Hong Kong Science and Technology Parks Corporation

Incu-Bio Programme Guide

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1. Introduction and Applicability

1.1 The Incu-Bio Programme ("**Programme**") is a 4-year Programme provided by Hong Kong Science and Technology Parks Corporation ("**HKSTPC**"). It aims to support the growth and development of biomedical tech start-ups in Hong Kong. This programme guide ("**Guide** [1] ") provides information about the application requirement and funding support of the Programme.

1.2 This Guide incorporates terms for the Programme which covers both legacy track and revamped track with corresponding frameworks. Applicability is determined by the commencement date of the programme of the successful Applicant (the "**Incubatee**"):

(a) Legacy track participants: Incubatees whose programme commencement date is before 6 October 2026.

(b) Revamped track participants: Incubatees whose programme commencement date is on or after 6 October 2026.

1.3 For clarity, provisions within this Guide are categorised as follows:

(a) Common: Applicable to all Incubatees

(b) Legacy Only: Applicable to Incubatees in Legacy track only

(c) Revamped Only: Applicable to Incubatees in Revamped track only

1.4 Where no specific marking is provided, the provision shall be deemed applicable to all Incubatees.

2. Programme Structure

2.1 Legacy Track [Legacy Only]

(a) The 4-year programme is a fixed-term programme and Incubatees shall complete all milestone assessments throughout the Programme to receive the relevant support and funding under the Programme.

(b) There will be eight (8) milestone assessment meetings throughout the 4-year Programme. The first meeting will be held 3 months after the Incubatee has joined the Programme and every 6 months thereafter.

[1] *HKSTPC has the sole and absolute right to interpret any terms or conditions in this Guide. Any disputes in relation to this Guide shall be determined by HKSTPC at its sole and absolute discretion and HKSTPC's determination shall be final and binding on the Applicant.*

2.2 Revamped Track [Revamped Only]

The 4-year Incu-Bio Programme is structured into three stages:

(a) Stage 1 (the "**Incu-Bio Hatch**" stage) (Year 1: 1st to 12th month of the Programme): HKSTPC provides Programme funding and ancillary support to all the Incubatees admitted into the Programme.

(b) Stage 2 (the "**Incu-Bio Boost Phase 1**" stage) (Year 2: 13th to 24th month of the Programme): To provide targeted value-added services in addition to offering Programme funding to Incubatees who have successfully: (i) passed the second milestone assessment during Incu-Bio Hatch stage; (ii) passed the first Demo-Day evaluation exercise (the "**D-Day 1 Assessment**") conducted at the end of their Incu-Bio Hatch stage (refer to Section [5.2] for details); and (iii) (or their parent companies, as may be required by HKSTPC) agreed to sign and execute a Simple Agreement for Future Equity (the "**SAFE**"), granting HKSTPC (or its designated subsidiary) a future equity position in such Incubatees or any of their holding companies or companies with the same ultimate parent company. Please refer to the SAFE template for details.

Incubatees who failed to meet any of the above requirements will not proceed to Incu-Bio Boost Phase 1 and will be deemed as Incu-Bio Hatch graduates (see Section [12] of this Guide) and may consider tenancy at Hong Kong Science Park as an option. Such Incu-Bio Hatch graduates will cease to be eligible for any support under the Programme.

(c) Stage 3 (the "**Incu-Bio Boost Phase 2**" stage) (Years 3 and 4: 25th to 48th month of the Programme): To provide Incubatees with additional targeted/tailored value-added services with emphasis on regulatory affairs. This stage is available only to Incubatees who have successfully: (i) passed the fourth milestone assessment; and (ii) passed the second Demo-Day evaluation exercise (the "**D-Day 2 Assessment**") conducted at the end of their Incu-Bio Boost Phase 1.

Incubatees who failed to meet any of the above will not proceed to Incu-Bio Boost Phase 2 and may consider tenancy at Hong Kong Science Park as an option.

3. Application

3.1 Eligibility Criteria

To be eligible for the Programme, companies applying ("Applicants") must meet each of the following eligibility criteria:

(a) The Applicant must be registered in the Hong Kong Special Administrative Region of the People's Republic of China ("**HKSAR**") and incorporated as a technology start-up company limited by shares under the Companies Ordinance (Cap. 622 of the Laws of the HKSAR).

(b) The Applicant's date of incorporation should be no more than two (2) years from the date of application.

(c) The Applicant engages in research and development ("**R&D**") activities in the focused area of diagnostic, therapeutic, medical device or other biomedical areas such as regulatory/medicine use. In case the Applicant has a parent company, the activities of its parent company should not be the same as those of the Applicant.

(d) The Applicant must ensure that the intellectual properties of all the technology, innovations or inventions ("**IPs**") to be developed/commercialised in its business are free of infringement of any third party's rights. Should the IPs belong to any other third party, the Applicant must secure and maintain all relevant and proper approvals, permits, consents, endorsement/agreement from inventor(s) or owner(s) of the IPs to enable it to properly and lawfully use such IPs throughout the Programme.

(e) The Applicant and its founding shareholders cannot be a previous or current Incubatee of any one of the incubation programmes administered or co-administered by HKSTPC, Hong Kong Cyberport Management Company Limited, Hong Kong-Shenzhen Innovation and Technology Park Limited, or Hong Kong Design Centre unless otherwise agreed by HKSTPC in writing. HKSTPC may consider admitting the Applicant only if it can demonstrate that the methodologies/ products/services to be developed by the Applicant are different from those developed under the aforesaid programmes.

(f) The Applicant is committed to comply with all of the following requirements throughout the Programme:

(i) The founders of the Applicant collectively (legally and beneficially) must hold at least 33% of the issued share capital at the time of application submission and throughout the Programme Period. Full disclosure of the identity of all shareholders and of its holding companies up to the ultimate parent company level, if any, is required. Such founders can be individual shareholders or non-operating holding companies.

(ii) The Applicant must have at least two full-time staff and all staff must have valid licences to work in Hong Kong legally.

(iii) At least 50% of the Applicant's full-time staff must be engaged in conducting the core R&D activities and based at Hong KongScience Park.

(iv) The Applicant must not engage in retail activities or mass production at the premises provided by HKSTPC.

(v) The Applicant must demonstrate that their R&D staff possess the necessary training and skills in laboratory operations, if applicable. They

must comply with the relevant safety standard, guidelines and procedures and those requested by HKSTPC as are in force from time to time, apart from all applicable laws and regulations.

3.2 Application Procedure

(a) To apply for the Programme, the Applicant must complete an Application Form and submit the required documents. Please refer to the Application Guide at **Annex 1**. The Application Form must be completed by an authorized representative of the Applicant. HKSTPC reserves the right to seek additional information as it deems necessary. An Applicant shall also provide all clarification, information and documents requested by HKSTPC from time to time for processing its application.

(b) Note that any information you provide that is considered intentionally misleading or inaccurate will be investigated.

(c) HKSTPC will acknowledge all applications in writing within 10 working days of receipt.

(d) If an Applicant delays in the submission of any clarifications, information and documents requested by HKSTPC for processing its application for more than two (2) months, the application may be deemed to have been withdrawn.

(e) Applications that are, in HKSTPC‘s opinion, for a business that is substantially the same as a previously ineligible or unsuccessful application(s) may be rejected.

