

Adoption Date: [•]

CHINA BRILLIANT GLOBAL LIMITED
(Incorporated in the Cayman Islands)

CBG SHARE AWARD SCHEME

Adopted on [date]

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CHINA BRILLIANT GLOBAL LIMITED

RULES OF SHARE AWARD SCHEME

1 Definitions and Interpretation

1.1 In these Rules, unless the context otherwise requires, the following words and expressions shall have the following meanings:

"**0.1% Individual Limit**" has the meaning given to it in Paragraph 11.3;

"**1% Individual Limit**" has the meaning given to it in Paragraph 11.1;

"**Account**" means the bank account or brokerage account opened in the name of the Trustee or Trust Holdco to be operated solely for the purposes of operating the Scheme and the funds thereof to be held directly or indirectly on trust by the Trustee for the Grantees;

"**Adoption Date**" means [●] 2024, being the date on which the Scheme is adopted by the Shareholders;

"**Applicable Laws**" means any relevant laws and regulations (including those of both Hong Kong and overseas jurisdiction as may be applicable);

"**Articles**" means the memorandum and articles of association of the Company from time to time;

"**associate(s)**" has the meaning given to it in the GEM Listing Rules;

"**Award**" means an award of Awarded Shares by the Board pursuant to Paragraph 5 to a Grantee;

"**Awarded Shares**" means in respect of a Grantee, such number of Shares determined by the Board and granted to such Grantee under the Award pursuant to Paragraph 5;

"**Board**" means the board of directors of the Company for the time being and from time to time, or the Remuneration Committee for the time being and from time to time, or a duly authorised committee thereof with the power and authority granted by the board of directors to administer the Scheme;

"**Business Day**" means a day other than a Saturday or Sunday or public holiday on which banks generally in Hong Kong are open for the transaction of normal banking business;

"**Cancelled Share(s)**" those Shares which were the subject of Awards which had been granted and accepted under the Scheme and those Shares which were the subject of awards or options which had been granted and accepted under any of the other Share Schemes but subsequently cancelled;

"**close associate(s)**" has the meaning given to it in the GEM Listing Rules;

"**Companies Ordinance**" means the Companies Ordinance, Chapter 622 of the laws of Hong Kong;

"**Company**" means China Brilliant Global Limited., a company incorporated in the Cayman Islands, the shares of which are listed on the GEM of the Stock Exchange;

"**control**" has the meaning as specified in the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs from time to time;

"**connected person**" has the meaning given to it in the GEM Listing Rules;

"**core connected person**" has the meaning given to it in the GEM Listing Rules;

"**Director(s)**" means the director(s) of the Company from time to time;

"**Eligible Participant(s)**" means any Employee Participant(s);

"**Employee Participant(s)**" any employee (whether full-time or part-time employee) provided that the Grantee shall not be taken as ceasing to be an Employee in the case of (a) any leave of absence duly approved by the Company; or (b) internal transfer or secondment amongst any members of the Group, and any successor thereof, and provided further that an Employee shall, for the avoidance of doubt, cease to be an Employee with effect from (and including) the date of termination of its employment;

"**Excluded Eligible Participant**" means any Eligible Participant who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of the Awarded Shares pursuant to the Scheme Rules is not permitted under the Applicable Laws or where in the view of the Board or the Trustee (as the case may be), compliance with the Applicable Laws makes it necessary or expedient to exclude such Eligible Participant;

"**GEM Listing Rules**" means the Rules Governing the Listing of Securities on GEM of the Stock Exchange;

"**Grantee**" means an Eligible Participant selected by the Board pursuant to Paragraph 5.1 for the grant of an Award;

"**Grant Letter**" has the meaning given to it in Paragraph 5.3;

"**Group**" means the Company and its Subsidiaries and "**member of the Group**" shall be construed accordingly;

"**HK\$**" means Hong Kong dollar, the lawful currency of Hong Kong;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Partial Lapse**" has the meaning given to it in Paragraph 8.3;

"**Personal Representative(s)**" means the person(s) who, in accordance with the laws of succession applicable in respect of a deceased Grantee, is or are entitled to be vested with the Awarded Shares on behalf of the estate of the deceased Grantees;

"**Related Income**" means all income or distribution derived from a Share (net of all expenses or charges incurred in relation to the receipt or payment of such income) held upon the Trust in the form of Shares (including but not limited to, any bonus Shares or scrip Shares received in respect of the Share) or money and, for the

avoidance of doubt, excludes any nil-paid rights, warrants, options and/or non-cash and non-scrip distributions which are derived from the Share or the net proceeds from any sale of such rights, warrants, options and/or non-cash distributions or any Residual Cash;

"Remuneration Committee" means the remuneration committee of the Board;

"Residual Cash" means being cash remaining in the Account or the trust fund of the Trust (including (i) any cash income or dividends derived from Shares held under the Trust; (ii) other cash income or net proceeds of sale of non-cash and non-scrip distribution derived from or in respect of the Shares held under the Trust; and (iii) all interest or income derived from deposits maintained with licensed banks in Hong Kong) which has not been applied in the acquisition or subscription of Trust Shares or Awarded Shares;

"Returned Shares" means such Awarded Shares or Related Income which are not vested and/or forfeited in accordance with the Scheme Rules (whether as a result of a Total Lapse or a Partial Lapse or otherwise), or such Shares being deemed to be Returned Shares in accordance with the Scheme Rules and the Trust Deed;

"Scheme" means the Share Award Scheme constituted and governed by the Scheme Rules;

"Scheme Mandate Limit" has the meaning given to it in Paragraph 11.6;

"Scheme Period" has the meaning given to it in Paragraph 3.1;

"Scheme Rules" means these rules relating to the Scheme, in its present form or as amended from time to time in accordance with the provisions hereof;

"SFO" means the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong;

"Share(s)" means ordinary share(s) of HK\$0.1 each in the capital of the Company or, if there has been a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Settlor, the shares forming part of the ordinary share capital of the Settlor of such nominal amount as shall result from any such sub-division, reduction, consolidation, reclassification or reconstruction;

"Share Scheme" means any (a) scheme involving the grant of Shares by the Company; and (b) scheme involving the grant of options over Shares. For the avoidance of doubt, the Scheme is a Share Scheme;

"Shareholder(s)" means holder(s) of Shares from time to time;

"Stock Exchange" means The Stock Exchange of Hong Kong Limited;

"Subsidiary" means a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of the Company, whether incorporated in Hong Kong and **"Subsidiaries"** shall be construed accordingly;

"substantial shareholder(s)" has the meaning given to it in the GEM Listing Rules;

"Total Lapse" has the meaning as set out in Paragraph 8.2;

"Trust" means the trust constituted by the Trust Deed;

"Trustee" means the trustee corporation or trustee corporations to be appointed by the Company for the administration of the Scheme;

"Trust Deed" means a trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in respect of the appointment of the Trustee for the administration of the Scheme;

"Trust Holdco" means [●] Limited, a company incorporated in [●], which is wholly owned by the Trustee as trustee of the Trust;

"Trust Period" means shall have the meaning as set out in Clause 1.1 of the Trust Deed;

"Trust Shares" means such Shares that are held, directly or indirectly, by the Trustee upon Trust, from time to time for the purpose of the Scheme;

"Vesting Condition(s)" means in respect of an Award, any condition which must be satisfied before the Award can vest in the relevant Grantee, as set out in the relevant Grant Letter; and

"Vesting Date(s)" means in respect of an Award, the date(s) on which some or all of the Award vest in accordance with the terms of the grant of the Award, as set out in the relevant Grant Letter or are deemed to have vested under Paragraph 7.5 or Paragraph 11.1.

