan does not contain any provision required to be included herein under Section 422 of the Code, such provision shall be deemed to be incorporated herein with the same force and effect as if such provision had been set out at length herein. To the extent any Option that is intended to qualify as an Incentive Stock Option cannot so qualify, such Option, to that extent, shall be deemed to be a Nonstatutory Stock Option for all purposes of this Plan.

(l) **Shareholder Rights.** Until the Shares covered by an Option are issued (as evidenced by the appropriate entry on the books of the Corporation or of a duly authorized transfer agent of the Corporation), no right to vote or receive dividends or any other rights as a shareholder will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Corporation will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13 of the Plan.

SECTION 7. Restricted Shares.

(a) **Grant of Restricted Shares.** The Committee may cause the Corporation to issue shares of Restricted Shares under the Plan, subject to such restrictions, conditions and other terms as the Committee may determine in addition to those set forth herein.

(b) **Establishment of Performance Criteria and Restrictions.** Restricted Share Awards will be subject to time vesting under paragraph (f) of this Section 7. The Committee may, in its sole discretion, at the time a grant is made, prescribe restrictions in addition to or other than time vesting, including the satisfaction of corporate or individual performance objectives, which shall be applicable to all or any portion of the Restricted Shares. Corporate or individual performance criteria include, but are not limited to, designated levels or changes in total shareholder return, net income, total asset return, or such other financial measures or performance criteria as the Committee may select. Such restrictions shall be set forth in the Participant's Restricted Share Agreement.

(c) **Share Certificates and Transfer Restrictions.** Restricted Shares awarded to a Participant may be held under the Participant's name in a book entry account maintained by or on behalf of the Corporation. Upon vesting of the Restricted Shares, the Corporation will establish procedures regarding the delivery of share certificates or the transfer of shares in book entry form. None of the Restricted Shares may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of prior to the date on which such Restricted Shares vest in accordance with the Plan.

(d) **Voting and Dividend Rights.** Except as otherwise determined by the Committee either at the time Restricted Shares are awarded or at any time thereafter prior to the lapse of the restrictions, holders of Restricted Shares shall not have the right to vote such shares or the right to receive any dividends with respect to such shares, until such shares are vested. All distributions, if any, received by the Participant with respect to Restricted Shares as a result of any stock split, stock distributions, combination of shares, or other similar transaction shall be subject to the restrictions of the Plan.

(e) **Award Agreements.** The terms of the Restricted Shares granted under the Plan shall be as set forth in an Award Agreement in such form as the Committee shall from time to time determine. Each Award Agreement shall comply with and be subject to the terms and conditions of the Plan and such other terms and conditions as the Committee may deem appropriate. No Person shall have any rights under the Plan unless and until the Corporation and the Participant have executed an Award Agreement setting forth the grant and the terms and conditions of the Restricted Shares. The terms of the Plan shall govern all Restricted Shares granted under the Plan. In the event that any provision of an Award Agreement shall conflict with any term in the Plan as constituted on the Date of Grant, the term in the Plan shall control.

(f) **Time Vesting.** Except as otherwise provided in a Participant's Award Agreement, the Restricted Shares granted under the Plan will vest in accordance with the following schedule:

Completed Years of Employment/Service From Date of Grant	Cumulative Vesting Percentage
1	25%

2	50%
3	75%
4 Years or more	100%

In the event a Participant terminates employment prior to 100% vesting, any Shares of Restricted Shares which are not vested shall be forfeited immediately and permanently. However, a Participant shall be 100% vested in his Restricted Shares in the event he terminates employment by reason of death or Disability. A Participant shall also be 100% vested in his Restricted Shares on the date of a Change of Control. If a Participant's Service is terminated for Cause as determined in the sole discretion of the Committee, his or her Restricted Share Award (whether vested or unvested) shall be forfeited immediately. The Committee may approve Restricted Share grants that provide alternate vesting schedules. Fractional shares shall be rounded down.