3.3 Enquiries

Any enquiries for the Programme may be directed to the following:

Incu-Bio Team
E-mail: incubio@hkstp.org

4. Assessment and Approval

4.1 Eligibility Checks and Assessment Panel

4.1.1 All applications received will be checked to confirm that all of the eligibility criteria have been met. Eligible applications will be assessed by an assessment panel consisting of a range of individuals including independent experts in the biomedical sector (the “**Assessment Panel**”). Panel members will be required to adhere to the probity requirements in accordance with HKSTPC’s policy. **[Legacy Only]**

4.1.2 All applications that meet the mandatory admission criteria are invited to attend a preliminary meeting with HKSTPC personnel for assessment. Eligible applications will be assessed by an assessment panel consisting of a range of individuals including independent experts in the biomedical sector (the “**Assessment Panel**”). Panel members will be required to adhere to the probity requirements in accordance

with HKSTPC's policy. **[Revamped Only]**

4.1.3 A list of panel members will only be provided upon written request by any interested party subject to HKSTPC's final discretion. For the avoidance of doubt, an Applicant is obligated to review the list of panel members and reply in writing to declare any actual or potential conflict of interest before the assessment. Should an Applicant identify a potential conflict of interest with respect to any panel member (e.g. the Applicant becomes aware that a panel member is a current or former supervisor, teacher, student, business competitor, colleague or collaborator, or a relative, friend or personal acquaintance of the Applicant), the Applicant should notify HKSTPC via email without delay. A potential conflict of interest, once declared, will not adversely affect the application to which it relates; however, HKSTPC will evaluate and process such application without any participation or involvement of the panel member(s) who is/are the subject matter of the conflict in question so as to avoid any potential probity concerns. For the avoidance of doubt, the relevant Applicant is obliged to cooperate with and address any enquiries or requests for further information from the Assessment Panel pertaining to the relevant conflict of interest in question.

4.2 Assessment Criteria

4.2.1 Eligible applications will be evaluated based on the following assessment criteria as set up in Table 1 below. The overall passing score is 65. Please refer to Annex 1 for the requirements of your business proposal.

Table 1 – Assessment Criteria

No.	Assessment Criteria	Description	Weighting
1.	Innovation and Technology	(a) The proposed product is unique, innovative and disruptive. (b) The proposed product is technically sound. (c) The IP Position / strategy of the technology.	30%
2.	Business Model	(a) The business model is viable (licensing, spin-offs, co-development, etc.) (b) The product addresses an important unmet need. (c) A clear market is defined. (d) The possible barriers to entry.	15%

No.	Assessment Criteria	Description	Weighting
		(e) The interest from potential customers. (f) The proposed technology has a sustainable competitive advantage against competing patents/ research labs/ products/ companies. (g) The manufacturability/ scalability of the technology and if it is easy to scale up the technology for mass production.	
3.	Team/Personnel Competence	(a) The team has the necessary technical, business management and development expertise and resources. (b) The team has key/ potential partnerships (e.g. collaborators from industry, etc.) that will enable faster development of the technology and shorten the time to market.	20%
4.	Risk Assessment	(a) The medical ethics or bioethics risks and how they will be mitigated. (b) The safety risks and how they will be mitigated. (c) The assessment on the technical feasibility of the project with reference to the possible events that could lead to project/ business failure, including technical, operational, financial and key partner risks.	15%
5.	Milestone Plan for the 4-year Incu-Bio Programme	(a) A clear technology development roadmap. (b) A clear market development roadmap. (c) The proposed deliverables and milestones are realistic and commensurate with the expected impact.	20%

4.2.2 The Applicant may be required to present its application to the Assessment Panel.

4.2.3 The Assessment Panel may require the Applicant to address its comments on the application (e.g. scope, budget and milestones, etc.). In such a case, the Applicant may be required to submit a finalized Application Form together with other necessary documents as requested by HKSTPC. The Assessment Panel's decision is final and binding.

4.2.4 The Applicant should note that they should not offer any advantages to HKSTPC's staff or Assessment Panel members in connection with their applications. This is prohibited under the Prevention of Bribery Ordinance.

4.3 Contractual Agreement

4.3.1 Successful Applicants will become Incubatees under the Programme and will be offered a co-working space, lab support & services and financial support. An Incubatee is required to sign a Licence Agreement and a Funding Agreement (if applicable) with HKSTPC.

4.3.2 In relation to an Incubatee proceeding to Incu-Bio Boost Phases 1, the said Incubatee (or its parent company, as may be required by HKSTPC) shall be required to sign and execute a SAFE in favour of HKSTPC (or its designated subsidiary). **[Revamped Only]**

5 Progress Review

5.1 Regular Milestone Assessment

5.1.1 HKSTPC will assess the progress of the Incubatee in implementing the committed task activities according to the committed milestones under its Application Form and Business Proposal contained in its application as approved by the Assessment Panel. Methods of monitoring include on-site visit and demonstration of the relevant prototypes / products / solutions, review of submitted milestone progress report specifying any progress or achievement in research and development, technology/management awards, progress in intellectual property works and study, patent, trademark, registered design, funding received, corporate restructuring such as IPO / joint venture arrangement / mergers and acquisition / spin-off etc. status if applicable, sales orders achieved and number of staff employed; audited financial statements, management accounts, management reports and other supporting documents.

5.1.2 There will be eight milestone assessment meetings throughout the 4-year Programme. The first meeting will be held 3 months after the Incubatee has joined the Programme and every 6 months thereafter.

5.1.3 For participants under the Revamped track, the continuation of the milestone assessment into Years 2 and 3 (i.e. Incu-Bio Boost Phases 1 & 2) of the Programme is contingent upon meeting the Incu-Bio Boost entry requirements, including successfully passing the relevant D-Day Assessments and signing the SAFE in favour of HKSTPC (or its designated subsidiary). **[Revamped Only]**

5.1.4 Any material modification to the Business Proposal of the Incubatee (including but are not limited to change of key team members, deliverables, cancellation of milestones, and change of R&D or business scope) shall require prior written approval from HKSTPC.

5.1.5 In any circumstance that HKSTPC considers the Incubatee has failed to achieve the committed milestones (including, in the case of the Revamped track Incubatee only, any that are within the scope of its relevant D-Day Assessments) without any valid and acceptable explanation, the Licence Agreement and Funding Agreement (if applicable) shall be terminated at the sole and absolute discretion of HKSTPC. If HKSTPC considers that the Incubatee failed to achieve the committed milestones (including any that are within the scope of its D-Day Assessments for Revamped track Incubatee) but the Incubatee has provided reasons and explanations that HKSTPC has determined in its sole and absolute discretion as justified, the Incubatee will be put under a performance improvement plan (a "**PIP**"). In such a case, the Incubatee will normally be required to prepare a revised plan for the next 3 months with prior approval of HKSTPC. In the event that the Incubatee fails to achieve the revised targets or plans during the next 3 months, all the funding support will be immediately withdrawn and the Incubatee will be required to vacate the relevant licenced area under the Licence Agreement. It is an Incubatee's responsibility to attend any training, seminar, introductory workshop, etc., that are offered under the Programme, as requested by HKSTPC. HKSTPC has the sole and absolute right to include the Incubatee's attendance record of such events as part of the milestone assessment requirement. Failure to meet this requirement will be reflected in the milestone assessment and its results.

5.2 Demo-Day Assessment [Revamped Only]

5.2.1 Newly admitted Incubatees are required to be more aggressive in building their teams to drive product development. Two Demo Days are conducted during the Programme by HKSTPC to assess the progress. Incubatees must demonstrate to the Demo Day Assessment Panel appointed by HKSTPC their stage-appropriate achievements in product / team development to proceed to the next stage.