1.2 For the purposes of the interpretation of these Rules:

1.2.1 References to any statute, statutory provision, ordinance or other law or rule (including the GEM Listing Rules) include any statutory instrument or regulations made under it and references to all or any part of any statute or statutory instrument include any statutory amendment, modification or re-enactment in force from time to time.

1.2.2 Words importing gender include each gender. The singular includes the plural and vice versa.

1.2.3 The table of contents, headings and paragraph numbers are included for convenience only and do not affect the interpretation or construction of the Scheme Rules.

1.2.4 Any phrase introduced by the terms **"including"**, **"include"**, **"in particular"**, **"for example"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words proceeding those terms.

1.2.5 The word **"persons"** shall be deemed to include any body, corporate, partnership, undertaking or other body of persons, whether incorporated or not incorporated and whether existing or formed after the date of the Scheme.

2 Purpose

2.1 The purpose of the Scheme is to recognise and acknowledge the contributions which the Eligible Participants have made or may make to the Group and to reward the

Eligible Participants who have achieved outstanding performance, and to set out the terms and conditions upon which the incentive arrangement for the Eligible Participants shall operate.

2.2 The Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in the Company, with the view to achieving the following principal objectives:

2.2.1 motivating the Eligible Participants to optimise their performance and efficiency for the benefit of the Group, and in particular, for fulfilling the strategic targets of the Group; and

2.2.2 attracting and retaining or otherwise maintaining ongoing business relationships with the Eligible Participants whose contributions are, or, will or are expected to be, beneficial to the Group and the long-term growth and development of the Group.

3 Duration and Administration

3.1 Upon satisfaction of the conditions of (i) the passing of the necessary resolutions by the Board and the Shareholders to approve and adopt the rules of the Scheme and the Scheme Mandate Limit; and (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any Shares to be allotted and issued pursuant to the Awards that may be granted under the Scheme, subject to any early termination as may be determined by the Board pursuant to Paragraph 15, the Scheme shall take effect and be valid and effective for a period of ten (10) years commencing on the Adoption Date (the "**Scheme Period**"), after which period no further Awards may be granted, but the Scheme Rules shall remain in full force and effect in all other respects to the extent necessary to give effect to any Awards made prior thereto.

3.2 Awards granted during the Scheme Period, but which remain outstanding and have not lapsed as at the expiry of the Scheme Period, shall continue to be valid in accordance with their terms of grant notwithstanding the expiry of the Scheme Period.

3.3 The Scheme shall be subject to the administration of the Board or the Committee or such other person to which the Board has delegated its authority in accordance with the Scheme Rules and all applicable laws and regulations, whose decisions as to all matters arising in relation to the Scheme or its interpretation or effect (save as otherwise provided herein) shall be final, conclusive and binding on all parties. All references herein to the Board shall unless the context otherwise requires include the Committee and such other person to which the Board has delegated its authority.

3.4 Without prejudice to the generality of Paragraph 3.3, the Board shall have the right and power to:

3.4.1 interpret and construe the provisions of the Scheme Rules;

3.4.2 determine the persons (if any) who shall be granted an Award, the amount of the Award and terms of the Award;

3.4.3 subject to Paragraph 14, make adjustments to the terms of the Awards granted under the Scheme as it deems necessary;

- 3.4.4 adopt additional rules and regulations in respect of the Scheme;
 - 3.4.5 prescribe the form(s) or instruments for granting an Award; and
 - 3.4.6 make such other decisions or determinations as it shall deem appropriate in relation to the granting of an Award and/or the administration of the Scheme.
- 3.5 No member of the Board shall be personally liable by reason of any contract or other instrument executed by such member or on his behalf in his capacity as a member of the Board nor for any mistake of judgment made in good faith, and the Company shall indemnify on demand and hold harmless each employee, officer or director of the Company to whom any duty or power relating to the administration or interpretation of the Scheme may be allocated or delegated, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of or an act or omission in connection with the Scheme, unless arising out of such person's own negligence, fraud or bad faith.
- 3.6 The Trustee shall during the Trust Period hold, directly or indirectly, the Trust Shares, the Related Income and the Residual Cash in accordance with the terms of the Scheme Rules and the Trust Deed.

4 Eligibility Criteria

- 4.1 All directors and employees (including full-time and part-time employees) of the Company or any of its Subsidiaries (including any persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with the Group) (each such person being an "**Employee Participant**") are eligible to participate in, and be granted Awards under, the Scheme (each such person being an "**Eligible Participant**").
- 4.2 In order for a person to satisfy the Board that he/her is qualified to be (or, where applicable, continues to qualify to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing his eligibility (or continuing eligibility).
- 4.3 Any person whom the Board has resolved to be qualified as an Eligible Participant must remain eligible during the period when any Award granted to him remains outstanding.
- 4.4 Should the Board resolve that a Grantee fails/has failed or otherwise is/has been unable, or has ceased, to meet the continuing eligibility criteria under Paragraph 4.1, the Company would be entitled to deem any outstanding Award or part thereof granted to such Grantee and to the extent not already vested, and any Award made to him, as lapsed.

5 Grant of Award

- 5.1 Subject to and in accordance with the Scheme Rules, the GEM Listing Rules and all Applicable Laws, the Board shall be entitled at any time on any Business Day during the Scheme Period, to grant an Award to any Eligible Participant (other than any Excluded Eligible Participant) at no consideration and in such number and on and subject to such terms and conditions, including but not limited to, the conditions of

entitlement and/or vesting of the Awarded Shares, restrictions on transfer of the Awarded Shares and the right to alter the terms and conditions of the Awards, as the Board may in its absolute discretion select. Until so selected, no Eligible Participant shall have any entitlement under the Scheme.

5.2 Subject to and in accordance with and the Scheme Rules, the GEM Listing Rules and all Applicable Laws, the Board may, on a case-by-case basis and at its discretion, impose any terms and conditions, restrictions or limitations (including a period of continued employment, engagement and/or service within the Group after the Award shall become entitled and/or vested) before the Award can vest as it as it deems appropriate in its absolute discretion with respect to the entitlement and/or vesting of the Awarded Shares on the Grantee, provided that such terms, conditions, restrictions or limitations are set out in the Grant Letter issued to the Grantee under Paragraph 5.3, including:

- 5.2.1 requiring the continuing eligibility of the Eligible Participant in accordance with the provisions of the Scheme Rules and providing that in the event that the Board resolves that the Eligible Participant fails/has failed or otherwise is or has been unable to meet such continuing eligibility criteria, the Awards shall lapse;
- 5.2.2 requiring the continuing compliance of such terms and conditions that may be attached to the grant of the Award, failing which the Award (to the extent not already vested) shall lapse, unless otherwise resolved by the Board;
- 5.2.3 in the event that the Eligible Participant is a corporation, that any change in the management and/or shareholding of the Grantee shall constitute a failure to meet the continuing eligibility criteria under the Scheme Rules; and/or
- 5.2.4 relating to the achievement of operating or financial or performance targets before the relevant Awards become vested.