(g) **Acceleration of Vesting.** Notwithstanding anything to the contrary in the Plan, the Board of Directors, in its discretion, may accelerate, in whole or in part, the vesting schedule applicable to a grant of Restricted Shares.

SECTION 8. Restricted Share Units

(a) **Grant.** Restricted Share Units may be granted at any time and from time to time as determined by the Committee. After the Committee determines that it will grant Restricted Share Units under the Plan, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions (if any) related to the grant, including the number of Restricted Share Units.

(b) **Vesting Criteria and Other Terms.** The Committee will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Share Units that will be paid out to the Participant. The Committee may set vesting criteria based upon the achievement of Corporation-wide, business unit, or individual goals (including, but not limited to, continued employment), or any other basis (including the passage of time) determined by the Committee in its discretion. Unless a different vesting schedule is set forth in the Award Agreement, the following time vesting schedule will apply:

Completed Years of Employment/Service From Date of Grant	Cumulative Vesting Percentage
1	25%
2	50%
3	75%
4 Years or more	100%

(c) **Earning of Restricted Share Units.** Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Committee and as set forth in the Award Agreement on the Date of Grant. Notwithstanding the foregoing, at any time after the grant of Restricted Share Units, the Committee, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout as long as such reduction or waiver does not violate Code Section 409A.

(d) **Dividend Equivalents.** The Committee may, in its sole discretion, award dividend equivalents in connection with the grant of Restricted Share Units that may be settled in cash, in Shares of equivalent value, or in some combination thereof.

(e) **Form and Timing of Payment.** Payment of earned Restricted Share Units will be made upon the date(s) determined by the Committee and set forth in the Award Agreement. The Committee, in its sole

discretion, may settle earned Restricted Share Units in cash, Shares, or a combination of both. Timing and payment of Restricted Share Units will be subject to and structured to comply with the rules of Code Section 409A and the treasury regulations thereunder.

(f) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Share Units will be forfeited to the Corporation.

SECTION 9. Share Appreciation Rights.

(a) Grant. A Participant may be granted one or more Share Appreciation Rights under the Plan and such SARs shall be subject to such terms and conditions, consistent with the other provisions of the Plan, as shall be determined by the Committee in its sole discretion. A SAR may relate to a particular Stock Option and may be granted simultaneously with or subsequent to the Stock Option to which it relates. Except to the extent otherwise modified in the grant, (i) SARs not related to a Stock Option shall be granted subject to the same terms and conditions applicable to Stock Options as set forth in Section 6, and (ii) all SARs related to Stock Options granted under the Plan shall be granted subject to the same restrictions and conditions and shall have the same vesting, exercisability, forfeiture and termination provisions as the Stock Options to which they relate. SARs may be subject to additional restrictions and conditions. The per-share base price for exercise or settlement of SARs shall be determined by the Committee, but shall be a price that is equal to or greater than the Fair Market Value of such shares. Other than as adjusted pursuant to Section 13, the base price of SARs may not be reduced without the approval of the majority of the members of the Committee (including canceling previously awarded SARs and regranting them with a lower base price).

(b) Exercise and Payment. To the extent a SAR relates to a Stock Option, the SAR may be exercised only when the related Stock Option could be exercised and only when the Fair Market Value of the shares subject to the Stock Option exceed the exercise price of the Stock Option. When a Participant exercises such SARs, the Stock Options related to such SARs shall automatically be cancelled with respect to an equal number of underlying shares. Unless the Committee decides otherwise (in its sole discretion), SARs shall only be paid in cash or in Ordinary Shares. For purposes of determining the number of shares available under the Plan, each Share Appreciation Right shall count as one Ordinary Share, without regard to the number of shares, if any, that are issued upon the exercise of the Share Appreciation Right and upon such payment. Shares issuable in connection with a SAR are subject to the transfer restrictions under the Plan.