5.2.2 The Demo-Day Assessment Panel consists of senior management representative from HKSTPC and external advisors from the investment field and the relevant fields of the Innovation and Technology industry. Demo Day Assessment Panel members will be required to adhere to the probity requirements and policy of HKSTPC as are applicable from time to time.

5.2.3 D-Day 1 (End of Year 1 i.e. End of Incu-Bio Hatch stage): The Demo-Day Assessment Panel will evaluate Incubatees based on their progress in developing a design validation prototype or confirming therapeutic hits, the clarity and strength of their go-to-market strategy including market understanding, competitive differentiation, and regulatory pathway gap analysis, as well as the viability of their fundraising plan with realistic financial projections and investor engagement potential.

5.2.4 D-Day 2 (End of Year 2 i.e. End of Incu-Bio Boost Phase 1 stage): The Demo Day Assessment Panel will evaluate Incubatees based on their progress in developing a marketable research-use-only product or a minimal viable product that has completed essential validation tests, or a preclinical therapeutic candidate ready for preclinical testing, together with the strength of their regulatory plan including a

clear target product profile, and the quality of their updated go-to-market strategy and fundraising plan.

5.2.5 Incubatees who do not pass the D-Day 1 Assessment or D-Day 2 Assessment will be granted a second chance within 2 months. The second attempt for D-Day 1 Assessment shall be completed before the conclusion of the Incu-Bio Hatch period (i.e. the 12th month of the Programme). The second attempt for D-Day 2 Assessment shall be completed before the conclusion of the Incu-Bio Boost Phase 1 period (i.e. the 24th month of the Programme).

5.2.6 An Incubatee that has failed to pass the Demo Day Assessment or has passed the Demo Day Assessment but the said Incubatee (or its parent company, as may be required by HKSTPC) has declined to sign and execute a SAFE in favour of HKSTPC (or its designated subsidiary) will not proceed to the next stage of the Programme and will cease to be eligible for any support under the Programme upon the end of their current stage.

5.2.7 For the avoidance of doubt, each Incubatee (or its parent company, as may be required by HKSTPC) shall be required to sign and execute a SAFE in favour of HKSTPC (or its designated subsidiary), within one (1) month of receiving the admission offer into Incu-Bio Boost stage. failing which, HKSTPC may withdraw the admission offer and/or terminate the Incubatees' membership in the Incu-Bio Programme.

6 Biosafety and Bioethics

6.1 The Incubatee should observe and comply with all the Laboratory Biosafety Manual, and such other standards as may be adopted and/or amended by HKSTPC from time to time.

6.2 The Incubatee should notify HKSTPC in writing after the Incubatee and/or its subsidiary(ies) make an application for an Investigational New Drug (IND) and/or to the Clinical Trial Authorization (CTA), including the use of foods, supplements, device, drugs or services including traditional Chinese medicine, to be applied to humans in the Licensed Area (as defined in the Licence Agreement) and any other activities which may have bioethical issues.

7 Funding Support

7.1 General Guideline

7.1.1 Disbursement of funds to the Incubatee will only be made when HKSTPC is satisfied with the progress of the Incubatee.

7.1.2 As a general rule, it is not permissible to duplicate support available from other Hong Kong Government funding grants (no double payment for the same part of an expenditure item) unless prior written approval is given by HKSTPC on a case-by-case basis. The Incubatee will have to declare if it has received or will receive other funding sources in its expenses claim form.

7.1.3 The unused balance of the funding support will be forfeited upon graduation or

termination of the Programme.

7.1.4 The Incubatee should ensure that all procurements for goods and services for the purpose of the grant are carried out in an open and fair manner and must comply with the procurement guidelines as set out in Table 2 below. Split purchase is strictly prohibited. **[Legacy Only]**

Table 2 - Procurement Guidelines **[Legacy Only]**

Aggregate value of each procurement	Requirement
$10,000 or above	Written quotations from at least 2 suppliers
$50,000 or above	Written quotations from at least 3 suppliers
$500,000 or above	Written quotations from at least 5 suppliers
$1 million or above	Open tender

7.1.5 In case the Incubatee is not able to follow the above procurement procedures or intends to procure goods or services from one company/organisation/individual, it has to provide details, sufficient justifications and its relationship with the Incubatee company/organisation/individual for not following the open procurement process set out above, prior written approval from HKSTPC is required. **[Legacy Only]**

7.2 Maximum Funding Support

7.2.1 Legacy Track (Legacy Only)

The maximum funding support for an Incubatee throughout the 4-year Programme is HK$6,000,000:

No payment proof required:
(a) Financial Subsidy HK$ 2,000,000

Pre-approval and payment proof required:
(b) Upfront Grant HK$ 2,000,000

Reimbursement and payment proof required:

(c) Regulatory Affairs Funding Support HK$2,000,000
(for regulatory activities only)

Table 3: Maximum Funding Support **[Legacy Only]**

	1st Year	2nd Year	3rd Year	4th Year
Financial Subsidy[1]	HK$500,000	HK$500,000	HK$500,000	HK$500,000
Upfront Grant[2]	HK$500,000	HK$500,000	HK$500,000	HK$500,000
Regulatory Affairs Funding[3]	-	HK$2,000,000 (Subject to separate application and panel assessment)		

1. *No payment proof required*
2. *Pre-approval and payment proof required*
3. *Reimbursement and payment proof required*

Note that the above funding support is subject to change at the sole discretion of HKSTPC.

7.2.2 Revamped Track [Revamped Only]

Table 4: Maximum Funding Support **[Revamped Only]**

	1st Year	2nd Year	3rd Year	4th Year	Total (max.)
Stage	Incu-Bio Hatch	Incu-Bio Boost Phase 1	Incu-Bio Boost Phase 2		
Requirements for Incubatees	Admitted into Programme	Pass D-Day 1 + Sign and execute SAFE*	Pass D-Day 2		
Financial Subsidy	HK$850,000	HK$850,000	HK$1,850,000	HK$1,850,000	HK$5,400,000
- Rental Subsidy	HK$150,000	HK$150,000	HK$150,000	HK$150,000	HK$600,000

*Please refer to the SAFE template for details.

a) An Incubatee will receive a financial subsidy of HK$425,000 per milestone for milestones one to four, and HK$925,000 per milestone for milestones five to eight, upon completion of assessment to the satisfaction of HKSTPC at each milestone assessment meeting. There is no need to provide any payment proof for the expenditure of the financial subsidy, but the amount should be shown in the Incubatee's audited financial statements.

b) The financial subsidy and other services and benefits under the Programme shall cease upon certain specific conversion events under the SAFE (if applicable). Please refer to the SAFE template for details.

7.3 Rental Subsidy

7.3.1 Legacy Track **[Legacy Only]**

7.3.1.1 The Rental Subsidy below is applicable to the new Incubatee admitted after February 2019.

- 1st year - free rent
- 2nd to 4th years - 50% off headline rate

7.3.2 Revamped Track **[Revamped Only]**

7.3.2.1 The rental subsidy for the full 4-year duration of the Programme shall be HK$12,500 per month. The unspent balance of such rental subsidy can be carried forward.

7.3.2.2 The rental subsidy and other services and benefits under the Programme shall cease upon certain specific conversion events under the SAFE (if applicable). Please refer to the SAFE template for details.

7.3.3 Rental subsidies are granted on the basis that the Incubatee shall remain a licensee

under a licence agreement with HKSTPC (or its designated subsidiary) as licensor with a term not expiring before the end of the Programme Period.

7.4 Financial Subsidy Funding Disbursement [Legacy Only]

The Financial Subsidy of HK$2,000,000 will be disbursed in eight (8) equal instalments of HK$250,000 each.