Save as determined by the Board and provided in the Grant Letter of the relevant Award, there is no performance target which must be achieved before an Award can be vested under the terms of this Scheme, and save as set out in Paragraph 7, there is no clawback mechanism for the Company to recover or withhold any Awards granted to any Eligible Participant.

5.3 A grant of an Award shall be made to an Eligible Participant by way of a letter (a "**Grant Letter**") in such written form as the Board may from time to time determine. The document for granting the Awards shall state and specify:

- 5.3.1 the name and address of the Grantee and so far as the Board is aware, whether he/her is connected person of the Company;
- 5.3.2 the number of Awarded Shares for the Grantee;
- 5.3.3 the Vesting Dates and Vesting Conditions (such as performance targets that must be achieved before any of the Awarded Shares may be vested in the Grantee under such Award) (if any) of the Awarded Shares;
- 5.3.4 any applicable lock-up on the Awarded Shares;

- 5.3.5 the date by which the Grantee must accept the grant of the Award, failing which the Award would forfeit; and
 - 5.3.6 other relevant terms and conditions of the Award.
- 5.4 As soon as practicable after the making of an Award under the Scheme and the acceptance of the Award by the Grantee by signing and returning to the Board the acceptance form attached to the Grant Letter within five (5) Business Days after the date of the Grant Letter, the Board shall immediately inform the Trustee of:
- 5.4.1 the information set out in Paragraphs 5.3.1 to 5.3.4, and Paragraph 5.3.6 above; and
 - 5.4.2 whether the Awarded Shares will be issued and allotted by the Company to the Trustee or Trust Holdco or whether the Trustee shall apply such number of Trust Shares in the trust fund of the Trust not already allocated to any particular Grantee as Awarded Shares or whether the Awarded Shares should be acquired by the Trustee or Trust Holdco either on the market or through other means.

For these purposes, unless otherwise notified by the Company in writing, the Trustee may treat the Vesting Conditions as conclusive of the matters shown in that Vesting Conditions and that, in case of vested entitlements, the Grantee in question remains an Eligible Participant on the applicable Vesting Date (or any earlier deemed date under Paragraph 7.5). The Trustee is not required to make any enquiry as to whether each such Vesting Condition is correct. Unless otherwise as determined by the Board, the Related Income shall not vest to the Grantee but shall become part of the trust fund of the Trust and be applied in accordance with Paragraph 10.

- 5.5 Awards granted are subject to the acceptance of the grant by the Grantee in the time and manner stipulated in the Grant Letter issued to the Grantee under Paragraph 5.3 above. If the Grantee does not accept the Award in the time and manner stipulated in the Grant Letter, the Award shall be forfeited. Such Grantee shall have no right or claim against the Company, any other member of the Group, the Board or with respect to those or any other Shares or any right thereto or interest therein in any way.
- 5.6 Prior to the Vesting Date, any Award made under the Scheme shall be personal to the Grantee to whom it is made and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares Date referable to him/her/it pursuant to such Award or the Related Income or any of the Returned Shares unless a waiver is granted by the Stock Exchange allowing the transfer of the Awards from a Grantee to a vehicle (such as a trust or a private company) for the benefit of such Grantee and any family members of such Grantee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the Scheme and comply with the requirements of Chapter 23 of the GEM Listing Rules. Any breach of the foregoing shall entitle the Company to cancel any Award or any part thereof granted to such Grantee.
- 5.7 Where a Grantee is a Director, such Grantee shall not be counted in the quorum at the meeting of the Board held for the purpose of considering the grant of the Award

to him/her and such Grantee shall abstain from voting on the relevant resolutions in relation to such grant at that meeting.

5.8 The Board shall not grant any Award, make any payment to the Trustee pursuant to Paragraph 6.1 or give instructions to the Trustee to purchase or acquire or subscribe for Shares where dealings in Shares by the Directors are prohibited under any code or requirement of the GEM Listing Rules and all Applicable Laws from time to time, including (without limitation):

5.8.1 at any time when a Director possesses unpublished inside information in relation to the securities of the Company, until (and including) the trading day after such inside information has been publicly announced in accordance with the applicable laws and the GEM Listing Rules;

5.8.2 during the period commencing one (1) month immediately before the earlier of: (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the GEM Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the GEM Listing Rules); and (b) the deadline for the Company to announce its results for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules), and ending on the date of the results announcement, provided that such period shall also cover any period of delay in publishing such results announcement;

5.8.3 in respect of an Award to a Director, on any day on which the financial results of the Company are published and during the period of:

(a) sixty (60) days immediately preceding the publication date of the annual results of the Company or, if shorter, the period from the end of the relevant financial year up to the publication date of the results announcement; and

(b) thirty (30) days immediately preceding the publication date of the quarter results (if any) and half-yearly results of the Company or, if shorter, the period from the end of the relevant quarterly or half-yearly period up to the publication date of the results announcement.

For the avoidance of doubt, no Awards may be granted during any period of delay in publishing a results announcement of the Company; and

5.8.4 in any circumstance which is prohibited under the GEM Listing Rules, the SFO or any Applicable Laws or where any requisite approval from any governmental or regulatory authority has not been granted.

5.9 The Awarded Shares allotted and issued shall be subject to all the provisions of the Articles and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the fully paid Shares in issue on the date of allotment and rights in respect of any dividend or other distributions paid or made on or after the date on which the Grantee is registered as a member.

- 5.10 In determining the number of Awarded Shares to be granted to any Grantee, the Board shall take into consideration matters including, but without limitation to, the responsibility taken up by them and whether they have demonstrated efforts in improving and enhancing the revenues, profits, clientele, awards and goodwill of the Group and whether they should be rewarded to further motivate their performances and efficiencies for the benefit of the Group and whether they would accept Awarded Shares as part of their remuneration or compensation package and as inducement for them to accept any offer for appointment, employment or engagement extended by the Group to them.
- 5.11 The Board is entitled to impose any terms and conditions (including a period of continued employment, engagement and/or service within the Group after the Award shall become entitled and/or vested), as it deems appropriate in its absolute discretion with respect to the entitlement and/or vesting of the Awarded Shares on the Grantee and shall inform such Grantee the relevant conditions of the Award and the Awarded Shares PROVIDED that the vesting period for Awards shall not be less than 12 months unless under the specific circumstances set out in Paragraphs 5.12, 7.4, 7.5 and 7.6.
- 5.12 A shorter vesting period may be granted to Employee Participants as deemed appropriate at the sole discretion of the Board in any of the following circumstances: (a) grants of "make-whole" Awards to new joiners to replace the share awards they forfeited when leaving the previous employer; (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event; (c) grants with performance-based vesting conditions in lieu of time-based vesting criteria; (d) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Awards would have been granted; (e) grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over period of twelve (12) months; and (f) grants with a total vesting and holding period of more than twelve (12) months. The Board shall notify the Trustee in writing, no later than 15 Business Days.
- 5.13 Notwithstanding any other provisions of the Scheme, subject to applicable laws and regulations, the Board shall be at liberty to waive and/or alter any Vesting Conditions of the Awarded Shares and/or restrictions on transfer thereof.