SECTION 10. Performance Units and Performance Shares.

(a) Grant of Performance Units/Shares. Subject to the terms of the Plan, Performance Units and Performance Shares may be granted to eligible Employees, Consultants or Outside Directors at any time and from time to time, as shall be determined by the Committee, in its sole discretion. The Committee shall have complete discretion in determining the number of Performance Units and Performance Shares granted to each Participant.

(b) Value of Performance Units/Shares. Each Performance Unit shall have an initial value that is established by the Committee at the time of the grant. Each Performance Share shall have an initial value equal to the Fair Market Value of a Share on the date of grant. The Committee shall set performance goals in its discretion which, depending on the extent to which they are met, will determine the number and/or value of Performance Units/Shares that will be paid out to the Participants. The time period during which the performance goals must be met shall be called a “Performance Period.”

(c) Performance Objectives and Other Terms. The Committee will set Performance Goals or other vesting provisions (including, without limitation, continued status as an Employee, Consultant or Outside Director) in its discretion which, depending on the extent to which they are met, will determine the

number or value of Performance Units/Shares that will be paid out to an Employee, Consultant or Outside Director. The time period during which the performance objectives or other vesting provisions must be met will be called the “Performance Period.” Each Award of Performance Units/Shares will be evidenced by an Award Agreement that will specify the Performance Period, and such other terms and conditions as the Committee, in its sole discretion, will determine. The Committee may set performance objectives based upon the achievement of Corporation-wide, divisional, or individual goals, applicable federal or state securities laws, or any other basis determined by the Committee in its discretion.

(d) Measurement of Performance Goals. Performance Goals shall be established by the Committee on the basis of targets to be attained (“Performance Targets”) with respect to one or more measures of business or financial performance (each, a “Performance Measure”), subject to the following:

(i) Performance Measures. For each Performance Period, the Committee shall establish and set forth in writing the Performance Measures, if any, and any particulars, components and adjustments relating thereto, applicable to each Participant. The Performance Measures, if any, will be objectively measurable and will be based upon the achievement of a specified percentage or level in one or more objectively defined and non-discretionary factors preestablished by the Committee. Performance Measures may be one or more of the following, as determined by the Committee: (i) sales or non-sales revenue; (ii) return on revenues; (iii) operating income; (iv) income or earnings including operating income; (v) net income; (vi) pre-tax income or after-tax income; (vii) net income excluding amortization of intangible assets, depreciation and impairment of goodwill and intangible assets and/or excluding charges attributable to the adoption of new accounting pronouncements; (viii) raising of financing or fundraising; (ix) project financing; (x) revenue backlog; (xi) power purchase agreement backlog; (xii) gross margin; (xiii) operating margin or profit margin; (xiv) capital expenditures, cost targets, reductions and savings and expense management; (xv) return on assets (gross or net), return on investment, return on capital, or return on shareholder equity; (xvi) cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; (xvii) performance warranty and/or guarantee claims; (xviii) stock price or total shareholder return; (xix) earnings or book value per share (basic or diluted); (xx) economic value created; (xxi) pre-tax profit or after-tax profit; (xxii) strategic business criteria, consisting of one or more objectives based on meeting specified market penetration or market share, geographic business expansion, objective customer satisfaction or information technology goals; (xxiii) objective goals relating to divestitures, joint ventures, mergers, acquisitions and similar transactions; (xxiv) construction projects consisting of one or more objectives based upon meeting project completion timing milestones, project budget, site acquisition, site development, or site equipment functionality; (xxv) objective goals relating to staff management, results from staff attitude and/or opinion surveys, staff satisfaction scores, staff safety, staff accident and/or injury rates, headcount, performance management, completion of critical staff training initiatives; (xxvi) objective goals relating to projects, including project completion timing milestones, project budget; (xxvii) key regulatory objectives; and (xxviii) enterprise resource planning.