Incubatee will receive each instalment of HK$250,000 for its R&D development after satisfactory assessment by HKSTPC at each milestone assessment meeting. There is no need to provide any payment proof for the subsidy but the amount should be shown in the audited financial statements.

7.5 Upfront Grant Funding Disbursement [Legacy Only]

7.5.1 Supportable Costs

The Incubatee will receive an upfront grant ("Upfront Grant") at a maximum amount of HK$2,000,000 which will be disbursed in eight (8) equal instalments of HK$250,000 each.

Such Upfront Grant is used to **subsidize 75% of the supportable costs** (see Table 5 below) incurred by the Incubatee from time to time during the Programme, subject to a maximum for certain supportable costs as set out in Table 5 below.

HKSTPC has sole discretion to determine the eligibility of the expenses. Unless the Incubatee can provide justifiable reasons, the maximum funding support for the specific expense item will not be changed.

Table 5: Upfront Grant Supportable Costs

Supportable Costs		**Conditions**
1.	**R&D Expenses**	
(a)	The salary of full time R&D staff and student internship employed at Hong Kong Science Park including employer's mandatory contribution to the Mandatory Provident Fund	• Expenses for the shareholders/directors are not supported • The salaries must be reasonable and are in line with market rates • Maximum Funding: HK$120,000 per milestone [the unspent balance cannot be carried forward]
(b)	R&D or Laboratory equipment or instrument	• The equipment must be located at the assigned premises of HKSTPC and is subject to inspection by HKSTPC or its representative. The Incubatee must seek prior written approval from HKSTPC if the equipment is to be disposed or transferred to other location or company. • Purchase of equipment should be made in the first 2 years of the Incu-Bio Programme.
(c)	R&D or laboratory consumables	-
(d)	IP licensing/IP development	-

(e)	Public trial and other necessary professional certification	-
(f)	Any other R&D expenses as agreed by HKSTPC	• Services provided by HKSTPC can be put in this category.
2.	**Non-R&D Expenses**	
(a)	Business consulting	Maximum Programme Funding: HK$500,000
(b)	Sales and marketing expenses	
(c)	Professional training	Maximum Programme Funding: HK$100,000
(d)	International travel to attend scientific conferences	Maximum Programme Funding: HK$100,000 • Must travel on economy class and reasonable hotel and incidental expenses. • Expenses of 2 participants are eligible, spending of extra participants will not be covered. The registered guest name on the quotations for all claimed items should the same traveller(s) throughout the event. • The departure date (local time of the departure location) should not be earlier then 2 days prior to the commencement of the event, while the return

Supportable Costs		Conditions
		date (local time of the event location) should not be later than 2 days since the end of the event. Only event-related lodging during the above period is covered. • Written justification of early arrival or staying behind the event is required with relevant proof. (e.g. meeting minutes with partners, visit communication with partners). Please note that lodging of the additional period is not eligible.
(e)	Accounting and auditing expenses	Maximum Programme Funding: HK$300,000
(f)	Legal services	Maximum Programme Funding: HK$500,000
(g)	Other relevant operational expenses as agreed by HKSTPC	Maximum Programme Funding: HK$200,000 • Services provided by HKSTPC can be put in this category.

** For any services provided by HKSTPC, it can be reimbursable with prior preliminary clearance obtained from your account manager. Value per receipt/payment proof below HK$ 3,000 is also eligible. Comparison quotation is exempted when the purchase value is HK$ 10,000 or above.

7.5.2 Disbursement Procedures

7.5.2.1 Before milestone meeting, the Incubatee should submit the wish list and supporting documents (e.g. quotations, tender proposals, etc.) to HKSTPC. Upon the successful evaluation of the progress of the Incubatee by HKSTPC, any Upfront Grant will be released to the Incubatee if the Incubatee has submitted the wish list and supporting documents for such Upfront Grant to the satisfaction of HKSTPC.

7.5.2.2 Once any Upfront Grant has been disbursed, the Incubatee is required to submit a claim form and all the supporting documents to the satisfaction of HKSTPC within 3 months after the purchase of the relevant items covered by such Upfront Grant to substantiate that such Upfront Grant has been properly disbursed to cover the relevant supportable costs.

7.5.2.3 If the claim form referred to in (b) above reveals that the unspent amount is less than 30% of the upfront grant already disbursed, HKSTPC may allow it to be carried forward to offset the next Upfront Grant. If the unspent amount is 30% or more, no further Upfront Grant will be made unless the Incubatee has submitted the required documents to the satisfaction of HKSTPC or unless otherwise approved by HKSTPC in writing.

7.5.2.4 If the amount requested in the wish list is less than HK$250,000 for any particular milestone, the balance of the HK$ 250,000 (“Unspent Balance”) can be carried forward to cover the supportable costs for the next milestone. Such right to carry forward can be applied for each milestone until the end of the 4th year of the Programme such that the total amount of Upfront Grant that the Incubatee is entitled in the last milestone is HK$250,000 plus the total Unspent Balance carried forward from previous milestones.

7.5.2.5 The Incubatee should observe the claim procedures as detailed in the Guidance Notes of the Claim Form which is set out in Annex 3.

7.6 Regulatory Affairs Funding Support [Legacy Only]

The Regulatory Affairs Funding Support is provided to the Incubatee for conducting regulatory activities required for IND filing or certification (e.g. for CE marking from EU, or for submissions to regulatory agencies such as the EMA, FDA or NMPA). This is an extra funding that Incubatee could apply separately. For the eligibility and application details, please refer to the Incu-Bio Regulatory Affairs Funding Application Guide. (The Guide will be provided upon request)

8 Recovery of Loss

8.1 HKSTPC reserves its right to recover any payment made to the Incubatee and seek compensation from the Incubatee for any loss or expenses incurred by HKSTPC due to the Incubatee (or any of its affiliates) being in breach of any provisions under the Licence Agreement, the SAFE (if applicable), the Funding Agreement (if applicable) and this Guide.

8.2 HKSTPC reserves its right, upon termination of the Programme for whatever reason, including but are not limited to:

(a) failure by an Incubatee to achieve its relevant milestones under the Programme;
(b) breaching of any conditions stipulated in the Licence Agreement, the SAFE (if applicable), this Guide and/or the Funding Agreement (if applicable);

to recover any unspent balance of Programme funding that has been disbursed to an Incubatee, or any amount of the disbursed funding that is without satisfactory supporting documentary proof from an Incubatee on how such funding has been spent, or where the Incubatee's Auditor (as defined in Section [9]) is of the view that such documentary proof is inadequate or inadmissible to support the Incubatee's claim of how such Programme funding has been utilized.

8.3 In the event that the Incubatee is in breach of any laws and regulations of Hong Kong, HKSTPC reserves the right to demand the relevant Incubatee for a full refund of funding that it has received from HKSTPC under the Programme.

9 Accounting and Auditing

9.1. The Incubatee shall, if requested by HKSTPC, appoint an independent audit firm (the "**Auditor**") to prepare the Auditor's Report and Statement of Expenditure in the format as prescribed by HKSTPC.

9.2. The Incubatee should maintain proper accounting books and records especially with regard to the use of all funding support that it has received from HKSTPC under the Programme so as to facilitate its Auditor in preparing the Auditor's Report and Statement of Expenditure in accordance with the requirements of HKSTPC.

9.3. HKSTPC may appoint an accounting firm to act as the Auditor of the Incubatee and

the costs and expenses associated with such appointment shall be deducted from the Incubatee's funding support under the Programme. The Incubatee cannot refuse such appointment by HKSTPC and shall extend its fullest cooperation to the appointed Auditor in preparing the Auditor's Report and Statement of Expenditure.