6 Acquisition of Shares by the Trustee

- 6.1 The Board shall, after having regard to the requirements under Paragraph 5, the GEM Listing Rules and all Applicable Laws, either before or after identification of the Grantee(s), cause to be paid to the Trustee or Trust Holdco (by way of a gift from the funds of the Company) such amount as may be required for the purchase of existing Shares from the market or for the acquisition of existing Shares through other means or for the subscription of the new Shares by the Trustee or Trust Holdco and the related purchase or acquisition or subscription expenses (including for the time being, the brokerage fee, stamp duty, transaction levy, trading fee and investor compensation levy and such other necessary expenses required for the completion of the purchase or acquisition or subscription of all the Awarded Shares, as applicable).

- 6.2 The Board shall procure that the Trustee or Trust Holdco will have all the relevant Awarded Shares held in its custody within twenty (20) Business Days prior to the Vesting Date of the relevant Awarded Shares.
- 6.3 After receipt of funds from the Company pursuant to Paragraph 6.1, the Trustee shall, within thirty(30) Business Days on which trading of the Shares on the Stock Exchange has not been suspended or dealings by the Directors are not prohibited under the GEM Listing Rules, any code or requirement of the GEM Listing Rules and all Applicable Laws from time to time (or such longer period as the Trustee and the Board may agree from time to time having regard to circumstances of the purchase or acquisition or subscription concerned), for the purpose of satisfying the making of the Award, apply the same towards, or procure Trust Holdco to apply the same towards, as the case may be:
- 6.3.1 the purchase of the maximum number of board lots of the Shares at the prevailing market price;
 - 6.3.2 the acquisition of the Shares through other means as determined by the Board; or
 - 6.3.3 the subscription of the new Shares in such total number to be determined by the Board to be allotted and issued.

and in the event that the Company applies the funds received by Trust Holdco towards the purchase, acquisition or subscription of Shares pursuant to this Paragraph 6.3, the Board shall inform the Trustee of the number of Shares purchased, acquired or subscribed and the amount of funds applied for such purchase, acquisition or subscription.

- 6.4 Any excess funds after the purchase or acquisition or subscription of Shares shall be retained by the Trustee within the trust fund of the Trust or may, upon instructions of the Board, be returned to the Company within a reasonable period after the purchase or acquisition or subscription of Shares.
- 6.5 Where the funds paid or caused to be paid to the Trustee or Trust Holdco together with any cash income for the Trust Fund are not sufficient to purchase or acquire or subscribe for all the Awarded Shares (as applicable), the Trustee shall seek further funds from the Company until sufficient Awarded Shares are purchased or acquired or subscribed. The Trustee shall not distribute any Shares as Awarded Shares to any Grantee pursuant to the Scheme until the Trust has the sufficient number of Shares for the Trustee to do so. For the avoidance of doubt, the Shares so purchased or acquired or subscribed shall form part of the capital of the trust fund of the Trust.

7 Vesting

- 7.1 Except in the circumstances of a Total Lapse and barring any unforeseen circumstances, unless otherwise agreed between the Board and the Trustee:
- 7.1.1 thirty (30) Business Days prior to a Vesting Date, the Board shall:
 - (a) confirm with the Trustee the list of Grantees who have fulfilled all Vesting Conditions (if any); and

- (b) send, or instruct the Trustee to send, to the relevant Grantees (with a copy to the Trustee (or, if sent by the Trustee, the Company)) a vesting notice together with the following documents:
 - (i) the prescribed transfer documents for the transfer of all or any portion of the Awarded Shares to be completed and signed by the Grantee (or its Personal Representative, where applicable); and
 - (ii) a checklist of information and/or documents to be completed/provided by the Grantee; and
- 7.1.2 upon receipt of the vesting notice, the Grantee (or its Personal Representative, where applicable) is required to return to the Board the reply slip attached to the vesting notice, together with the relevant duly signed documents for the Awarded Shares in respect of which the vesting notice is given. In the event that the Board does not receive the reply slip, the relevant duly signed documents at least twenty (20) Business Days prior to the Vesting Date, the Award referable to such Grantee (or its Personal Representative, where applicable) shall automatically lapse; and
- 7.1.3 subject to the receipt by the Trustee of the requisite information and documents prescribed by the Trustee and duly signed by the Grantees (or its Personal Representative, where applicable) within the period stipulated in the vesting notice referred to in Paragraph 7.1.1(b), the Trustee shall transfer or procure Trust Holdco to transfer the relevant Awarded Shares to the relevant Grantee (or its Personal Representative, where applicable) as soon as practicable after the Vesting Date and in any event not later than twenty (20) Business Days after the Vesting Date.
- 7.2 For the purposes of Paragraph 7.1.2, a transfer of Shares may be effected in any one of the following manners:
 - 7.2.1 depositing the Shares into a securities account specified by the Grantee; or
 - 7.2.2 physical delivery of share certificates.
- 7.3 In the event that a Grantee elects to receive a share certificate in respect of the Awarded Shares referable to him,
 - 7.3.1 as soon as practicable following the Vesting Date the Trustee shall send sufficient of share certificates evidencing its or Trust Holdco's then current holding of the Shares to the share registrar of the Company; together with:
 - (a) the name of the Grantee entitled to receive the Shares on such Vesting Date according to the information previously supplied by the Company;
 - (b) the relevant transfer documents executed by the Grantee and the Trustee or Trust Holdco;
 - (c) a request that a new share certificate be issued in the name of the Grantee for his Shares; and

- 7.3.2 on receipt of the said new share certificate in the name of the Grantee from the share registrar of the Company, the Trustee or Trust Holdco shall then send the share certificate to the relevant Grantee by ordinary post to the address supplied by the Company without liability for the safe receipt by such Grantee or by other means as agreed between the Trustee and the Grantee at the expense of the relevant Grantee.
- 7.4 In the event of the retirement of any Grantee at his/her normal retirement prior to or on the Vesting Date, all the Awarded Shares of the relevant Employee Participant shall lapse, unless otherwise determined by the Board in its absolute discretion to be deemed to be vested on the day immediately prior to the normal retirement date or such earlier or later date by agreement with the relevant member of the Group.
- 7.5 In the event of the death of a Grantee prior to or on the Vesting Date, all the Awarded Shares of such Employee Participant shall lapse, unless otherwise determined by the Board in its absolute discretion provided that the allotment and issue of the Awarded Shares shall be subject to the rules of the Scheme. All outstanding Awarded Shares and Related Income not deemed to have been so vested shall be deemed forfeited upon the death of the relevant Grantee. The Trustee shall hold, directly or indirectly, the vested Awarded Shares and the rights thereto (together the "**Benefits**") upon trust and, subject to the Trustee holding, to transfer or procure Trust Holdco to transfer the same to the Personal Representative(s) of the Grantee (whose identity and contact details will be notified to the Trustee by the Board) and subject as aforesaid the Trustee shall hold, directly or indirectly, the Benefits or so much thereof as shall not be transferred or applied under the foregoing powers within (a) two (2) years of the death of the Grantee (or such longer period as the Trustee and the Board shall agree from time to time), or (b) the Trust Period (whichever is shorter) upon trust to transfer or procure Trust Holdco to transfer the same to the Personal Representative(s) of the Grantee, or if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall be held as Returned Shares or income of the trust fund of the Trust for the purposes of the Scheme. Notwithstanding the foregoing, the Benefits held upon the trusts hereof shall until transfer is made in accordance herewith be retained and may be invested and otherwise dealt with by the Trustee in every way as if they had remained part of the trust fund of the Trust. The Trustee shall treat information provided to it as to the death of any Grantee and the identity and contact details of their Personal Representative as conclusive without being required to make any enquiry that such information is correct.
- 7.6 In the event of any event or series of events of material adverse change or development in local, national, regional or international financial, political, industrial, economic, currency, military, conflict related, legal, fiscal, exchange control, regulatory, equity or market or other conditions having caused a drop in the share price of the Awarded Shares the Board may (but not obliged) at its absolute discretion give the respective Grantees affected on the Vesting Date a compensatory award in such amount and in such form (whether by way of cash, Shares or otherwise) as the Board at its sole discretion considers appropriate. For the avoidance of doubt, such compensatory award, if any, shall be paid by the Company to the affected Grantees direct.