(ii) Committee Discretion on Performance Measures. As determined in the discretion of the Committee, the Performance Measures for any Performance Period may (a) differ from Participant to Participant and from Award to Award, (b) be based on the performance of the Corporation as a whole or the performance of a specific Participant or one or more Subsidiaries, divisions, departments, regions, stores, segments, products, functions or business units of the Corporation, (c) be measured on a per share, per capita, per unit, per square foot, per employee, per branch basis, and/or other objective basis (d) be measured on a pre-tax or after-tax basis, and (e) be measured on an absolute basis or in relative terms (including, but not limited to, the passage of time and/or against other companies, financial metrics and/or an index). Without limiting the foregoing, the Committee shall adjust any performance criteria, Performance Measures or other feature of an Award that relates to or is wholly or partially based on the number of, or the value of, any stock of the Corporation, to reflect any stock dividend or split, repurchase, recapitalization, combination, or exchange of shares or other similar changes in such stock.

(e) **Earning of Performance Units/Shares.** After the applicable Performance Period has ended, the holder of Performance Units/Shares shall be entitled to receive a payout of the number of Performance Unit/Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding Performance Goals have been achieved. Notwithstanding the preceding sentence, after the grant of a Performance Unit/Share, and subject to restrictions under Applicable Laws such as Code Section 409A, the Committee, in its sole discretion, may waive the achievement of any performance goals for such Performance Unit/Share.

(f) **Form and Timing of Payment of Performance Units/Shares.** Payment of earned Performance Units/Shares shall be made in a single lump sum, within 90 calendar days following the close of the applicable Performance Period. The Committee, in its sole discretion, may pay earned Performance Units/Shares in the form of cash, in Shares (which have an aggregate fair market value equal to the value of the earned Performance Units/Shares at the close of the applicable Performance Period) or in combination thereof. Prior to the beginning of each Performance Period, Participants may, if so permitted by the Corporation, elect to defer the receipt of any Performance Unit/Share payout upon such terms as the Committee shall determine.

(g) **Cancellation of Performance Units/Shares.** Subject to the applicable Award Agreement, upon the earlier of (a) the Participant's termination of employment, or (b) the date set forth in the Award Agreement, all remaining Performance Units/Shares shall be forfeited by the Participant to the Corporation, the Shares subject thereto shall again be available for grant under the Plan.

(h) **Non-transferability.** Performance Units/Shares may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. Further a Participant's rights under the Plan shall be exercisable during the Participant's lifetime only by the Participant or the Participant's legal representative.

SECTION 11. Other Share-Based Awards.

(a) **Other Stock-Based Awards.** The Committee may grant types of equity-based or equity-related Awards not otherwise described by the terms of the Plan (including the grant or offer for sale of unrestricted Shares), in amounts and subject to terms and conditions, determined by the Committee (including, if applicable, the attainment of any performance goals, as set forth in the applicable Award Agreement). Other Share-Based Awards may involve the transfer of actual Shares to Participants, or payment in cash or otherwise of amounts based on the value of Shares. The terms and conditions of the Awards shall be consistent with the Plan and set forth in the Award Agreement and need not be uniform among all the Awards or all Participants receiving the Awards.

(b) **Value of Awards.** Each Other Share-Based Award shall be expressed in terms of Ordinary Shares or units based on Ordinary Shares, as determined by the Committee. The Committee may establish performance goals and/or criteria in its discretion, and any such performance goals and/or criteria shall be set forth in the applicable Award Agreement. If the Committee exercises its discretion to establish performance goals and/or criteria, the number and/or value of Other Share-Based Awards that will be paid out to the Participant will depend on the extent to which the performance goals and/or criteria are met.

(c) **Payment of Awards.** Payment, if any, with respect to an Other Share-Based Award shall be made in accordance with the terms of the Award, as set forth in the Award Agreement, in cash, Common Shares or a combination of cash and Common Shares, as the Committee determines.