10 Audited Financial Report

Within 90 days after the financial year-end date, the Incubatee shall provide HKSTPC with the audited financial statements and if required, an Audit Report verifying that the Programme funding that has been disbursed by HKSTPC to the Incubatee has been spent in accordance with this Guide, the Licence Agreement and the Funding Agreement (if applicable).

11 Monitoring, Management and Reporting

The Incubatee shall permit any person authorised by HKSTPC to have access to its employees, auditors, agents, premises, facilities, books and records, for the purpose of inspecting, discussing, monitoring and evaluating the Incubatee' fulfillment of the conditions of the Guide and shall, if so required, provide appropriate oral or written explanations to any issues raised by HKSTPC.

12 Early Graduation

12.1. The Incubatee will be required to early graduate from the Programme if any one of the following events occurs:

(a) The founders of the Incubatee collectively (legally and beneficially) hold less than 33% of equity.

(b) The Incubatee becomes a listed company in Hong Kong Stock Exchange or in any other jurisdiction.

(c) The Incubatee' valuation exceeds the amount of HKEX IPO valuation threshold of biomedical tech startup (such threshold as set by HKEX), subject to HKSTPC's sole discretion.

(d) The Incubatee is admitted into the Co-Acceleration Programme or Elite Programme administered by HKSTPC.

(e) The Incubatee has achieved all Milestones prior to expiry date of the Programme.

(f) The Incubatee failed to pass any of the Demo Day Assessments or has passed the Demo Day Assessment(s) but the Incubatee (or its parent company, as may be required by HKSTPC) has declined to sign and execute a SAFE in favour of HKSTPC (or its designated subsidiary) to proceed to the Incu-Bio Boost Phase 1 stage of the Programme. **[Revamped Only]**

12.2. The procedures for such early graduation shall be in accordance with the termination procedures set out in the License Agreement.

13 Termination

13.1 Without prejudice to the rights of HKSTPC under Section [12] above, the agreement(s) with Incubatee may be terminated and all fundings will be suspended and/or stopped if any one of the following events occurs:

13.1.1 There is a material deviation of research or R&D focus/foci or business plan as compared to those set out in the Application Form, Business Plan or any other documents previously submitted by the Incubatee to and approved by HKSTPC, without the prior written consent of HKSTPC.

13.1.2 The Incubatee does not comply with any the terms and conditions laid down in the Licence agreement, the SAFE (if applicable), this Guide and all instructions and correspondences issued by HKSTPC or its representative from time to time in respect of the Programme.

13.1.3 The Incubatee fails to progress in accordance with any of the milestones set out in the Business Plan or PIP.

13.1.4 The Incubatee did not use the assigned space appropriately and/or actively.

13.1.5 Any of the directors or staff of the Incubatee engaged in any unlawful, fraud or corruption activity.

13.1.6 The Incubatee or any of its directors or staff misrepresented or provided any wrongful or incorrect or inaccurate statement(s) in its (i) Application Form, (ii) Milestone Report and (iii) any other matters relating to the eligibility for such Incubatee's continued use and enjoyment of the funding grant and the co-working space.

13.1.7 The Incubatee mishandled the funding grant or lacked discipline in its financial management.

13.1.8 The Incubatee fails to submit the latest audited financial statements / Audit Report as mentioned in Section 10 of this Guide.

13.2 The procedures for such termination shall be in accordance with the termination procedures set out in the License Agreement.

14 Use and Disclosure of Information

14.1 Unless the information provided to HKSTPC constitutes personal data or is of a confidential nature, HKSTPC may disclose the information to any person for any purpose directly related to the activities and functions of HKSTPC, including but not limited to, for the purposes of:

- sharing and disclosing information regarding the incubatees and the Programme to the local media and relevant Government departments and authorities;
- improving the effective administration, monitoring and evaluation of this Programme

14.2 Where the Applicant/Incubatee is asked to submit any information, content or material to HKSTPC (collectively "**Content**") for the purposes of enabling HKSTPC to assess the Applicant's suitability as an Incubatee, or for inclusion on HKSTPC's website, the Applicant/Incubatee must ensure that all Content is up-to-date, accurate, legal, honest, decent, truthful and complies with all applicable laws, regulations, standards and codes of practice. The Applicant/Incubatee must ensure that all Content submitted to HKSTPC does not infringe any third party's copyright, design, privacy, and/or trademarks and that such Content is not obscene, abusive, threatening, libelous or defamatory of any person.

14.3 The Applicant/Incubatee shall have sole responsibility for the Content which it submits to HKSTPC and the Applicant/Incubatee shall indemnify and shall keep HKSTPC fully and effectively indemnified on demand from and against all actions, claims, losses, liability, proceedings, damages, costs, expenses, loss of business, loss of profits, business interruption and other pecuniary or consequential loss (including legal costs and expenses) suffered or incurred by HKSTPC and arising directly or indirectly from the Content submitted by the Applicant/Incubatee to HKSTPC in breach of these terms and conditions. Where HKSTPC has relied upon, published or used the Content then the losses to be indemnified by the Applicant/Incubatee shall include all sums claimed from HKSTPC by third parties having relied upon the Content and all sums expended by HKSTPC on the Applicant/Incubatee in connection with the Programme (including but are not limited to any benefits or funding support that the Applicant/Incubatee has received).

14.4 The Applicant/Incubatee should be aware that the Content in the application will be vetted by HKSTPC staff, its advisors and/or the Incu-Bio Assessment Panel none of whom will sign any non-disclosure Agreement or any document of a similar nature.

15 Publicity

The Incubatee or any of its directors, employees, or agents shall not use the name of HKSTPC or any of its directors, employees or any adaptation of their names, its logo, etc. in any promotional material, other public announcement, events or disclosure without the prior written consent of HKSTPC.

16 Prevention of Fraud and Corruption Activities

16.1. The Applicant/Incubatee agrees to undertake all necessary actions in order to prevent possible Fraud and Corruption activities. In pursuance of this policy, the practices constituting Fraud and Corruption are defined as follows:

(a) "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of another party;

(b) "fraudulent practice" is an act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain

financial or other benefit or to avoid an obligation;

(c) "collusive practices" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;

(d) "coercive practices" is impairing or harming, or threatening to impair or harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract;

(e) "obstructive practice" is deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or acts intended to materially impede the exercise of inspection and audit rights.

16.2. The Applicant/Incubatee shall observe the relevant regulatory requirements and practices in Hong Kong relating to Fraud and Corruption Activities, in particular the following Ordinances:

(a) The Prevention of Bribery Ordinance (Cap 201)
(b) The Theft Ordinance (Cap 210)
(c) The Competition Ordinance (Cap 619)

16.3. If any breach of clause 16.1 is suspected or known, the Applicant/Incubatee should notify the Chief Compliance Officer of HKSTPC immediately. Please refer to our Whistleblowing Policy located on our website: https://www.hkstp.org/corporate-governance/A

17 Intellectual Property Rights, Network, Software Piracy and Internet

The Incubatee should comply with the Terms and Conditions on Intellectual Property Rights, Network, Software Piracy and Internet as detailed in **Annex 2**.

18 Personal Information

18.1. The personal data provided to HKSTPC as required will be used by the HKSTPC in relation to the following activities:

(a) Processing and counter-checking of the Applicant's application and Incubatee' claim for the funding support of the Programme;

(b) Matching of the personal data provided against other databases as may be required;

(c) Activities/matters related to the communication or exchange of views with the Applicant/Incubatee for the purpose of Programme administration; and

(d) Statistics and research.

18.2. In accordance with Sections 18 and 22 and Principle 6 of Schedule 1 of the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong), the Applicant/Incubatee shall have the right to request access to and correction of any personal data that is supplied by the Applicant/Incubatee to HKSTPC. Please refer to HKSTPC's Privacy Policy on HKSTPC's official website for more information.

19 Obligations

19.1. The Incubatee must comply with the terms and conditions in this Guide, the SAFE (if applicable) and the Licence Agreement to be signed with HKSTPC throughout the application and the Programme period.

19.2. The Incubatee shall complete and submit to HKSTPC annual surveys with statistics relating to its business performance (including without limitation key financial data including the turnover, profit/loss and the number of employees hired by the Licensee and its subsidiaries, if any) after completing the Programme for the purpose of improving the administration, monitoring and evaluation of this Programme.

19.3. For the avoidance of doubt, any termination or expiry of the Programme, the Licence Agreement and/or the Funding Agreement (if applicable) shall not affect the continuation, validity or effect of the SAFE (if applicable).

20 Changes to this Guide

HKSTPC reserves the right to make changes to this Guide and any submission templates related to the Programme as it deems necessary and appropriate. Incubatees shall, by agreeing to become an Incubatee of the Programme, also consent to HKSTPC making any such changes from time to time and to agree and to be bound by such changes as and when they come into effect.

Annex 1

Application Guide

1. Each application must contain the following documents:

   (a) Application Form

   (b) Business Proposal (the Guidance Notes are at **Annex 1 (Schedule 1)**)

   (c) Presentation Deck of the Business Proposal (include a 4-year milestone plan)

2. In addition to the above documents. The Applicant should provide the following supporting documents:

   (a) Hong Kong Business Registration Certificate;
   (b) Certificate of Incorporation;
   (c) Articles of Association;
   (d) Latest Annual Return Form (NAR1) or Incorporation Form (NNC1 or NNC1G) showing directors and shareholders;
   (e) Current and Proposed Shareholder Structure (in one diagram);
   (f) Current and Proposed Corporate Structure (in one diagram);
   (g) Latest Audited Financial Statements, if any;
   (h) Current and Proposed Organization Chart (two (2) separate diagrams with staff's name indicated with full-time or part-time on each position);
   (i) Curriculum Vitae of all full-time staff with clear illustration of their academic qualification (course, period & college attended) and detailed working experience (post held, service period & responsibility);
   (j) Copy of the key technical staff's academic certificates and proof of their latest employment that is relevant to this application;
   (k) Signed employment letter of all non-shareholding full-time employee;
   (l) Copy of certificate(s) of filing/grant of patent(s), if any;
   (m) Copy of the agreement between the Applicant and the R&D collaborating organisation(s) on the sharing of the (i) royalties or (ii) intellectual property rights or (iii) any other sorts of income to be generated from the Applicant, if any;
   (n) Information about the Company's impending patent(s), award(s) and published scientific paper(s), if any;
   (o) Other supplementary information such as pictures, diagrams and technology illustration;
   (p) The Chemical Material Handling and Storage list;
   (q) Ethics Declaration Form

Annex 1 (Schedule 1)

Business Proposal Guidance Notes

1. Executive Summary

Give a concise description of your business proposal which aims to provide the assessment panel with an overview of your product or service.

2. Innovation and Technology

(a) Describe your proposed product/service. What are the unmet needs/problems to be resolved?
(b) Is the proposed product/service unique, innovative and disruptive? Why it is better?
(c) What is the IP position/strategy of the technology?
(d) Does the Company have freedom-to-operate?
(e) How long will the Company enjoy IP protection? Is it long enough to generate adequate profits?
(f) If the patent position is weak, what other advantages does the Company have over the competition?
(g) Is your product/service subject to regulatory compliance (e.g. FDA's approval)? If yes, how long do you think you can obtain the necessary approval?
(h) Current status of development
(i) What is your technology development roadmap in terms of time, resources, and strategy to develop the product(s) or service(s)?

3. Business Model

(a) What is your business model?
(b) What is your commercialization strategy (licensing, spin-offs, co-development, etc.)?
(c) What is your competitive advantage against competing patents/ research labs/ products/ companies?
(d) What is the addressable market size?
(e) Is there interest from potential customers?
(f) Do you have a market development roadmap? What are the possible barriers to entry?
(g) What is the time to market? Do you have plans for long term funding?
(h) What is the manufacturability/scalability of the product/solution? How easy is it to scale up for mass production and to scale up the business?

4. Team/Personnel

(a) Profile of Team - capabilities, location, work experience and affiliation.
(b) Does the team have key/potential partnerships (collaborators from industry etc.) that will enable faster development of the technology and shorten the time to market?

5. Milestone Plan

Provide a 4-year Milestone Plan for the 4-year Incubation period in the prescribed format. A template is included in the Application Form.

Annex 2

Terms and Conditions on Intellectual Property, Network, Software Privacy and Internet

1. General

In the event of HKSTPC receiving any complaints or information from any person indicating that the Incubatee may be making or using pirated or unauthorized software copies or is otherwise doing anything which infringes the HKSTPC's and/or third party proprietary rights, Incubatee agrees and acknowledges that HKSTPC shall have the right to report such possible infringement from time to time to the relevant governmental authorities without the need of notifying the Incubatee in advance or giving any prior notice thereto and in such event the Incubatee shall allow such governmental authorities to inspect and/or carry out a search of its computer systems to verify such infringement. The Incubatee hereby expressly further agrees and acknowledges that the Incubatee shall be co-operative and allow entry of its premises on which its activities are being carried out and/or inspection and/or search of its computer system by person(s) as authorized and/or permitted by all relevant laws, regulations and any court order insofar as it affects such premises to ensure compliance therewith.

2. Intellectual Property

The Incubatee should not in any way knowingly infringe the HKSTPC's and/or third party proprietary rights, statutory or otherwise whether or not the act of infringement is carried out in Hong Kong or elsewhere outside of Hong Kong. Proprietary rights in this context shall be taken to include all patents, designs, copyrights, trademarks, trade or other names and all other similar rights or interests relating thereto from time to time whether pending applied for or otherwise.

3. Network

The Incubatee agrees and undertakes to HKSTPC:

(i) Subject to sub-Sections (ii) and (vii) below, all online and/or cloud-based services that are provided by HKSTPC to the Incubatee (collectively, the "**Network Services**") are for use only by the Incubatee, its directors, officers and employees in strict compliance with the rules and regulations stipulated by HKSTPC from time to time and for the purpose of the Incubatee fulfilling its obligations under the Programme and must not be shared, used, licensed, assigned or transferred to any other companies or persons, or used for any other purposes without HKSTPC's prior written consent. The specifications of the Network Services including but not limited to the manner in which the Network Services are provided, the speed, band width and quantity of the Network Services shall be at the sole and absolute discretion of HKSTPC.

HKSTPC will only provide the Network Services to the Incubatee after it has accepted the Incubatee's application for the Network Services under the "IT Service Application Form" as prescribed by HKSTPC. HKSTPC reserves the

right to reject the Incubatee's application for Network Services in its discretion without the need of giving any reason. The Incubatee hereby waives any and all claims, objections and disputes in relation to or in connection with such rejection (if any).

(ii) The Incubatee shall, at its own costs, and shall procure that its directors, officers and employees shall:

a. only use the Network Services for legal, honest and decent purposes (and shall be aware that computer hacking and illegal misuse are criminal offences), comply with all applicable laws, regulations, standards and codes of practice and not email, post or receive any illegal, obscene, abusive, threatening, libelous or defamatory statement;
b. not infringe HKSTPC's or any third party's intellectual property right while using or benefiting from the Network Services;
c. not transmit any virus, Trojan horse or any other malicious code through the Network Services;
d. not access any other user's computer or computer system, software, or data without their knowledge and consent, or breach the security of another user using the Network Services;
e. co-operate in any requests by HKSTPC for assistance and follow all HKSTPC's instructions in relation to the Network Services;
f. not restrict, inhibit, interfere with, or otherwise disrupt or cause a performance degradation to the Network Services or to any other person's computer system; and
g. not use the Network Services to transmit unsolicited bulk or commercial messages or "spam".

(iii) The Incubatee shall upon HKSTPC's request and at no charge to HKSTPC, cease to use all IP addresses and delete all files and data pertaining to the Incubatee or its employees on the Network Services and provide any other reasonably required assistance.

(iv) The Incubatee agrees that it alone shall be legally liable for its use of the Network Services, its own related information/content and any acts that are carried out through the IP addresses assigned to it. To this end the Incubatee agrees to strictly maintain the confidentiality of any log-on details and passwords provided to it for use with the Network Services.

(v) The Incubatee must take all necessary steps to ensure secure use of the Network Services (including without limitation setting up necessary security control devices such as firewalls, intrusion prevention systems and spam controls etc.) to protect its own networks, as well as any contamination that might affect the Network Services themselves or their performance generally.

(vi) HKSTPC shall have the immediate right at any time to terminate and/or to discontinue the provision of the Network Services if the Incubatee, its directors, officers or employees are/is breach of any term in this Programme Guide or the Hong Kong Science Park IT Service Application Form or IT Service General Rules and Regulations or Wi-Fi Service Conditions of Use and Disclaimer issued by HKSTPC (as the case may be) or if for any reason HKSTPC decides to cease to provide Network Services or is unable to provide the Network Services for reasons beyond its reasonable control

(including without limitation force majeure, act of god, strike, telecommunications failure or other technical issues).

(vii) To the fullest extent permissible by applicable law, HKSTPC does not make any warranties, representations or endorsements whatsoever with regard to the Network Services (including but not limited to availability or functioning thereof) and accepts no liability for any damage or loss howsoever arising out of or in connection with the Network Services (including but not limited to HKSTPC's non-provision and/or suspension thereof (if any) whether due to error, omission or any other cause).

(viii) As owner of the Network Services HKSTPC shall have the unilateral right at any time on notice to amend the terms under which the Incubatee receives the Network Services, take any steps in relation to the Network Services that it sees fit in its entire discretion, including without limitation monitoring them, altering them (including without limitation who provides them, their performance levels, and the types of services they comprise) and/or refusing to transmit, removing or blocking any material or content.

(ix) The Incubatee agrees to at its own costs indemnify and/or to repay and keep HKSTPC indemnified and/or to be repaid from all actions, claims, losses, liability, proceedings, damages, costs, expenses, loss of profits, business interruption and other pecuniary or consequential loss (including but not limited to legal costs and expense) suffered or incurred by HKSTPC and arising directly or indirectly from the Incubatee's breach of the terms and conditions under this Annex 2 on Intellectual Property, Network, Software Privacy and the Internet. If the Incubatee breaches any of the terms and conditions under this Annex 2, without prejudice to any other rights and remedies available to HKSTPC under this Guide or otherwise, HKSTPC shall have the right to forthwith terminate the Incubatee' participation in the Programme or any similar scheme operated by HKSTPC, and in case of such termination the Incubatee shall at its own costs immediately indemnify and/or repay to HKSTPC a sum equivalent to all benefits and sponsorship that HKSTPC has offered or allowed to the Incubatee and/or that the Incubatee has received in connection with the Programme or any such similar scheme.

4. Software Piracy

Unauthorised copied, distributed, modified or sold of legally protected computer software (irrespective of whether such activities are carried out in Hong Kong or elsewhere outside Hong Kong) violates the copyright law. The Incubatee disapproves of such piracy, recognizes and agrees to observe the following principles as a basis for preventing its occurrence: -

(i) The Incubatee shall neither commit nor tolerate the making or use of unauthorised software copies under any circumstances.
(ii) The Incubatee shall at its own costs provide legitimately acquired software to meet all legitimate software needs in a timely fashion and in sufficient quantities for all the Incubatee's computers and such computers as the Incubatee may from time-to-time use.
(iii) The Incubatee shall comply with all licence or purchase terms regulating the use of any software the Incubatee acquires or uses.

(iv) The Incubatee shall enforce strong internal controls to prevent the making or use of unauthorised software copies, including effective measures to verify compliance with these standards and appropriate disciplinary action for violations.

5. Security on Network Services

The Incubatee understands that the Internet service (either wired with static IP address or wireless with dynamic IP address) as provided by HKSTPC to the Incubatee at limited speed, if applicable, is for email and general internet browsing instead of demanding usage such as video calling). The Incubatee shall not use the Internet service as a primary medium for conducting the Incubatee's businesses.

The Incubatee shall not visit websites that contain obscene, hateful, pornographic or otherwise illegal materials (e.g. child porn images) or shall not distribute such materials.

When browsing the Internet, the Incubatee should observe the following security measures:

(i) Install and update the latest anti-virus and anti-spyware software regularly on the device, whenever available.
(ii) Install updates and patches to the device regularly, including upgrades/updates to the operating system and web browsers.
(iii) Don't let your browser remember your log on details.
(iv) Secure the device based on the security recommendations from the device's manufacturer and enable data encryption on the device if possible.

Annex 3

Guidance Notes on Upfront Grant Expenditure Claims [Legacy Only]

A. General

1. All expenditure claims need to be pre-approved by HKSTPC.
2. The Procurement Guidelines as stated in the Incu-Bio Programme Guide should be observed.
3. If you have applied or received Government Funding on any item, you should not apply for the expenditure claim.
4. The claimant can only submit the wish list for the upcoming milestone when the spending of the previous upfront grant is 70% or above of the approved amount.
5. The wish list for the upcoming milestone period should be submitted no later than two (2) months after the preceding milestone period end date and the submission is limited to two (2). Late submission will not be accepted. [It is recommended to submit the wish list within one (1) week before the milestone assessment date so that the items could be discussed during the meeting.]
6. The claim form(s) should be submitted at least one (1) month before the next milestone meeting and the submission is limited to two (2). Late submission will not be accepted.
7. Each invoice amount should not be less than $3,000.
8. Each claim should follow the Procurement Guideline stated in the Para. 6.1.4 of Incu-Bio Progamme Guide.
9. For the ease of administration, you are required to complete the Forms in soft copy. Please do not attempt to change the contents of the wish list(s) when it has been verified by HKSTPC. HKSTPC reserves the right to terminate the Incubation Programme of the Incubatee if it fails to comply with this procedure.
10. HKSTPC reserves at all times the absolute right to determine the validity of any reimbursement claim and whether the supporting documents are adequate.
11. The service provider of Consultancy project must be a registered company.
12. The consultancy service must be project specific with clearly defined service scope. General consultancy service (e.g. charged with monthly service fee) is not eligible for expenditure claim.
13. For enquiries, please send e-mail to incubio_claims@hkstp.org.

B. Pre-Approval Process

No.	Responsible Party	Procedures
1.	Claimant	Submit the Wish List Excel Table for getting approval from Account Manager.
2.	HKSTPC	Approve or reject on the items on the Wish List Excel Table and send it back to Claimant.
3.	Claimant	Indicate the UG number onto the approved Wish List Excel Table.
4.	Claimant	Submit the Wish List Excel Table, with scanned copy of supporting documents in soft copy.

5.	Claimant	Sign on the verified Wish List (with company stamp) and submit it to HKSTPC.
6.	HKSTPC	Pay the upfront grant by bank transfer to the claimant in accordance with the verified Forms.
7.	Claimant	Keep the verified Wish List in a proper manner. Please do not attempt to change the contents.

C. Claim Process

No.	Responsible Party	Procedures
1.	Claimant	Complete Expense Claim Form in soft copy and submit it with scanned copy of supporting documents. Submit the original supporting documents, if requested by HKSTPC. Indicate the Document Serial No. (e.g. 1-1-1, 1-1-2 and 1-1-3 for quotations, 1-2 for invoice and 1-3 for delivery/goods receipt notes of item 1) in the Form. (Note that HKSTPC will not providing funding support for disapproved items.)
2.	HKSTPC	Verify the Form and send the verified Form to the claimant in softcopy to the Claimant, if any. Return the original supporting documents stamped with "Paid" to the claimant, if any.
3.	Claimant	Sign on the verified Form (with company stamp) and submit it to HKSTPC.
4.	Claimant	Keep the verified Forms in a proper manner. Please do not attempt to change the contents.

1. Supporting Documents

(a) Wish List Supporting Documents

R&D Expenses		
(a)	Staff Salaries and MPF	1. Signed Employment Contract; and 2. CV of the Staff

(b)	Expenditure on R&D Laboratory Equipment/ Instrument	1. Request for Proposal/ Request for Quotation/ Tender Documents; and 2. HKSTP BSC Pre-approval
(c)	Expenditure on R&D Consumables	
(d)	Expenditure on IP Licensing/ Development	IP Licensing: The signed agreement showing the name of the collaboration company, details of the IP licensing/development, the licence period and the cost. IP Development: Request for Proposal/ Request for Quotation/ Tender Documents/ Abstract of the draft of the IP
(e)	Expenditure on Public Trial and Other Necessary Professional Certification	1. The signed agreement showing the name of the collaboration company, details of the public trial or other necessary professional certification, the trial/certification period and the cost. 2. HKSTP BSC Pre-approval
(f)	Any Other R&D Expenses as agreed by HKSTPC	Request for Proposal/ Request for Quotation/ Tender Documents
Non-R&D Expenses		
(a)	Business Consulting	1. Request for Proposal/ Request for Quotation/ Tender Documents; and/or 2. Proposal (if applicable)
(b)	Sales and Marketing	
(c)	Professional Training	
(d)	Overseas Travel to attend Scientific Conferences	Details of the conference (e.g. name, organizer, place, time, etc.)
(e)	Accounting and Auditing	Request for Proposal/ Request for Quotation/ Tender Documents
(f)	Legal Services	
(g)	Other Relevant Operational Expenses as agreed by HKSTPC	

(b) Expenses Claim Supporting Documents

R&D Expenses		
(a)	Staff Salaries and MPF	1. MPF Remittance Statements showing the company name, staff name, salary, salary month and employer's mandatory provident fund contribution. 2. If MPF Remittance Statement is not available (e.g. the staff is employed for less than 60 days), the employment contract, student card or University Transcript showing that they are

		studying full time, the salary acknowledged receipt by the staff and the bank statement should be provided.
(b)	Expenditure on R&D Laboratory Equipment/ Instrument	1. Quotation; 2. Supplier's invoice; 3. Delivery/Goods Receipt notes of the equipment/ consumables; and 4. Payment proof (i.e. receipt / cheque and bank statement)
(c)	Expenditure on R&D Consumables	
(d)	Expenditure on IP Licensing/ Development	1. Quotation; 2. Supplier's invoice; 3. Delivery/Goods Receipt notes (if applicable); and 4. Payment proof (i.e. receipt / cheque and bank statement)
(e)	Expenditure on Public Trial and Other Necessary Professional Certification	
(f)	Any Other R&D Expenses as agreed by HKSTPC	
Non-R&D Expenses		
(a)	Business Consulting	1. Quotation; 2. Supplier's invoice; 3. Delivery/Goods Receipt notes/ (if applicable); 4. Payment proof (i.e. receipt / cheque and bank statement); and 5. Proposal / Sample (if applicable)
(b)	Sales and Marketing	
(c)	Professional Training	1. Quotation; 2. Attendance Record; and 3. Payment proof (i.e. receipt / cheque and bank statement)
(d)	Overseas Travel to attend Scientific Conferences	1. Price comparison on air tickets and hotel expenses; 2. Boarding Pass; 3. Receipts; and 4. Any proof for the attendance of the Scientific Conference (e.g. Photo, Certificate, etc.)
(e)	Accounting and Auditing	1. Quotation; 2. Supplier's invoice; and 3. Payment proof (i.e. receipt / cheque and bank statement)
(f)	Legal Services	
(g)	Other Relevant Operational Expenses as agreed by HKSTPC	

Revision History

Revision	Revised Date (DD/MM/YYYY)	Change Details
1	16/01/2019	Initial Release
2	22/02/2019	Revisions: 1. The word "Program" changed to "Programme" for all para. 2. Minor changes made in Para. 2.3, 3.1.2, 4.4, 6.1.4, 6.6.3 and 8.1 3. Para. 6.3, 6.4.2(c), 11.2 and 12.2 are added 4. Annex 1 "Application Guide": • Presentation Deck on Business Proposal must be submitted with the application • Some changes were made to the list of supporting documents
3	24/04/2019	Revisions: 1. Para. 6.6.4 is deleted
4	17/09/2019	Revisions: 1. Para. 2.2.2, 2.2.3 and 3.2.4 are added 2. Para. 2.1 (a) ,2.1 (b), 3.1.2, 3.2.1, 6.2, 6.6 and 15.3 are revised
5	01/11/2019	Revisions: 1. Minor changes made in Para. 2.1, 2.2.1, 2.2.3-2.2.5, 2.3, 3.1.1, 3.1.2, 3.3, 4.1, 4.2, 4.4, 6.1.2, 9, 10, 11.1, 13.3, 13.4, 15.2, 15.3,17 and 18. 2. Para. 6.4, 6.5, 6.6 ,11.2, 12, 13.1,19 and Annex 2 are revised 3. Annex 3 "Guidance Notes on Upfront Grant Expenditure Claims" is added
6	01/09/2020	Revisions: 1. Minor changes (with new contact number) made in Para. 2.3 2. Annex 1 point 2(e) and 2(h) are added 3. Annex 3 Part D Point 3 Table (a) is revised
7	20/01/2021	Revisions: 1. Para. 2.1 (b) (ii) is deleted 2. Minor changes made in new Para. 2.1 (b) (ii)

Revision	Revised Date (DD/MM/YYYY)	Change Details
8	01/06/2021	Revisions: 1. Para. 2.1 (b) (i) is deleted 2. Table 2 under Para 6.5.1 is revised 3. Minor changes made in Part B and Part C of Annex 3
9	26/11/2021	Revisions: 1. Para. 6.2, 6.4, 6.5 and Annex 3 are revised (in regard to the new funding disbursement arrangement) 2. Section D of Annex 3 is deleted 3. Administrative changes are made
10	06/10/2026	Revisions: 1. Applicability is added 2. Programme structure is added 3. Progress Review, Funding Support, Early Graduation and Obligation for Revamped track are added 4. Administrative changes are made