- 7.7 In the event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all the Awarded Shares and the Related Income of the Employee Participant shall lapse, unless otherwise determined by the Board in its absolute discretion. If the Board determines that any Awarded Shares shall vest, it shall promptly notify the Employee Participant.
- 7.8 Save for the brokerage fees, stamp duty and other taxes and expenses and normal registration fees in respect of the transfer of Shares or payment of cash amount to Grantees on the relevant Vesting Date, the Grantee shall be fully responsible for any tax arising from the receipt by him of the Awarded Shares including but not limited to salaries tax, capital gain tax, etc. Should any arrangement be made at the request by the Grantee such that a designated financial institution is to pay first any tax to any relevant authority, the Grantee must repay such financial institution as soon as possible and in any event no later than three (3) months after the payment has been made.
- 7.9 Subject to Paragraph 7.8, any tax due on the granting or vesting of the Awarded Shares in connection with the Scheme is to be borne by the Grantee absolutely. Any social security contributions legally due, if any, on the granting or vesting of the Awarded Shares shall be borne in such proportion as is required by the Applicable Laws between the Grantee and the relevant member of the Group.
- 7.10 For the avoidance of doubt,
- 7.10.1 a Grantee shall not have any interest or rights (including the right to receive dividends and/or any other distributions or the right to vote at shareholders meeting) other than a contingent interest in the Awarded Shares prior to the Vesting Date;
- 7.10.2 a Grantee shall have no rights in the Residual Cash, the Related Income or any of the Returned Shares unless otherwise determined by the Board;
- 7.10.3 no instructions may be given by a Grantee to the Trustee in respect of the Awarded Shares that have not vested, and such other properties of the Account or the trust fund of the Trust managed by the Trustee;
- 7.10.4 the Trustee or Trust Holdco shall not exercise the voting rights in respect of any Trust Shares held by it as nominee or under the Trust (if any). All other rights and powers in respect of any Trust Shares held by it as nominee or under the Trust (if any) shall be exercised by the Trustee or Trust Holdco in accordance with the instructions of the Company;
- 7.10.5 a Grantee shall have no rights in the fractional share arising out of consolidation of Shares (such Shares shall be deemed as Returned Shares for the purposes of the Scheme);
- 7.10.6 in the event a Grantee ceases to be an Eligible Participant pursuant to Paragraph 8.2 on the relevant Vesting Date, the award of the Awarded Shares in respect of the relevant Vesting Date shall, unless the Board otherwise agrees, lapse and such Awarded Shares shall not vest on the relevant Vesting Date and the Grantee shall have no claims against the Company or the Trustee or Trust Holdco;

- 7.9.7 in the case of the death of a Grantee, the Benefits shall be forfeited if no transfer of the Benefits to the Personal Representatives of the Grantee is made within the period prescribed in Paragraph 7.5, the Personal Representatives of the Grantee shall have no claims against the Company or the Trustee or Trust Holdco.
- 7.11 Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Eligible Participant, without limitation, the following: (a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his/her employment or engagement or service to any member of the Group and whether or not it has resulted in his employment or engagement or service being terminated by the relevant member of the Group; (b) where such person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets; (c) where such person has been convicted of any criminal offence; or (d) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time. In the event that prior to or on the Vesting Date, a Grantee is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to sub-paragraphs (a) to (d) above, the relevant Award made to such Grantee shall automatically lapse forthwith. Such Grantee shall have no right or claim against the Company, any other member of the Group, the Board or with respect to those or any other Shares or any right thereto or interest therein in any way.

8 Lapse

- 8.1 Unless otherwise as determined by the Board, in the event that prior to or on the Vesting Date in respect of a Grantee:
- 8.1.1 who has reached retirement age but has not terminated his employment with the Group;
 - 8.1.2 who has changed the employment position within the Group due to decisions of the Company other than the reasons;
 - 8.1.3 who has lost the ability to work due to injury suffered in the course of performing his duties for the Group; or
 - 8.1.4 the Company undergoes a reorganisation, demerger or merger with another company but there has been no change in the control of the Company,
- the Award of the relevant Grantee shall not lapse.
- 8.2 In the event that prior to or on the Vesting Date:
- 8.2.1 a Grantee commits a breach of Paragraph 5.6;
 - 8.2.2 a Grantee is deemed to cease to be an Eligible Participant pursuant to the rules of the Scheme ;

- 8.2.4 if notice is duly given by the Company to its Shareholders to convene a general meeting for the purpose of considering a resolution for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) or an order of winding up of the Company is made; or
- 8.2.5 the condition(s) or performance target(s) specified in the relevant Grant Letter(s) are not attained by the relevant Grantee before the deadline as specified therein provided that if any entitlement condition specified in the grant notice for any specific number of Awarded Shares under such Award is being satisfied prior to or on the relevant Vesting Date, such number of Awarded Shares shall upon the vesting condition for those entitled Awarded Shares being satisfied prior to or on the relevant Vesting Date, be vested on the Grantee on the relevant Vesting Date and any extent of such Awards in respect of which the entitlement condition is not being satisfied prior to or on the relevant Vesting Date shall automatically lapse on the relevant Vesting Date,

(each of these, an event of "**Total Lapse**"), whichever occurs the earliest, the Award shall, unless the Board otherwise agrees, lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but the relevant Awarded Shares shall become Returned Shares for the purpose of the Scheme. The Board shall immediately notify the Trustee of such lapse and of:

- (a) the name of the relevant Grantee or the Personal Representative(s) of such Grantee; and
- (b) the number of Awarded Shares which are not vested

8.3 In the event that prior to or on the Vesting Date:

- 8.3.1 a Grantee is found to be an Excluded Eligible Participant; or
- 8.3.2 a Grantee fails to return duly executed transfer documents prescribed by the Trustee for the relevant Awarded Shares within the stipulated period

(each of these, an event of "**Partial Lapse**"), the relevant part of the Award made to such Grantee shall, unless the Board otherwise agrees, lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but the relevant Awarded Shares shall become Returned Shares for the purpose of the Scheme. The Board shall immediately notify the Trustee of such lapse and of:

- (a) the name of the relevant Grantee; and
- (b) the number of Awarded Shares which are not vested

8.4 Where any Awarded Shares and Related Income which is in the form of Shares are not vested in any Grantee for whatever reasons in accordance with the Scheme Rules, all such unvested Awarded Shares and Related Income shall become and for all intents and purposes be deemed to become the Returned Shares for the purposes of the Scheme and in accordance with the Scheme Rules. The Board may at its sole

discretion (i) instruct the Trustee to sold the Returned Shares and remit the proceeds to the Company forthwith after the sale or retain the proceeds in the trust constituted by the Trust Deed for the purposes of the Scheme; or (ii) make a grant of Awards to any other Eligible Participant (other than any Excluded Participant) to be satisfied by the Returned Shares which shall be held on trust by the Trustee until the respective Vesting Date, if suitable Eligible Participants can be identified.