(d) **Vesting.** The Committee shall determine the extent to which the Participant shall have the right to receive Other Share-Based Awards following the Participant's termination of employment or service (including by reason of the Participant's death, disability (as determined by the Committee), or termination for or without Cause or for or without Good Reason). These provisions shall be determined in the sole discretion of the Committee and these provisions may be included in the applicable Award Agreement, but

need not be uniform among all Other Share-Based Awards issued pursuant to the Plan, and may reflect distinctions based on the reasons for the termination of employment or service.

SECTION 12. Tax Withholding.

(a) **Tax Withholding for Options.** The Corporation shall be entitled, if the Committee deems it necessary or desirable, to withhold (or secure payment in cash in United States dollars from an Optionee or beneficiary in lieu of withholding) the amount of any withholding or other tax required by law to be withheld or paid by the Corporation with respect to any amount payable and/or Ordinary Shares issuable under such Optionee's Option, and the Corporation may defer payment or issuance of the Ordinary Shares upon such Optionee's exercise of an Option unless indemnified to its satisfaction against any liability for such tax. The amount of any such withholding shall be determined by the Corporation.

(b) **Tax Withholding for Restricted Shares and Other Awards.** When a Participant incurs tax liability in connection with the vesting, lapse of a restriction or distribution of Restricted Shares or other Award, and the Participant is obligated to pay an amount required to be withheld under applicable tax laws, the Committee shall establish procedures to satisfy the withholding tax obligation. The Participant also has the option to make payment in cash in United States dollars pursuant to procedures established by the Corporation. The amount of any such withholding shall be determined by the Corporation.

SECTION 13. Adjustment of Shares and Representations.

(a) **General.** Should any change be made to the Ordinary Shares by reason of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, exchange of shares or other change affecting the outstanding Ordinary Shares as a class without the Corporation's receipt of consideration, the Committee shall make appropriate adjustments to (i) the maximum number and/or class of securities issuable pursuant to the Plan, (ii) the number and/or class of securities and the Exercise Price per share in effect for each outstanding Option in order to prevent the dilution or enlargement of benefits, (iii) the number of shares of Restricted Shares granted; or (iv) the number of Performance Shares awarded, if applicable. As a condition to the exercise of an Award, the Corporation may require the person exercising such Option to make such representations and warranties at the time of any such exercise as the Corporation may at that time determine, including without limitation, representations and warranties that (i) the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares in violation of applicable federal or state securities laws, and (ii) such person is knowledgeable and experienced in financial and business matters and is capable of evaluating the merits and the risks associated with purchasing the Shares.

The inability of the Corporation to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Corporation's counsel to be necessary to the lawful issuance and sale of any Shares under this Plan, shall relieve the Corporation 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.

(b) **Mergers and Consolidations.** In the event that the Corporation is a party to a Change of Control, outstanding Awards that are not yet vested shall be subject to the agreement of merger or consolidation or asset sale. Such agreement, without the Participant's consent, may provide for:

- (i) The continuation of such outstanding Awards by the Corporation (if the Corporation is the surviving Corporation);
- (ii) The assumption of the Plan and such outstanding Awards by the surviving Corporation;
- (iii) The substitution by the surviving Corporation of options with substantially the same terms for such outstanding Awards; [shouldn't #2 and #3 be acceleration events]

- (iv) Such other action as the Board of Directors determines.

Each Option that is assumed or otherwise continued in effect in connection with a Change of Control shall be appropriately adjusted, immediately after such Change of Control, to apply to the number and class of securities which would have been issuable to the Optionee in connection with the consummation of such Change of Control, had the Option been exercised immediately prior to such Change of Control.