- 8.5 The Board may, in its absolute discretion, designate an Award made to any Grantee. If it does so, the Board may determine the performance conditions attached to an Award made to the Grantee under the Scheme. Performance conditions may apply to the Grantees, including but not limited to directors and/or senior managers of the Company. Performance conditions (if any) shall, as soon as reasonably practicable, be notified to the Grantee and: (i) may relate to the performance of the Grantee, the Company, one or more of the Subsidiaries, the business or functional unit or department for which the Grantee works or the strategic or business initiatives or projects for which the Grantee is responsible or in relation to which he/she is actively involved in developing, implementing or completing, or any combination of the above; (ii) may be relative to the performance of one or more comparators, benchmarks, indices or other measures; (iii) may be different for different Grantees; and (iv) may be different for different Awards in relation to the same Grantee. Performance targets for a specific Grantee may take into account (among others) such Grantee's roles and responsibilities. For illustration, it may be appropriate for performance targets for a manager of a specific project to focus more on the performance of that specific project, while performance targets for a Director or senior management may look more towards the overall performance of the Group.
- 8.6 Shortly prior to each Vesting Date, the Board will determine whether the relevant Grantee has met his/her performance targets for the relevant one-year period prior to the Vesting Date. In assessing whether such performance targets have been satisfactorily met, the Board will have regard to the purpose of the Scheme in assessing the reasonableness and suitability of such performance targets, with reference to factors including but not limited to, as and when appropriate, sales performance (e.g. revenue), operating performance (e.g. operation efficiency) and financial performance (e.g. profits, cash flow, earnings, market capitalisation and return on equity) of the Group, as well as corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture) and personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee.
- 8.7 The Board may amend any performance condition if any event occurs which causes it to consider that the amended performance condition would, at the absolute discretion of the Board, be a more accurate measure of performance.
- 8.8 The Remuneration Committee shall have the power to interpret any situations in relation to the Grantee's personal circumstances that have not been provided for in Paragraphs 8.1 and 8.2 to 8.4 and to determine how to deal with the unvested Awarded Shares or vested Awarded Shares of the relevant Grantee in such personal circumstances.
- 8.9 Subject to the rules of the Scheme, any Awards granted by the Board to any Grantees but not vested prior to or on the relevant Vesting Date shall automatically lapse after the Vesting Date. Notwithstanding any other rules of the Scheme, subject to

applicable laws and regulations, the Board shall be at liberty to waive and/or alter any entitlement and/or vesting conditions of the Awarded Shares and/or restrictions on transfer in accordance with the rules of the Scheme.

9 Related Income and Returned Shares

- 9.1 The deemed cash income of the Trust Shares as described in Paragraphs 9.2, 10.3, 10.4, 10.5 and 10.6 shall be applied to defray the fees, costs and expenses of the Trust, and the remainder will be treated as income of the trust fund of the Trust.
- 9.2 The Trustee shall hold, directly or indirectly, the Related Income which is in the form of Shares and the Returned Shares exclusively for the benefit of all or one or more of the Eligible Participants (including future Eligible Participants but excluding any Excluded Eligible Participants) and may upon instructions by the Board (a) allocate such Related Income and Returned Shares as Awarded Shares to any Grantees, or (b) sell or procure Trust Holdco to sell such Related Income and Returned Shares, in which case the net sale proceeds thereof shall be deemed as income of the trust fund of the Trust and shall be applied in accordance with Paragraph 9.1.

10 Takeover, Right issue, Open Offer, Scrip Dividend, Etc.

- 10.1 In the event the Company undertakes a consolidation of the Shares, all fractional shares arising out of such consolidation in respect of the Awarded Shares of a Grantee shall be deemed as forfeited for the purposes of the Scheme and shall not be transferred to the relevant Grantee on the relevant Vesting Date, but shall revert form part of the pool of Trust Shares.
- 10.2 In the event the Company undertakes an open offer of new securities in respect of any Trust Shares which are held, directly or indirectly, by the Trustee under the Scheme, the Board shall instruct the Trustee as to whether or not to subscribe for any new Shares. If the Board instructs the Trustee to subscribe for new Shares under the open offer, the Company shall provide the Trustee or Trust Holdco with the necessary funding for the subscription. In the event of a rights issue, the Board shall instruct the Trustee as to whether or not to take up any rights Shares. If the Board instructs the Trustee to take up any rights Shares, the Company shall provide the Trustee or Trust Holdco with the necessary funding. Should the Board instruct the Trustee not to take up any rights Shares, the Board shall direct the Trustee to sell such amount of the nil-paid rights allotted to it during a specific period and at a specific price range as instructed by the Company and the net proceeds of sale of such rights shall, unless otherwise instructed by the Company, be held, directly or indirectly, as income of the trust fund of the Trust and be applied in accordance with Paragraph 9.1. For the avoidance of doubt, no person including without limitation any Grantee may give any direction to, or make any claim against, the Trustee in respect any such open offer.
- 10.3 In the event the Company issues bonus warrants in respect of any Trust Shares which are held, directly or indirectly, by the Trustee, the Board shall instruct the Trustee as to whether or not to subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants. If the Board instructs the Trustee to subscribe for new Shares pursuant to the bonus warrants, the Company shall provide the Trustee or Trust Holdco with the necessary funding for the subscription. Should the Board instruct the Trustee not to exercise the subscription rights, the

Board shall direct the Trustee to sell the bonus warrants created and granted to it during a specific period and at a specific price range as instructed by the Company and the net proceeds of sale of such bonus warrants shall, unless otherwise instructed by the Company, be held, directly or indirectly, as income of the trust fund of the Trust and be applied in accordance with Paragraph 9.1. For the avoidance of doubt, no person including without limitation any Grantee may give any direction to, or make any claim against, the Trustee in respect any such bonus warrants.

- 10.4 In the event the Company undertakes a scrip dividend scheme, the Board shall instruct the Trustee as to the election of scrip dividend or cash dividend. If there is an election for scrip dividend, it will be treated as Related Income and held, directly or indirectly, by the Trustee in accordance with Paragraph 9.2. If there is an election for cash dividend, unless otherwise instructed by the Company, it will be treated as income of the trust fund of the Trust and be applied in accordance with Paragraph 9.1. For the avoidance of doubt, no person including without limitation any Grantee may give any direction to, or make any claim against, the Trustee in respect any such scrip dividend or cash dividend.
- 10.5 In the event of other non-cash and non-scrip distribution made by the Company in respect of Trust Shares held, directly or indirectly, upon the Trust, the Board shall direct the Trustee whether or not to dispose of such distribution. Should the Board instruct the Trustee to dispose of such distribution at a price agreed by the Company, unless otherwise instructed by the Company, the net sale proceeds thereof shall be deemed as income of the trust fund of the Trust and be applied in accordance with Paragraph 9.1. For the avoidance of doubt, no person including without limitation any Grantee may give any direction to, or make any claim against, the Trustee in respect any such non-cash and non-scrip distribution.
- 10.6 In the event of any capitalisation issue, rights issue, consolidation or subdivision of the Shares, or reduction of capital of the Company in accordance with applicable laws and regulatory requirements whilst there are outstanding Awards being granted or this Scheme remains in effect (except on an issue of securities of the Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment), such corresponding alterations (if any) shall be made in the number of Awarded Shares to which the Scheme or any Award relates (insofar as it is/they are not yet vested)), for the purpose of restoring to the extent possible the percentage shareholding of the Awarded Shares or underlying Awarded Shares concerned to such level immediately before such circumstance requiring alteration or adjustment takes effect. Any adjustments shall give a Grantee the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that Grantee was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than their nominal value. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Company's auditors must confirm to the directors in writing that the adjustments satisfy the requirements in the note under Rule 23.03(13) of the GEM Listing Rules. Subject to any duty of confidentiality that the Company may have, the Company shall inform the Trustee as soon as practicable and the Trustee shall give notice in writing of the same to the Grantees accordingly.
- 10.7 The Remuneration Committee shall have the power to interpret any situations in relation to the circumstances that have not been provided for in Paragraph 10 and to

determine how to deal with the unvested Awarded Shares or vested Awarded Shares of the relevant Grantee in such circumstances.

11 Limit on Granting Awards and Scheme Limit

- 11.1 Subject to Paragraphs 11.3 and 11.4, no Award shall be granted to any Grantee which would result in the total number of (a) Shares issued and to be issued under the Awards granted or to be granted to such Grantee under the Scheme (excluding any Awards lapsed in accordance with the terms of the Scheme); (b) the Shares issued and to be issued upon exercise of all options or awards granted and proposed to be granted to such Grantee under any other Share Scheme(s) (including exercised and outstanding options but excluding any options or awards lapsed in accordance with the terms of such Share Scheme); and (c) any Cancelled Shares which were the subject of Awards or options or awards under any other Share Scheme(s) which had been granted to and accepted by that Grantee, in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue (the "**1% Individual Limit**"). Any grant of Awards that shall exceed the 1% Individual Limit must be separately approved by Shareholders in general meeting which such Grantee and his/her close associates (or associates if such Grantee is a connected person) abstaining from voting and the Company must send a circular to the Shareholders in compliance with the requirements of the GEM Listing Rules. In respect of Awards to be granted under the Scheme which would be settled by existing Shares, each individual Grantee is subject to a separate limit which is distinct from the 1% Individual Limit whereby the maximum number of existing Shares in respect of Awards which may be granted to any one Grantee pursuant to the Scheme shall not exceed 0.1% of the existing number of Shares in issue from time to time.
- 11.2 Any grant of Awards to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Awards).
- 11.3 No Award shall be granted to any Grantee who is a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates which would result in the total number of the Shares issued and to be issued in respect of all awards already granted or to be granted to such Grantee (excluding any awards lapsed in accordance with the terms of the relevant Share Scheme(s)) in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue (the "**0.1% Individual Limit**"). Any grant of Awards to such Grantee that shall exceed the 0.1% Individual Limit must be approved by Shareholders in general meeting and the Company must send a circular to the Shareholders in compliance with the requirements of the GEM Listing Rules.
- 11.4 No Award shall be granted to any Grantee who is an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates which would result in the total number of the Shares issued and to be issued in respect of all options and awards already granted or to be granted to such Grantee (excluding any options and awards lapsed in accordance with the terms of the relevant Share Scheme(s)) in the 12-month period up to and including the date of such grant, representing in aggregate over the 0.1% Individual Limit. Any grant of

Awards to such Grantee that shall exceed the 0.1% Individual Limit must be approved by Shareholders in general meeting and the Company must send a circular to the Shareholders in compliance with the requirements of the GEM Listing Rules.

- 11.5 In the event of any Award being granted under Paragraphs 11.3 and 11.4 which would exceed the 0.1% Individual Limit, the Company shall send a circular to the Shareholders containing such details and information as required under the GEM Listing Rules. The proposed grantee of the Award, his/her/its associates and all core connected persons of the Company must abstain from voting in favour at such general meeting convened to approve the granting of the Award and the Company must comply with the requirements under the GEM Listing Rules.
- 11.6 Unless further approval has been obtained pursuant to Paragraph 11.9, the maximum number of Shares in respect of which Awards may be granted under the Scheme and Shares in respect of which options and/or awards may be granted or which may be awarded under any other Share Scheme(s), which would be settled by the allotment and issue of new Shares, must not in aggregate exceed 10% of the Shares in issue as at the Adoption Date (the "**Scheme Mandate Limit**"). In respect of Awards to be granted under the Scheme which would be settled by existing Shares, it is subject to a separate scheme mandate limit (which is distinct from the Scheme Mandate Limit) whereby the maximum number of existing Shares in respect of Awards which may be granted pursuant to the Scheme shall not exceed 10% of the existing number of Shares in issue from time to time.
- 11.7 Awards which have lapsed in accordance with the terms of the relevant Share Scheme(s) shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- 11.8 If the Company conducts a consolidation or subdivision of its Shares after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under the Scheme and all other Share Schemes under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded down to the nearest whole Share.
- 11.9 The Company may seek approval of the shareholders of the Company in the general meeting for refreshing the Scheme Mandate Limit (as set out in Paragraph 11.6 above) under the Scheme after three (3) years from the date of shareholders' approval for the last refreshment (or the adoption of the Scheme).
- 11.10 Any refreshment within any three (3)-year period must be approved by the Shareholders subject to: (a) any controlling shareholder(s) (as defined in the GEM Listing Rules) of the Company and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and (b) the Company must comply with the requirements under the GEM Listing Rules, PROVIDED that the above do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in the GEM Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the total number of the Shares in issue) upon refreshment is the same as the unused

part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

- 11.11 The total number of Shares which may be issued in respect of all Awards to be granted under the Scheme (in aggregate with any other options and awards to be granted under any Share Scheme that involves the issuance of new Shares) under the Scheme Mandate Limit as refreshed must not exceed 10% of the total number of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit. The Company must send a circular to the Shareholders containing all such information as may be required under the GEM Listing Rules.
- 11.12 The Company may seek separate approval by the Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit provided the Awards in excess of the limit are granted only to the Grantee(s) specifically identified by the Company before such approval is sought. In such circumstances, the Company must issue a circular to the Shareholders containing such relevant information from time to time as required by the GEM Listing Rules in relation to any such proposed grant to such Grantee(s). The number and terms of Awards to be granted to such Grantee(s) must be fixed before approval by the Shareholders.
- 11.13 The Scheme Mandate Limit (as may be increased in accordance with Paragraph 11.9) shall be adjusted, in such manner as the approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of share capital of the Company in accordance with this Paragraph 11.

12 Alteration of the Scheme

- 12.1 Subject to compliance with all applicable code and Applicable Laws (including but not limited to the GEM Listing Rules), the Scheme may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Eligible Participant. No alteration shall be made to the terms and conditions of the Scheme which are of a material nature or to the matters set out in Rule 23.03 of the GEM Listing Rules to the advantage of Grantees unless such alteration is approved by shareholders of the Company in general meeting.
- 12.2 Any change to the terms of Award to the Grantee must be approved by the Board, the remuneration committee of the Board, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee of the Board, the independent non-executive directors and/or the Shareholders (as the case may be).
- 12.3 The amended terms of the Scheme must still comply with the relevant requirements of the GEM Listing Rules.
- 12.4 Any change to the authority of the Directors to alter the terms of the Scheme must be approved by Shareholders in general meeting.

13 Disputes

Any dispute arising in connection with the Scheme shall be referred to the decision of the Board, whose decision shall be final and binding.

14 Cancellation

Subject to the consent from the relevant Grantee, Awards previously granted (whether or not vested) may be cancelled. The Grantee whose Awards are cancelled pursuant to this Paragraph 14 may be granted new Awards in accordance with the terms of the Scheme, provided that there are sufficient unused Scheme Mandate Limit (excluding such cancelled Awards) available for such re-grant. The Awards cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

15 Termination

15.1 The Scheme shall terminate on the earlier of:

15.1.1 the tenth (10th) anniversary date of the Adoption Date, except in respect of any non-vested Awarded Shares granted hereunder prior to the expiration of the Scheme, the provisions of the Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting of such Awarded Shares granted or otherwise as may be required in accordance with the provisions of the Scheme; and

15.1.2 such date as determined by the Board provided that such termination shall not affect any subsisting rights of any Grantee hereunder.

In the event that any proposed early termination would affect any subsisting rights of any Grantees, such early termination shall be subject to the approval of the Shareholders.

15.2 Upon termination:

15.2.1 no further grant of Award or Awarded Shares may be made under the Scheme and all the Awards of the Grantee granted under the Scheme shall continue to be valid and effective and become vested in the Grantee according to the terms and conditions of the Award and Paragraph 7;

15.2.2 all the Trust Shares and all such non-cash income remaining in the trust fund of the Trust shall be sold by the Trustee, within twenty (20) Business Days (on which the trading of the Shares has not been suspended) of receiving notice of such termination of the Scheme (or such longer period as the Board may otherwise determine); and

15.2.3 Residual Cash, net proceeds of sale referred to in Paragraph 15.2.1 hereof and such other funds remaining in the Trust (after making appropriate deductions in respect of all disposal costs, liabilities and expenses in accordance with the Trust Deed) shall be remitted to the Company forthwith after the sale. For the avoidance of doubt, the Trustee may not transfer or procure Trust Holdco to transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than its interest in the proceeds of sale of such Shares pursuant to Paragraph 16.2.1 hereof).

For the avoidance of doubt, the temporary suspension of the granting of any Award shall not be construed as a decision to terminate the operation of the Scheme.

16 Miscellaneous

- 16.1 The Company shall bear the costs of establishing and administering the Scheme, including, for the avoidance of doubt, costs arising from communication as referred to in Paragraph 16.3, expenses incurred in the purchase or subscription of Shares by the Trustee or Trust Holdco and relevant brokerage fees, stamp duty and other taxes and expenses and normal registration fees in respect of the transfer of Shares or payment of cash amount to Grantees on the relevant Vesting Date. For the avoidance of doubt, the Company shall not be liable for any tax or expenses of such other nature payable on the part of any Eligible Participant in respect of any sale, purchase, vesting, transfer of Shares or payment of cash.
- 16.2 No Grantee shall enjoy any of the rights of a shareholder by virtue of the grant of Award pursuant to the Scheme, unless and until the relevant Awarded Shares are actually transferred to the Grantee upon vesting.
- 16.3 Any notice or other communication between the Company and an Eligible Participant or a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong for the time being and, in the case of an Eligible Participant or a Grantee, his address in Hong Kong as notified to the Company from time to time.
- 16.4 Any notice or other communication served by post:
- 16.4.1 by the Company shall be deemed to have been served twenty four (24) hours after the same was put in the post; and
- 16.4.2 by an Eligible Participant or a Grantee shall not be deemed to have been received until the same shall have been received by the Company.
- Any notice or other communication served by either party by hand shall be deemed to be served when delivered.
- 16.5 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant his Award. A Grantee shall pay all tax and discharge all other liabilities to which he may become subject to as a result of the participation in the Scheme. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in the Scheme. A Grantee shall, on demand, indemnify the Company fully against all claims and demands which may be made against the Company (whether alone or jointly with other party or parties) for or in respect of or in connection with any failure on the part of the Grantee to obtain any necessary consent referred to hereinabove or to pay tax or other liabilities referred to hereinabove and against all incidental costs and expenses which may be incurred or spent by the Company.
- 16.6 The Board shall have the power from time to time to make or vary regulations for the administration and operation of the Scheme, provided that the same are not inconsistent with the other provisions of the Scheme and the Scheme Rules. The Board shall also have the power to delegate its powers to make Awards to Grantees to any of the Directors from time to time.

- 16.7 The Scheme and the Scheme Rules shall not form part of any contract of employment between the Company or any Subsidiary and any employee and the rights and obligations of any employee under the terms of his office or employment shall not be affected by his participation in the Scheme or any right which he may have to participate in it and the Scheme shall afford such an employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 16.8 The grant of an Award on a particular basis in any year does not create any right to or expectation of the grant of Awards on the same basis, or at all, in any future year. Participation in the Scheme does not imply any right to participate, or to be considered for participation in any later operation of the Scheme. Subject to any applicable legislative requirement, any Award will not be regarded as remuneration for pensions purposes or for the purposes of calculating payments on termination of employment.
- 16.9 The Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company or the Trustee directly or indirectly or give rise to any cause of action at law or in equity against the Company or the Trustee.
- 16.10 Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such and in the event of any provision or provisions being or becoming unenforceable in whole or in part. To the extent that any provision or provisions are unenforceable they shall be deemed to be deleted from these rules of the Scheme, and any such deletion shall not affect the enforceability of the rules of the Scheme as remain not so deleted.
- 16.11 By participating in the Scheme the Grantee consents to the holding and processing of personal data provided by the Grantee to the Company for all purposes relating to the operation of the Scheme. These include, but are not limited to:
- 16.11.1 administering and maintaining the Grantee records;
 - 16.11.2 providing information to the Trustee, legal advisers, registrars, brokers or third party administrators of the Scheme;
 - 16.11.3 providing information to future purchasers of the Company or the business in which the Grantee works;
 - 16.11.4 transferring information about the Grantee to a country or territory outside Hong Kong; and
 - 16.11.5 in the case where an announcement is required to be made pursuant to the GEM Listing Rules for the purposes of granting an Award, disclosing the identity of such Grantee, the number of Awarded Shares and the terms of the Award granted and/or to be granted and all other information as required under the GEM Listing Rules.

The Grantee is entitled, on payment of a reasonable fee, to a copy of the personal data held about him/her, and if such personal data is inaccurate, the Grantee has the right to have it corrected.

- 16.12 The Scheme shall operate subject to the Articles and to any restrictions under any applicable laws, rules and regulations, including Chapter 23 of the GEM Listing Rules.
- 16.13 The Scheme, the Scheme Rules and all Awards made hereunder shall be governed by and construed in accordance with the laws of Hong Kong.