(c) **Reservation of Rights.** Except as provided in this Section 13, a Participant shall have no Shareholder rights by reason of (i) any subdivision or consolidation of shares of stock of any class, or (ii) any other increase or decrease in the number of shares of stock of any class. Any issuance by the Corporation of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of shares subject to an Option. The grant of an Option pursuant to the Plan shall not affect in any way the right or power of the Corporation to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

SECTION 14. Miscellaneous.

(a) **Regulatory Approvals.** The implementation of the Plan, the granting of any Options, Restricted Shares or Performance Unit/Performance Share Awards under the Plan, and the issuance of any Ordinary Shares upon the exercise of any Option, lapse of restrictions on Restricted Shares, or payout of Performance Share Award shall be subject to the Corporation's procurement of all approvals and permits required by regulatory authorities, if any, including applicable securities laws having jurisdiction over the Plan, the Options or Restricted Shares granted, and the Ordinary Shares issued pursuant to it.

(b) **Strict Construction.** No rule of strict construction shall be implied against the Committee, the Corporation or Subsidiary or any other person in the interpretation of any of the terms of the Plan, any Award granted under the Plan or any rule or procedure established by the Committee.

(c) **Choice of Law.** All determinations made and actions taken pursuant to the Plan shall be governed by the internal laws of [the State of New York] and construed in accordance therewith.

(d) **Compliance With Code Section 409A.** Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A (or an exemption therefrom) and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Committee. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A (or an exemption therefrom), such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A. In no event will the Corporation be responsible for or reimburse a Participant for any taxes or other penalties incurred as a result of applicable of Code Section 409A.

(e) **Date of Grant.** The date of grant of an Award will be, for all purposes, the date on which the Committee makes the determination granting such Award, or such other later date as is determined by the Committee. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

(f) **Conditions Upon Issuance of Shares.**

(i) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Corporation with respect to such compliance.

(ii) Investment Representations. As a condition to the exercise of an Award, the Corporation may require the person exercising such Award 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 Corporation, such a representation is required.

(g) Shareholder Approval. The Plan will be subject to approval by the shareholders of the Corporation within twelve (12) months after the date the Plan is adopted by the Board. Such shareholder approval will be obtained in the manner and to the degree required under Applicable Laws.

SECTION 15. No Employment or Service Retention Rights.

Nothing in the Plan or in any Award granted under the Plan shall confer upon the Participant any right to continue in Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Corporation (or any Subsidiary employing or retaining the Participant) or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

SECTION 16. Duration and Amendments.

(a) Term of the Plan. The Plan, as set forth herein, shall become effective on the date of its adoption by the Board of Directors, subject to the approval of the Corporation's shareholders. In the event that the shareholders fail to approve the Plan within 12 months after its adoption by the Board of Directors, any grants of Awards that have already occurred for which shareholder approval is a prerequisite for the granting of such Awards, shall be rescinded, and no such additional grants or awards shall be made thereafter under the Plan. The Plan shall terminate automatically ten (10) years after its adoption only with respect to the Corporation's ability to grant ISOs under the Plan and may be terminated at any date by the Board of Directors pursuant to paragraph (b) below.

(b) Right to Amend or Terminate the Plan. The Committee may amend, suspend or terminate the Plan at any time and for any reason; provided, however, that certain amendments, including amendments that increase the number of Ordinary Shares available for issuance under the Plan (except as provided in Section 13) or change the class of persons who are eligible for the grant of ISOs, shall be subject to the approval of the Corporation's shareholders. The Corporation will obtain shareholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Committee, which agreement must be in writing and signed by the Participant and the Corporation. No Ordinary Shares shall be issued or sold under the Plan after the termination thereof, except upon exercise of an Option granted prior to such termination. The termination of the Plan, or any amendment thereof, shall not affect any shares of Restricted Shares or Performance Shares previously issued or any Option previously granted under the Plan.

SECTION 17. Execution.

To record the adoption of the Plan by the Board of Directors, the Corporation has caused its authorized officer to execute the same.

MAINZ BIOMED N.V.

By: _____

Title:

Date: