

TCL ELECTRONICS HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1070)

**RULES RELATING TO
SHARE AWARD SCHEME**

*(Conditionally adopted by resolution of the shareholders of the Company at the
extraordinary general meeting of the Company held on [*] 2023)*

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INTERPRETATION

1. In these Scheme Rules, unless the context otherwise requires, the following words and expressions shall have the meaning shown opposite to them below:

“Adoption Date” means [*] 2023 (being the date on which the Scheme was conditionally adopted by resolution of the Shareholders at a general meeting of the Company);

“Allocation Date” in respect of each of the Trusts, means the date on which the relevant Trustee is informed of the allocation basis for the purpose of allocating the Shares purchased and/or subscribed by the relevant Trustee in accordance with Rule 30;

“Amount Paid” shall have the meaning as set out in Rule 55;

“applicable laws” with respect to any person, means any laws, rules, regulations, directives, treaties, decrees or orders of any Governmental Authority that are applicable to and binding on such person;

“Articles” means the articles of association of the Company from time to time in effect;

“associate” shall have the meaning ascribed to it under the Listing Rules;

“Auditor” means the auditor of the Company from time to time;

“Award(s)” means award(s) of Awarded Shares to a Selected Person pursuant to the Scheme;

“Awarded Share(s)” in respect of a Selected Person, means such number of Shares determined by the Board for grant of an Award;

“Board” means the board of Director from time to time, which for the purposes of the Scheme shall include such committee or such sub-committee or person(s) delegated with the power and authority by the board of Directors from time to time to administer the Scheme;

“Business Day(s)” means any day(s) on which the Stock Exchange is open for business of dealing in securities and on which banks are open for business in Hong Kong, throughout their normal business hours, other than a Saturday, Sunday, or a day on which a gale warning or black rainstorm warning or “extreme conditions” as defined under Chapter 1 of the

Rules of the Exchange of the Stock Exchange is in force in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. and for the purpose of the Scheme “gale warning” and “black rainstorm warning” shall have the respective meanings ascribed thereto under Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong) as amended from time to time;

“Cash Income”	means cash income of any Awarded Share(s) including any deemed Cash Income as prescribed by these Scheme Rules;
“chief executive”	shall have the meaning ascribed to it under the Listing Rules;
“Clawback”	has the meaning ascribed to it under Rule 51;
“close associate”	shall have the meaning ascribed to it under the Listing Rules;
“Company”	means TCL Electronics Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 01070);
“connected person(s)”	shall have the meaning ascribed to it under the Listing Rules;
“controlling Shareholder”	with respect to the Company, shall have the meaning ascribed thereto under the Listing Rules;
“core connected person(s)”	means a director, chief executive or substantial shareholder of the Company or of any of its subsidiaries, or a close associate of any of them;
“Director(s)”	means any director(s) (including any independent non-executive director) of the Company from time to time;
“Employee Participants”	means director(s) and employee(s) (whether full time or part time employees) of the Company and/or of any of its subsidiaries (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with these companies);
“Excluded Person(s)”	means any Participant(s) who is/are resident in a place where the settlement of the Reference Amount and/or the award of the Awarded Shares and/or the vesting and transfer of Shares pursuant to the terms of the Scheme is not permitted under the laws and regulations of such place or where in the view of the Board compliance with

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applicable laws and regulations in such place makes it necessary or expedient to exclude such Participant;

- “Further Shares”** means Shares purchased or subscribed by the relevant Trustee out of Cash Income or net proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of Shares held upon trust under the relevant Trust;
- “Governmental Authority”** means (i) any national, federal, state, county, municipal, local, or foreign government or any entity exercising executive, legislative, judicial, regulatory, taxing, or administrative functions of or pertaining to government, (ii) any public international organisation, or (iii) any agency, division, bureau, department, or other political subdivision of any government, entity or organisation described in the foregoing clauses (i) or (ii) of this definition (including, for the avoidance of doubt, any stock exchange of which the Company is subject to regulation);
- “Grant Date”** in relation to any Award, means the date specified in the Grant Letter given by the Company to the Selected Person(s) as the date of grant of the Awarded Shares, or such other date as determined by the Board, which, in each case, shall be a Business Day;
- “Grant Letter”** means a notification (regardless of the form and the manner / mode by which it is sent) to be given by the Company to a Selected Person whereby the Selected Person is informed of the matters set out in Rule 21;
- “Group”** means the Company and its subsidiaries from time to time, and the expression **“Group Company”**, **“Group member”**, **“member of the Group”** and their grammatical derivatives shall be construed accordingly;
- “HK\$” or “HKD”** means Hong Kong dollars, the lawful currency of Hong Kong;
- “Hong Kong”** means the Hong Kong Special Administrative Region of the People’s Republic of China;
- “Individual Limit”** shall have the meaning as set out in Rule 85;
- “inside information”** shall have the meaning defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended from time to time;

“Listing Committee”	shall have the meaning ascribed to it under the Listing Rules;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;
“New Scheme Mandate Limit”	shall have the meaning ascribed to it under Rule 83;
“New Service Provider Sublimit”	shall have the meaning ascribed to it under Rule 83;
“Other Participant(s)”	means Participant(s) other than Employee Participants, Related Entity Participants and Service Providers, which shall be such person(s) whom the Board in its sole discretion considers may contribute or have contributed to the Group (including but not limited to employees and officers of any invested entities of the Company, of any affiliated entities of the Company and/or of any Service Provider), to which an Award can only be made in the form of existing Shares;
“Other Schemes”	means other than the Scheme, all the schemes or arrangements involving the grant by the Company or any member of the Group of options over Shares or other securities of the Company to, or for the benefit of, specified participants of such schemes or arrangements which, in the opinion of the Stock Exchange, is analogous to a share scheme as described in Chapter 17 of the Listing Rules;
“Partial Lapse”	shall have the meaning as set out in Rule 43;
“Participant(s)”	means any person(s) belonging to any of the following classes of participants: <ul style="list-style-type: none"> (a) Employee Participants; (b) Related Entity Participants; and (c) Service Providers, <p>PROVIDED that if and only if an Award is to be made in the form of existing Shares, Participant in respect of such Award shall also include Other Participants.</p>
“Participant Vehicle”	has the meaning ascribed to it under Rule 62;

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R17.03A

“Personal Representative(s)”	means, in case of the death, physical or mental disability or incapacity of a Selected Person or other events which, in the opinion of the Board, deprive a Selected Person of his capacity to act (other than in the case of insolvency, bankruptcy or liquidation of the Selected Person), such person(s) recognised by the Company as the representative(s) to be assigned or vested with the Award(s) granted to such Selected Person or otherwise acting on behalf of the Selected Person in consequence of such events by operation of law and subject to provision of such evidence as to his or her entitlement as may from time to time be required by and to the satisfaction of the Board;
“PRC”	means the People’s Republic of China, which for the purpose of these Scheme Rules shall exclude Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan;
“purchase price”	means the price payable by a Selected Person to purchase the Awarded Shares;
“Reference Amount”	in respect of a Selected Person, means the sum payable by the Company or any of its subsidiaries to the Trustee for the completion of the purchase and/or subscription (as the case may be) of all the Awarded Shares with reference to, among others, the sum of the closing price of the Shares as quoted on the Stock Exchange or par value (as the case may be) as at the Grant Date and the related purchase and/or subscription (as the case may be) expenses (including for the time being, the brokerage fee, stamp duty, SFC transaction levy, Stock Exchange trading fee, if any) and such other necessary expenses required for the completion of the purchase and/or subscription (as the case may be) of all the Awarded Shares;
“Reference Date”	in respect of a Selected Person, means the date of final approval by the Board of the total number of Shares to be awarded to the relevant Selected Person on a single occasion pursuant to the Scheme;
“Related Distribution(s)”	means distribution(s) derived from any Awarded Share referable to a Selected Person, the record date for entitlement of which falls within the period from the Grant Date to the Vesting Date (both days inclusive) of such Awarded Share, that is determined by the Board at its sole and absolute discretion as “Related Distribution” and received by the relevant Trustee as holder of the Awarded Share, which may include distributions whether in the form of cash, securities or otherwise, such as cash dividend

and its scrip Shares alternative (if any), bonus Shares, distribution in specie, but shall, for the avoidance of doubt, exclude any Residual Cash;

“Related Entity(ies)”	means holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company;	R17.03A(2)
“Related Entity Participant(s)”	means director(s) and employee(s) (whether full time or part time employee) of the Related Entities;	R17.03A(2)
“Remuneration Committee”	means the remuneration committee of the Board;	
“Residual Cash”	in respect of each of the Trusts (if applicable) , means cash remaining in any Trust Fund in respect of the Scheme held by the relevant Trustee (including interest income derived from deposits maintained with licensed banks in Hong Kong, which has not been applied in the acquisition or subscription of the Awarded Shares or Further Shares) which does not include the Related Distributions;	
“Returned Share(s)”	means any Awarded Share(s) (out of the relevant Awarded Shares which are referable to a Selected Person) which is/are not accepted or vested in accordance with the terms of the Scheme (whether as a result of a Total Lapse or a Partial Lapse or otherwise), or any Share(s) forfeited or otherwise deemed to be Returned Shares in accordance with the terms of the Scheme;	
“Returned Trust Fund”	in respect of each of the Trust, means all cash income derived from the Returned Shares or Further Shares (i.e. cash dividends declared and paid on the Returned Shares and Further Shares) or otherwise derived pursuant to the Scheme;	
“Scheme”	means this share award scheme of the Company constituted by the Scheme Rules, in its present form or as amended from time to time;	
“Scheme Mandate Limit”	shall have the meaning as set out in Rule 78;	
“Scheme Period”	means the period commencing on the Adoption Date and expiring on the day immediately preceding the tenth anniversary of the Adoption Date (both days inclusive) but subject to early termination pursuant to the provisions hereof;	
“Scheme Rules”	means the rules related to the Scheme in its present or any amended form;	

“Selected Person(s)”	means Participant(s) (other than any Excluded Person) whom the Board may, from time to time, at its absolute discretion select for participation in the Scheme;
“senior manager”	has the meaning ascribed to it under Chapter 17 of the Listing Rules;
“Service Provider(s)”	means person(s) (whether a natural person, a corporate entity or otherwise) who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, including but not limited to person(s) who work for any member of the Group as independent contractors (such as agents, distributors, contractors, vendors, suppliers, advisers, consultants and service providers of any member of the Group) where the continuity and frequency of their services are akin to those of employees, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity;
“Service Provider Sublimit”	shall have the meaning ascribed to it under Rule 79;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“Share(s)”	means ordinary share(s) in the capital of the Company and any other share(s) resulting from any sub-division, consolidation or reclassification of such share(s);
“Shareholder(s)”	means holder(s) of the Share(s);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiary”	means any entity which falls within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “subsidiaries” shall be construed accordingly;
“substantial shareholder(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	means the Codes on Takeovers and Mergers and Share Buy-back issued by the SFC as amended from time to time;

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& Note

“Tax(es)”	means any and all fees (including documentation, recording, license and registration fees), any form of taxes whenever created or imposed and whether of Hong Kong or of any other part of the world (including, without prejudice to the generality of the foregoing, personal income tax, professional tax, capital gains tax, salaries tax, property tax, capital duty, stamp duty, transaction or registration duty, payroll tax, value added tax, business tax, local surcharges, deed tax, withholding tax, rates, customs and excise duties), social security contributions, and generally any tax, duty, impost, impositions, levy, Government rent or rates or any amount imposed by or on behalf of a Tax Authority, and the deprivation of Tax Relief or a right to repayment of taxation, together with any and all costs, penalties, fines, charges, surcharges, expenses, additions to tax and interest incidental or relating to the liability to taxation, whether disputed or not;
“Tax Authority”	means any Governmental Authority exercising a fiscal, revenue, customs or excise function or otherwise able to impose, assess or enforce Tax, wherever situated;
“Tax Relief”	includes any relief, allowance, set-off or deduction in computing profits or credit or right to repayment of Tax or Taxes granted by or pursuant to any legislation concerning or otherwise relating to Tax or Taxes;
“Total Lapse”	shall have the meaning as set out in Rule 42;
“Trust(s)”	means the trust(s) (which could be more than one trust if the Board in its sole and absolute discretion considers appropriate to segregate the trust assets for the benefit of different classes / categories of Selected Persons) constituted by the Trust Deed(s) to support and facilitate the operation of the Scheme;
“Trust Deed(s)”	in respect of each of the Trusts, means the trust deed to be entered into between the Company on the one part and the relevant Trustee on the other part (as amended, supplemented and restated from time to time) in respect of the establishment of the Trust and administration of the Scheme;
“Trust Funds”	in respect of each of the Trusts, means: <ul style="list-style-type: none"> (a) initial trust fund including such initial cash provided by the Company for setting up the Trust; (b) all money, investments or other property paid or transferred to or so as to be under the control of and, in either case, accepted by the Trustee as additions,

including Shares acquired by or allotted to the Trustee, and such other Shares and/or funds transferred, or caused to be transferred, by the Company from other trusts set up by the Company for the purpose of share incentive schemes;

- (c) all accumulations (if any) of income added to the Trust Fund, including all cash or non-cash income or distributions due to or derived from the Shares held as part of the Trust Fund; and
- (d) the money, investments and property from time to time representing the above.

“Trustee(s)” in respect of each of the Trusts, means the trustee appointed by the Company for the purpose of the Trust which will hold Shares (and, the Related Distribution, if any) on trust for the benefit of the Selected Persons under the Scheme pursuant to the terms of the relevant Trust Deed;

“Vesting Date” in respect of a Selected Person, means the date on which his entitlement to the Awarded Shares (and the Related Distributions, if any) (i) is vested in accordance with the conditions as imposed by the Board under Rule 38 or (ii) is vested upon the date on which accelerated vesting occurs pursuant to Rule 58 or (iii) is deemed to have vested under Rules 66 or 67 or otherwise pursuant to the Scheme Rules;

“Vesting Period” in respect of a Selected Person, means the period commencing on the date on which the Awards have been granted to such Participant and ending on the Vesting Date (both dates inclusive);

“Vesting Notice(s)” means a notification (regardless of the form and the manner / mode by which it is sent) to be given by the Company to a Selected Person whereby a Selected Person is/ informed of, among others, the number of Awarded Shares to be vested unto him; and

“%” means per cent.

2. In these Scheme Rules, save where the context otherwise requires:
 - 2.1. wordings importing the singular shall include the plural and vice versa;
 - 2.2. words importing a gender or neutral shall include every gender and neutral;
 - 2.3. the headings are inserted for convenience only and shall not limit, vary, extend or otherwise affect the construction of any provision of these rules of the Scheme;

- 2.4. references to Rule(s) or sub-Rule(s) are references to the corresponding rules of these Scheme Rules;
 - 2.5. references to any statute, statutory provision or regulatory provision (including any provision under the Listing Rules) shall be construed as references to such statute, statutory provision or regulatory provision as respectively amended, consolidated or re-enacted, or as its operation is modified by any other statute, statutory provision or regulatory provision (including any provision under the Listing Rules) (whether with or without modification) from time to time whether before or after the Adoption Date, and shall include any subsidiary legislation enacted under the relevant statute from time to time whether before or after the Adoption Date;
 - 2.6. references to persons shall include individual, firm, body corporate, corporations, unincorporated body of persons, government, state or agency of a state, joint venture, association or partnerships, sole proprietorships, organisations, associations, enterprises, branches and entities of any other kind (whether or not having separate legal personality);
 - 2.7. the words “**include**” “**includes**” and “**including**” shall be deemed to be followed by the phrase “**without limitation**”;
 - 2.8. any reference to the Board’s decision, direction and other acts shall be deemed to be referring to the Board’s decision, direction and acts at its sole and absolute discretion, and in any expression which refers to the Board’s discretion, the word “**discretion**” shall be deemed to be preceded by “**sole and absolute**”; and
 - 2.9. if any payment which is due or if any action is required to be made on a day that is not a Business Day, such due date of such payment or action shall be automatically be postponed to fall on the next Business Day; if any period during which a Party is obliged to take any action or is entitled to enjoy any benefit falls on a date which is not a Business Day, such period shall automatically be extended to last on the next Business Day.
3. In construing these Scheme Rules:
 - 3.1. the rule known as the *ejusdem generis* rule shall not apply and, accordingly, general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
 - 3.2. general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

PURPOSES AND OBJECTIVES

4. The purposes of the Scheme are (i) to recognise and acknowledge the contribution of the Participants and to motivate Participants to contribute to, and promote the interests of, the Company by granting Awards to them as incentives or rewards for

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their contribution to the growth and development of the Group; (ii) to attract, retain and motivate high-calibre Participants to promote the sustainable development of the Group in line with the performance goals of the Group; (iii) to develop, maintain and strengthen long-term relationships that the Participants may have with the Group for the benefit of the Group; and (iv) to align the interest of the Selected Persons with those of the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

5. These Scheme Rules serve to set out the terms and conditions upon which the incentive arrangement for the Participants shall operate.

CONDITIONS

6. The Scheme shall take effect upon satisfaction of the following conditions:
 - 6.1. the passing of the necessary resolution to adopt the Scheme by the Shareholders in a general meeting of the Company and to grant authorities to the Board to grant Awarded Shares under the Scheme in accordance with the Scheme Rules; and R17.02(1)
 - 6.2. the Listing Committee granting the approval for the listing of, and permission to deal in, the Shares which may fall to be issued by the Company in respect of the Awards to be granted in accordance with the terms and conditions of the Scheme.
7. If any grant of Awarded Shares is in the form of new Shares, such issue and allotment of new Shares as Awarded Shares pursuant to the Scheme shall be subject to the following conditions:
 - 7.1. the Scheme Mandate or its refreshment (as the case may be) having been approved by Shareholders (or independent Shareholders, as the case may be) of the Company; and
 - 7.2. the Listing Committee granting the listing of, and permission to deal in, such Shares to be allotted and issued pursuant to the Scheme Mandate or its refreshment (as the case may be) and all applicable laws and regulations; and
 - 7.3. such new Shares to be allotted and issued being within such limit (if any) specified under the Listing Rules from time to time.
8. Reference in Rules 6.2 and 7.2 to the Listing Committee granting the listing and permission referred to therein shall include any such listing and permission which are granted subject to fulfilment of any condition precedent or condition subsequent.

ADMINISTRATION

9. The Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) in all matters arising in relation to the Scheme, these Scheme Rules, the respective Trust Deed or their interpretation or effect shall, subject to all applicable laws, rules and regulations (including the Listing Rules) and requirements of any competent authorities and other than matters which require approval by the Remuneration Committee, the independent non-executive Directors

and/or the Shareholders (as the case may be) as required herein or under the Listing Rules, be final and binding on all parties who may be affected thereby, subject to (where appropriate) the prior receipt of a statement in writing from the Auditors or the independent financial adviser if and as required by Rule 73.

10. The authority to administer the Scheme may be delegated by the Board to a committee of the Board or any person(s) as deemed appropriate at the sole discretion of the Board, PROVIDED THAT nothing in this Rule 10 shall prejudice the Board's power to revoke such delegation at any time or derogate from the discretion rested with the Board as contemplated in Rule 9.
11. Without prejudice to the Board's general power of administration,
 - 11.1. the Board may from time to time appoint one or more administrators, who may be independent third-party contractors, to assist in the administration of the Scheme, to whom they, at their sole discretion, may delegate such functions relating to the administration of the Scheme as they may think fit. The duration of office, terms of reference and remuneration (if any) of such administrator(s) shall be determined by the Board or the chairman of the Board at their sole discretion from time to time; and
 - 11.2. to the extent not prohibited by applicable laws and regulations, the Board may from time to time appoint one or more Trustees in respect of granting, administration or vesting of any Awarded Shares.
12. If more than one Trust is established for the administration of the Scheme, regardless of whether the same Trustee is, or different Trustees are, appointed in respect of those Trusts,
 - 12.1. each of the Trusts shall at all times be operated, administered and managed independently and separately from each other;
 - 12.2. the relevant Trustee will hold the Shares and the income derived therefrom in accordance with the terms of the relevant Trust Deed; and
 - 12.3. the term "**Relevant Trust**" and "**Relevant Trustee**" shall be construed accordingly, and for the avoidance of doubt if there is only one Trust and one Trustee, such terms shall be construed to mean the only Trust and the sole Trustee respectively.
13. Subject to these Scheme Rules, the Articles, all applicable laws, rules and regulations including the Listing Rules, the Board or any committee of the Board or person(s) to whom the Board has delegated its authority for administration of the Scheme shall have the general power from time to time to do the following, without limiting the generality of other powers and authority that the Board or such committee(s) or such person(s) may have under these Scheme Rules:
 - 13.1. construe and interpret these Scheme Rules and the terms of the Awards granted under the Scheme;

- 13.2. make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the Scheme, provided that they are not inconsistent with these Scheme Rules and the Articles, all applicable laws, rules and regulations including the Listing Rules;
 - 13.3. grant Awards to those Participants whom it shall select from time to time;
 - 13.4. determine whether a Participant is an Excluded Person;
 - 13.5. determine the terms and conditions of, and impose any restrictions and/or limitations to, the Awards;
 - 13.6. determine whether an Award shall be in the form of new Shares to be issued by the Company, or in the form of existing Shares to be acquired by the Trustee or otherwise in the pool of Shares held under the Trust(s) by the Trustee(s);
 - 13.7. establish and implement the performance targets policies and determine and impose the performance targets (if any) that must be duly fulfilled by a Selected Person before any of the Awards may be vested to such Selected Person under such Awards and determine whether such performance targets have been duly fulfilled (provided that in respect of any Selected Person who is a Director or senior manager of the Company, the Board's decision shall be subject to the Remuneration Committee's views on whether and why performance targets and/or a Clawback mechanism is/are necessary and how the Award could align with the purpose of the Scheme in such circumstance);
 - 13.8. determine whether a Selected Person is entitled to the Related Distribution in respect of an Award;
 - 13.9. establish and implement the Clawback policies and determine whether an Award is subject to Clawback (provided that in respect of any Selected Person who is a Director or senior manager of the Company, the Board's decision shall be subject to the Remuneration Committee's views on whether and why performance targets and/or a clawback mechanism is/are necessary and how the Award could align with the purpose of the Scheme in such circumstance);
 - 13.10. approve and issue the Grant Letter;
 - 13.11. provide instruction or direction to the Trustee(s) as to the application of Returned Trust Funds, including satisfying any fees payable to the Trustee(s) and/or to acquire further Shares and/or otherwise; and
 - 13.12. take such other steps or actions to give effect to the terms and intent of the Scheme.
14. None of the Directors, any member of any committee of the Board nor person(s) to whom the Board has delegated its authority for administration of the Scheme shall be personally liable by reason of any contract or other instrument executed by he/her, or on his/her behalf or for any mistake of judgment made in good faith, for the

purposes of the Scheme, and the Company shall indemnify and hold harmless each member of the Board and of any committee of the Board and any person(s) to whom the Board has delegated its authority in relation to the administration or interpretation of the Scheme, against any cost or expenses (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme other than those arising out of such person's own wilful default, fraud or bad faith.

15. In respect of the administration of the Scheme, the Company shall comply with all applicable laws, regulations and rules including but not limited to the Listing Rules and the Articles from time to time.

OPERATION OF THE SCHEME

Grant of Award and Eligibility of Participants

16. Upon and subject to the terms of the Scheme and all applicable laws, rules and regulations (including the Listing Rules), the Board shall be entitled at any time within the Scheme Period select any Participant (other than any Excluded Person) for participation in the Scheme. Until and unless so selected, no Participant shall be entitled to participate in the Scheme. R17.03(2)
17. The eligibility of any of the Participants for the grant of Award shall be determined by the Board from time to time on the basis of the Board's opinion as to the Participant's contribution to the development and growth of the Group. In assessing whether an Award is to be granted to any Participant, the Board shall take into account various factors, including but not limited to, the nature and extent of contributions which have been provided or could be provided by such Participant to the Group, the special skills or technical knowledge or experience possessed by them which is beneficial to the continuing development of the Group, the positive impacts (including support, assistance, guidance, advice, efforts and/or contributions) which such Participant has brought to or is likely to be able to bring to the Group's business, development and success and whether granting an Award to such Participant is an appropriate incentive to motivate such Participant to continue to contribute towards the betterment of the Group. R17.03(2)
 - 17.1. In assessing the eligibility of Employee Participants, the Board will consider all relevant factors as appropriate, including, among others:
 - (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities;
 - (b) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
 - (c) his/her contribution made or expected to be made to the growth of the Group;
 - (d) his/her length of engagement or employment with the Group; and

- (e) his/her educational and professional qualifications, and knowledge in the industry.
- 17.2. In assessing the eligibility of Related Entity Participants, the Board will consider all relevant factors as appropriate, including, among others:
- (a) the positive impacts (including support, assistance, guidance, advice, efforts and/or contributions) brought by, or expected from, the Related Entity Participant on the Group's business development in terms of an increase in turnover or profits, an addition of expertise to the Group and/or other aspects in support of the development and/or growth of the Group's business;
 - (b) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Related Entity Participant has established with the Group via its role and position held with the Related Entity;
 - (c) the number, scale and nature of the projects which promote the business, development and growth of the Group in which the Related Entity Participant is involved;
 - (d) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialised into further business relationships;
 - (e) whether the Related Entity Participant has assisted the Group in tapping into new markets and/or increasing its market share; and
 - (f) the materiality and nature of the business relation between the Related Entity of which the Related Entity Participant holds office or position on the one hand and the Group on the other hand, and the Related Entity Participant's contribution in such Related Entity which may benefit the core business of the Group through a collaborative relationship.
- 17.3. The categories of Service Providers include agents, distributors, contractors, vendors, suppliers, advisers, consultants and service providers of any member of the Group who provide services (including but not limited to (i) business support services, being operational and management services relating to the ordinary and usual course of the Group's business and/or goods, including but not limited to logistics services, warehousing services, waste management services, processing services, planning and operation management services, sales optimisation services, after-sale and repair services, industry solution services and support services in relation to intelligent system and software provision services, etc.; and (ii) operation support services, being services relating to the Group's day-to-day operation, including but not limited to administrative services, financial management and supporting services, research and development services, natural resources management services, human resources services, business consultation and management services, market promotion services, information technology and internet support services and other relevant information technology related services, etc.) to

the Group to support the Group's business activities for the time being (including but not limited to the research and development, manufacturing and sale of consumer electronic products such as smart screens and mobile communication devices, independent development of home Internet services, and innovative business) and in the future.

- (a) Amongst the Service Providers eligible for the granting of Award,
 - (i) agents, distributors, contractors, vendors and suppliers are those that directly contribute to the long term growth of the Group's business by taking roles or providing services that are in a continuing and recurring nature in its ordinary and usual course of business, as their work is closely connected with various areas of the Group's day-to-day operations, including but not limited to the production, distribution and sales of raw materials for the manufacturing of consumer electronic products such as smart screens and mobile communication devices, and their performances will contribute to the operating performance and financial results of the Group; and
 - (ii) advisers, consultants and other service providers are those who would play relevant roles in the Group's business development by contributing their specialised skills and knowledge in the business activities of the Group on a continuing and recurring basis, taking into account the industry-specific knowledge or expertise or valuable experience or deep understanding or insight in the operational, business, financial or commercial areas of the Group that such advisers, consultants and service providers possess, such that their continuing and recurring engagement and cooperation with the Group would benefit the Group with frequent and successive strategic advice and guidance in its ordinary and usual course of business, which are comparable to contributions of employees of the Group.
- (b) In assessing the eligibility of Service Providers, the Board will consider all relevant factors as appropriate, including, among others:
 - (i) in respect of agents, distributors, contractors, vendors and suppliers:
 - (A) the scale of the Service Provider's business dealings with the Group with regard to factors such as purchases or sales attributable to such Service Provider, the materiality and nature of such business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third party(ies));
 - (B) the ability of the Service Provider to maintain the quality of services;

- (C) the performance of the Service Provider and track record, including whether the Service Provider has a proven track record of delivering quality services;
 - (D) the benefits and strategic value brought by the Service Provider to the Group's development and future prospects with regard to factors such as the actual or expected change in the Group's profits and/or income which is or may be attributable to the Service Provider's collaboration with the Group;
 - (E) the scale of the Service Provider's collaboration with the Group and the length of business relationships between the Service Provider and the Group; and
 - (F) the business opportunities and external connections that the Service Provider has introduced or will potentially introduce to the Group;
- (ii) in respect of advisers, consultants and service providers:
- (A) the expertise, professional qualifications and industry experience of the Service Provider;
 - (B) the performance of the Service Provider and track record, including whether the Service Provider has a proven track record of delivering quality services;
 - (C) the materiality and nature of the business relationship of the Service Provider with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third party(ies));
 - (D) the prevailing market fees chargeable by other services providers;
 - (E) the Group's period of engagement of or collaboration with the Service Provider; and
 - (F) the Service Provider's actual or potential contribution to the Group with regard to factors such as the actual or expected reduction in costs of the Group or increase in turnover or profit of the Group; and
- (iii) in assessing whether the Service Provider provides services to the Group on a continuing and recurring basis and in its ordinary and usual course of business, the Board shall take into consideration the length, type and nature of services and strategic benefit provided to the Group by such Service Provider, and the recurrences and regularity of such services, and whether such

services form part of or are directly ancillary to the businesses conducted by the Group.

- 17.4. In assessing the eligibility of Other Participants, the Board will consider all relevant factors as appropriate, including, among others:
- (a) the skills, knowledge, experience, expertise and other relevant personal qualities;
 - (b) the contribution made or expected to be made to the growth of the Group;
 - (c) the positive impacts (including support, assistance, guidance, advice, efforts and/or contributions) brought by, or expected from, the Other Participant on the Group's business development in terms of an increase in turnover or profits, an addition of expertise to the Group and/or other aspects in support of the development and growth of the Group's business;
 - (d) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Other Participant has established with the Group;
 - (e) the number, scale and nature of the projects which promote the business, development and growth of the Group in which the Other Participant is involved;
 - (f) the materiality and nature of the relation between the Other Participant on the one hand and the Group on the other hand; and
 - (g) if the contribution of such Other Participant made or expected to be made to the Group is not as a result of his/her direct relationship with the Group but indirectly via his/her role held with other entities, the position held and role played by such Other Participant in such other entities and the materiality and nature of the relationship between such other entities and the Group.
18. Subject to the terms of the Scheme in particular Rule 35 and Rule 78 to Rule 90 and all applicable laws, rules and regulations (including the Listing Rules), the Board may select any Selected Person(s) and determine the number of Awarded Shares for each of them and the purchase price (if any) payable by the Selected Person per Awarded Share and notify the relevant Trustee of its decision. For the avoidance of doubt, any grant in contravention of any of Rule 35 and Rule 78 to Rule 90 shall be null and void. In determining the number of Awarded Shares for a Selected Person, the Board may take into consideration matters relevant to the Award to be granted, including without limitation, the general financial condition and business development of the Group and the rank, position and contributions of the relevant Selected Person.
19. The purchase price of the Awarded Shares (if any) shall be such price which shall be determined by the Board from time to time based on considerations such as the

prevailing closing price of the Shares, the purpose of the Award and the characteristics and profile of the Selected Person.

20. The Board is entitled to specify such terms and impose any conditions, restrictions and/or limitations (including, without limitation, where the Board considers appropriate, a period of continuous service within the Group after the Grant Date, any performance targets to be achieved as well as the vesting period of Awarded Shares on a case-by-case basis), as it deems appropriate with respect to the entitlement of the Selected Person to the Awarded Shares and the Related Distributions and the relevant Trustee shall be informed of the relevant conditions and the number of Awarded Shares for such Selected Person, provided that such terms, conditions, restrictions and/or limitations shall not be inconsistent with any other terms and conditions of the Scheme and the applicable laws, rules and regulations (including the Listing Rules).
21. A Grant Letter shall be given to the Selected Person for each grant of Award as soon as possible after the Board has resolved to make the grant of Award and in any event no later than the Allocation Date, and shall:
 - 21.1. state the date of grant;
 - 21.2. state the name and identifiers (such as identification document type and number, address, and position (if applicable)) of the Selected Person;
 - 21.3. specify a date, being a date not later than 30 calendar days (or such other period as the Board may otherwise determine) after the later of (i) the date on which the grant was made, or (ii) the date on which the conditions (if any) for the grant are satisfied, by which the Selected Person must accept the grant or be deemed to have declined it;
 - 21.4. state the method for accepting the grant and the purchase price (if any), including the period within which payments for such purchase price must be made; R17.03(8)
 - 21.5. state whether the purchase price (if any) is refundable;
 - 21.6. specify the maximum number of Awarded Shares to which the grant relates;
 - 21.7. specify the earliest Vesting Date(s) (and subsequent Vesting Date(s), if any) or dates
 - 21.8. specify the performance target(s) (if any) that must be attained by the Selected Person before any Awarded Shares can be vested;
 - 21.9. specify whether the Award is subject to the Clawback policy;
 - 21.10. specify any other terms and conditions which must be satisfied before the Awarded Shares may be vested as may be imposed by the Board, the Remuneration Committee and/or the independent non-executive Directors, as the case may be, as are not inconsistent with the provisions of the Scheme and applicable laws and regulations (including the Listing Rules);

- 21.11. require the Participant to undertake to hold the Awarded Shares on the terms on which it is to be granted and to be bound by the provisions of the Scheme; and
- 21.12. subject to the above, be made in such form as the Board may from time to time prescribe.

Performance targets attached to Award

22. Unless otherwise determined by the Board and specified in the Grant Letter, there is no performance target that needs to be achieved before the vesting of Awarded Shares on a Selected Person, PROVIDED THAT R17.03(7)
- 22.1. In respect of any Selected Person who is a Director or senior manager of the Company, the Remuneration Committee may, or in respect of any other Selected Person, the Board or such committee of the Board authorised by the Board for such purpose may, establish performance targets against the attainment of which the Awards granted to the Selected Person concerned. The Board (or, as the case may be, the Remuneration Committee or such committee of the Board authorised by the Board for such purpose) shall have the authority, after the grant of any Awards which is performance linked, to make fair and reasonable adjustments to the prescribed performance targets during the Vesting Period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the original performance targets and are considered fair and reasonable by the Board (or, as the case may be, the Remuneration Committee or such committee of the Board authorised by the Board for such purpose).
- 22.2. Proposed performance targets may include business, finance, operations and creation of capital, commercial and market value for the Group (such as increase in revenue and net profit) as well as that for the Selected Persons based on individual performance indicators relevant to their roles and responsibilities, and are subject to the performance targets policies of the Company from time to time in place. The Board (or, as the case may be, the Remuneration Committee, such committee of the Board or such other person authorised by the Board for such purpose) will conduct assessment at the end of a performance period by comparing the relevant performance with the pre-agreed targets to determine whether and the extents to which the performance targets have been met.

Source of Awarded Shares and Provision of funds for acquisition, etc.

23. For the purpose of satisfying any Award to be granted under the Scheme from time to time, the relevant Trustee shall maintain a pool of Shares in the Trust Funds, PROVIDED THAT the number of such Shares held by all Trustees, together with all Shares held by the Trustees under any outstanding Awards (being Awards granted but not yet vested upon the Selected Persons pursuant to the terms of the Scheme) in aggregate shall not exceed such limit prescribed under these Scheme Rules or otherwise under the Listing Rules. Such pool of Shares shall comprise the following:

- 23.1. such existing Shares as may be purchased or acquired by the Trustee on-market or off-market by utilising the funds allocated by the Board out of the Group's resources or cash proceeds in the Trust Funds pursuant to the Scheme;
 - 23.2. such new Shares as may be subscribed for by the Trustee by utilising the funds allocated by the Board out of the Group's resources or cash proceeds in the Trust Funds pursuant to the Scheme; and
 - 23.3. such other Shares in the Trust Funds, including Returned Shares, Shares derived from Shares held by the Trustee (including fractional Shares resulting from any consolidation, re-classification or reorganisation of Shares, Shares as may be allotted or issued to the Trustee as a holder of Shares whether by way of distribution in scrip form, bonus Shares or otherwise), Shares transferred or caused to be transferred by the Company from other trusts set up by the Company for the purpose of share incentive schemes and, accepted by the Trustee as additions.
24. The Board may from time to time cause to be paid the Reference Amount and other monies to the relevant Trustee by way of settlement or otherwise contributed by the Company or any of its subsidiaries in such manner as directed by the Board which shall constitute part of the Trust Funds of the relevant Trust, for the purchase or subscription (as the case may be) of Shares and other purposes set out in the relevant Trust Deed.
 25. Subject to the Scheme Rules, the Board may from time to time instruct the relevant Trustee to purchase the Shares on the Stock Exchange and to hold the Shares as Awarded Shares, together with the Related Distribution arising therefrom, on trust for the benefit of the Selected Persons on and subject to these Scheme Rules and the relevant Trust Deed.
 26. Unless there are sufficient Shares in the pool of Shares held under the relevant Trusts to satisfy the Award(s), the Board shall, in respect of each Selected Person and after having regard to the requirement under Rule 35, as soon as practicable after the Reference Date cause to be paid the Reference Amount from the Group's resources to the relevant Trustee for the purchase and/or subscription of the Awarded Shares to be held on trust for the relevant Selected Person.
 27. Save and except that any grant of Award to Other Participant shall only be made in the form of existing Shares in all circumstances, the Board shall have the discretion to decide the form of Awarded Shares, whether in the form of existing Shares acquired or to be acquired (whether on-market or off-market) or by way of Returned Shares in the pool of Shares held under the Trusts or in the form of new Shares to be allotted to be used for the Award. In exercising its discretion, the Board shall take into account, inter alia, the financial position and the cash position of the Group and the market price of the Shares at the relevant time.
 28. In case of allotting and issuing new Shares as the Awarded Shares, the Company shall comply with all applicable laws and regulations including the relevant applicable provisions of the Listing Rules. In particular, any Awarded Shares in the form of new Shares may only be granted to such Participants permitted under the Listing Rules.

29. In case existing Shares are acquired or to be acquired and used for grant of Award to a Selected Person, the relevant Trustee shall pursuant to the direction of the Board, either apply the Reference Amount towards the acquisition of Shares on the Stock Exchange at the prevailing market price (subject to maximum price as may be from time to time prescribed by the Board) as soon as practicable after the Reference Date and receipt of the Reference Amount, or acquire the Shares off-market at a price which shall not exceed the lower of the following: (i) the closing market price of the Shares on the date of the relevant agreement for such off-market purchase, and (ii) the average closing market price of the Shares in the 5 trading days immediately prior to the earlier of (a) the date of the relevant agreement for such off-market purchase, and (b) the date on which the relevant price is fixed, PROVIDED ALWAYS THAT no acquisition of Shares shall be carried out during any periods specified in Rule 35.
30. The Shares so purchased or subscribed with the Reference Amount shall be allocated to each Selected Person at such time and at such amount and with such vesting conditions as the Board from time to time determines PROVIDED ALWAYS that the relevant Trustee shall be informed of the details of the allocation of the Shares so purchased or subscribed within one (1) calendar year (or such longer period as the relevant Trustee and the Board may agree from time to time) after the Reference Amount has been received by the relevant Trustee. Shares which are not so allocated shall be deemed as Returned Shares for the purposes of the Scheme. The Shares so purchased or subscribed shall form part of the capital of the Trust Funds of the relevant Trust. For the avoidance of doubt, no new Shares may be allotted and issued to the Trustee until and unless an Award is made and the relevant Selected Person is identified.
31. In the event that the Board decides that all the Awarded Shares of an Award shall be in the form of existing Shares and where the Reference Amount paid or caused to be paid to the relevant Trustee is not sufficient to purchase all the Awarded Shares at the prevailing market price and/or there are otherwise not sufficient existing Shares in the pool of Shares under the Trust(s) to satisfy the Award, the relevant Trustee shall acquire the maximum number of board lots of Shares that can be acquired with that Reference Amount and seek further funds from the Board until all the Awarded Shares are purchased.
32. Any Residual Cash arising from the Reference Amount provided for purchase and/or subscription of Awarded Shares for the benefit of a Selected Person shall be returned to the Company forthwith after completion of the purchase and/or subscription of all the Awarded Shares comprised in his Award unless the Board decides otherwise and notifies the relevant Trustee accordingly.
33. Cash Income of an Awarded Share, other than the Related Distributions, shall be applied towards (i) defraying the fees, costs and expenses of the Trust and (ii) the remainder, if any and specified by the Board, for the purchase or subscription of Further Shares to be held upon trust under the relevant Trust, or such other purpose as specified in the Trust Deeds.

Resettlement of assets in the Trust Funds

34. The Company may at any time instruct the Trustee to resettle any Shares in the Trust Funds upon another trust constituted by the Company for the purposes of a share incentive scheme adopted by the Company (on substantially consistent terms and conditions as those set out in the Trust Deed). For the avoidance of doubt, the relevant Trustee may not transfer any Shares to the Company, nor may the Company otherwise hold any interest in Shares whatsoever.

Restriction on the time of grant and acquisition of Shares

35. For so long as the Shares are listed on the Stock Exchange:

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Note

- 35.1. an Award must not be made after an inside information has occurred or an inside information has been the subject of a decision, until such inside information has been duly published and announced. In particular, no Award shall be made nor granted during the period commencing one 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 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 Listing Rules); and
- (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement (and for the avoidance of doubt, no Award shall be made or granted during any period of delay in publishing a results announcement); and

- 35.2. no Award shall be made or granted to any Selected Person who is a Director during the periods or times in which the Directors are prohibited from dealing in the Shares pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.
- 35.3. accordingly, (i) no Award shall be made by the Board, and (ii) no instructions to acquire Shares shall be given to the relevant Trustee, and (iii) no acquisition shall be carried out by the Trustee, and (iv) no new Shares shall be allotted and issued under the Scheme, in each case, during the period(s) as set out in this Rule 35.

Acceptance of Award

36. The Award to be granted is subject to acceptance of the Selected Persons within the time as stipulated in the Grant Letter. An Award which has not been accepted by the Selected Person shall lapse forthwith and any Awarded Shares under such Award shall become Returned Shares of the Scheme which shall be dealt with in accordance with the Scheme Rules. Such Selected Person shall have no right or

claim against the Company, any 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.

37. Any Selected Person shall, before accepting an Award granted to him, obtain all necessary consents that may be required to enable him to accept the Award. A Selected Person shall ensure and, by accepting an Award, shall be deemed to have represented to and undertaken with the Company, that acceptance of an Award, the vesting and holding of any Awarded Share (and Related Distributions, if applicable) granted to him are and will be valid and will comply with all applicable laws, rules and regulations that he is subject to. The members of the Board may, as a condition precedent of making a grant and vesting of Awarded Shares, require a Selected Person to produce such evidence as they may reasonably require for such purpose. Compliance with this Rule 37 shall be a condition precedent to an acceptance of an Award granted to a Selected Person. A Selected Person shall indemnify the Company on a full indemnity basis against all claims, demands, liabilities, actions, proceedings, fees, costs and expenses which the Company may suffer or incur (whether alone or jointly with other party or parties) for or in respect of any failure on the part of the Selected Person to obtain any necessary consent or to pay Tax or other liabilities referred therein.

Vesting and non-vesting of Awarded Shares

38. Subject to fulfilment of the conditions (if any) as specified in the Grant Letter and other provisions of the Scheme Rules, on the Vesting Date the Selected Person shall be entitled to be vested with the Awarded Shares referable to him and (where applicable) the Related Distributions.
39. The Vesting Period in respect of any Awarded Share shall not be less than 12 months (or such other period as the Listing Rules may prescribe or permit from time to time). Awards granted to Employee Participants may be subject to a shorter Vesting Period as determined by (i) the Remuneration Committee if such Employee Participant is a Director or a senior manager of the Company, or (ii) the Board if such Employee Participant is not a Director or a senior manager of the Company, under any of the following circumstances:
- 39.1. grants of “make-whole” Awards to a new Employee Participant to replace the share awards or share options that such Employee Participant forfeited when leaving his or her previous employer;
- 39.2. grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control events;
- 39.3. grants of Awards with performance-based vesting conditions as determined by the Board, in lieu of time-based vesting criteria;
- 39.4. grants of Awards that are made in batches during a year for administrative and compliance reasons;
- 39.5. grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months; and

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R17.03F

- 39.6. grants of Awards with a total vesting and holding period of more than 12 months.
40. Unless (i) the relevant Awarded Shares are not vested due to an event of Partial Lapse or Total Lapse or (ii) the Board in its sole and absolute discretion determines otherwise, the Related Distributions shall be held by the relevant Trustee upon trust for the benefit of the Selected Persons without interest under the relevant Trust and shall not be applied otherwise than in accordance with Rule 49 herein.
41. Subject to the satisfaction of all relevant terms and conditions set out in the Grant Letter and other provisions of these Scheme Rules, and unless otherwise determined by the Board or required under applicable laws, rules and regulations including the Listing Rules, the Awarded Shares granted to the Selected Person together with (where applicable) the Related Distributions, if any, shall be transferred to the Selected Person on the Vesting Date (or as soon as practicable thereafter if it is not practicable to effect such transfer on such Vesting Date), subject to the receipt by the Trustee of (i) a Vesting Notice or otherwise a confirmation from the Company that all vesting conditions have been fulfilled, and (ii) the properly executed transfer documents (if any) or such other documents as prescribed by the relevant Trustee. R17.03(10)
42. In the event that prior to or on the Vesting Date in respect of a Selected Person any or more of the following event (each of these, an event of “**Total Lapse**”) occurs:
- 42.1. where the Selected Person (being an Employee Participant as at the Grant Date) ceases to be an Employee Participant (whether by reason of termination of employment, death, mental or physical disability, incapacity or otherwise); or
- 42.2. where the Selected Person (being a Related Entity Participant as at the Grant Date) ceases to be a Related Entity Participant (whether by reason of termination of employment, death, mental or physical disability, incapacity or otherwise); or
- 42.3. where the Selected Person commits a breach of Rule 61; or
- 42.4. in respect of the Selected Person being a Service Provider as at the Grant Date (whether individual or corporation), where the Board at its sole and absolute discretion determines that such Selected Person has breached or otherwise failed to comply with any provisions of the relevant contract entered into between the Selected Person on the one part and any member of the Group on the other part, or that the Selected Person has breached its fiduciary duty owed to any member of the Group under the common law, or that the Selected Person could no longer make any contribution to the growth and development of any member of the Group by reason of cessation of its relationships with the Group or for any other reasons whatsoever; or
- 42.5. in respect of the Selected Person (being an Other Participant as at the Grant Date), where the Board at its sole and absolute discretion determines that such Selected Person could no longer make any contribution to the growth and development of any member of the Group by reason of cessation of its relationships with the Group or for any other reasons whatsoever; or

- 42.6. the relevant Selected Person fails to satisfy any or more of the vesting conditions such as the performance target(s) or such other condition(s) as set out in the Grant Letter; or
- 42.7. the Selected Person has, prior to the Vesting Date, become bankrupt or failed to pay his debts within a reasonable time after they become due; or has made any arrangement or composition with his creditors generally; or
- 42.8. an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (other 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
- 42.9. where the Board is of the view that an Award is subject to Clawback in its entirety and that the Board resolves to exercise the right to Clawback pursuant to the Company's policy on Clawback, as amended from time to time,

then unless the Board in its sole and absolute discretion determines otherwise, the Award shall automatically lapse forthwith and all the Awarded Shares of such Award (and, if applicable, the Related Distributions) shall not vest on the relevant Vesting Date and such Awarded Shares shall become Returned Shares whereas the Related Distributions (if any) shall be treated as Returned Shares and Cash Income (as the case may be) for the purposes of the Scheme.

- 43. In the event that prior to or on the Vesting Date, any or more of the following event (each of these, an event of “**Partial Lapse**”) occurs:

- 43.1. a Selected Person is found to be an Excluded Person; or
- 43.2. a Selected Person fails to return duly executed transfer documents (if any) or other documents prescribed by the relevant Trustee for the relevant Awarded Shares within the stipulated period; or
- 43.3. where the Board is of the view that part of the Award is subject to Clawback and that the Board resolves to exercise the right to Clawback pursuant to the Company’s policy on Clawback, as amended from time to time; or
- 43.4. where circumstances set out in Rule 55 exist and the Company forfeits certain number of the Awarded Shares and the Related Distributions in accordance with Rule 55.2; or
- 43.5. where the Selected Person surrenders the Award by written confirmation to the Company,

then unless the Board in its sole and absolute discretion determines otherwise, the relevant part of the Award (or such part of Award as determined by the Board in its sole and absolute discretion) made to such Selected Person shall automatically lapse forthwith and the relevant portion of Awarded Shares (and, if applicable, the corresponding portion of the Related Distributions) shall not vest on the relevant Vesting Date and such portion of the Awarded Shares shall become Returned

Shares whereas such portion of the Related Distributions (if any) shall be treated as Returned Shares and Cash Income (as the case may be) for the purposes of the Scheme.

44. If an Award (or any part thereof) lapses solely because the Selected Person is found to be an Excluded Person prior to or on the Vesting Date, unless otherwise determined by the Board in its sole and absolute discretion, the Company may (but is not obliged to) pay the Selected Person in cash an amount equal to the sum of the closing price of the Shares under the relevant Award which should have been so vested upon such Selected Person but for his being found to be an Excluded Person as quoted on the Stock Exchange as at the Grant Date (or in such other amount or in such other manner as agreed between the Company and the relevant Selected Person in writing). Such Awarded Shares which have not been so vested upon such Selected Person shall become Returned Shares of the Scheme which shall be dealt with in accordance with the Scheme Rules. For the avoidance of doubt, the Board, in exercising its discretion, may determine that nil amount is to be paid to the Selected Person. Any decision and election made by the Board pursuant to this Rule 44 shall be final and binding on such Selected Person and the Selected Person shall not be entitled to claim any loss or damages against the Company or members of the Board for such decision and/or election provided that the Board has acted in good faith.
45. Neither the Company nor any of its officers or members of the Board shall owe any liability to any Selected Person, any Personal Representative of a Selected Person and any Participant Vehicle for the lapse of any Awarded Share under Rules 42 or 43.
46. For the avoidance of doubt, for the purpose of Rules 42 and 43 and these Scheme Rules:
 - 46.1. transfer of employment or secondment of a Selected Person who is an Employee Participant from one member of the Group to another member of the Group or to a Related Entity and transfer of employment or secondment of a Selected Person who is a Related Entity Participant from a Related Entity to another Related Entity or to any member of the Group shall not be considered cessation of employment;
 - 46.2. if a Selected Person being an Employee Participant or a Related Entity Participant is granted an Award in the form of existing Shares, so far as such Award is concerned, transfer of employment or secondment of such Selected person to other entities at the request of either the Company, the relevant member of the Group or the relevant Related Entity (as the case may be) shall not be considered cessation of employment, provided that such Selected person can still fall within the definition of Other Participant; and
 - 46.3. any Selected Person who is an Employee Participant or Related Entity Participant is on such leave of absence with prior approval by the directors of the relevant member of the Group or Related Entity is not to be considered cessation of employment of the Selected Person.

47. Any Personal Representative becoming entitled to such Awarded Shares (and, if applicable, the Related Distributions) in consequence of the death, mental or physical disability or incapacity of a Selected Person or otherwise by operation of law or by court order shall, upon producing such evidence of his title as the Board may in its sole and absolute discretion require, have the right either to request the vested Awarded Shares (and, if applicable, the Related Distributions) to be transferred unto himself or to some other person upon giving to the Company and the Trustee notice in writing of such his request. If no such request with evidence of title to the satisfaction of the Board was received from any person claiming to be the Personal Representative entitled to such Awarded Shares (and, if applicable, the Related Distributions) within twelve (12) months (or such other period as the Board may at its sole and absolute discretion direct) from the date of death of the Selected Person or if the Awarded Shares (and, if applicable, the Related Distributions) would otherwise become *bona vacantia*,
- 47.1. the Awarded Shares (and, if applicable, the Related Distributions) shall be cancelled and forfeited and cease to be transferable, and such Awarded Shares and, if applicable, the Related Distributions shall be held as Returned Shares and Cash Income respectively for the purposes of the Scheme; and
- 47.2. any Personal Representative of the Selected Person or any person claiming to be entitled to such Awarded Shares (and, if applicable, the Related Distributions) in consequence of the death of the Selected Person or otherwise by operation of law or by court order shall have no claim against the Company or the Trustee in respect of the non-vesting of the Awarded Shares (and, if applicable, the Related Distributions) granted to the Selected Person.
48. For the avoidance of doubt, upon occurrence of any or more of an event of Total Lapse or Partial Lapse:
- 48.1. other than in the circumstances as set out in Rule 42.8, the Board shall have the sole and absolute discretion to determine whether the Awarded Shares shall vest and if so in what manner and at what time subject to Rule 15 and all applicable laws, whether to refund the purchase price (if any) paid by a Selected Person to the Company in respect of Awarded Shares granted to that Selected Person or adopt such other treatment as the Board may in its sole and absolute discretion determine appropriate; and
- 48.2. the Selected Person and any person claiming to be otherwise entitled to such Awarded Shares and, if applicable, the Related Distributions (including but not limited to the Personal Representative, liquidator, receiver etc.) shall have no claim or recourse against the Company or any Trustee in respect of the non-vesting of Awarded Shares (and, if applicable, the Related Distributions) arising from such event and such person shall be deemed to have irrevocably waived any such entitlement (to the extent there is any).
49. Unless otherwise agreed between the Board and the relevant Trustee, the Company shall send to the relevant Selected Person a Vesting Notice together with such transfer documents (if any) and other relevant documents prescribed by the relevant Trustee which require the Selected Person to execute to effect the vesting and

transfer of the Awarded Shares and, if applicable, the Related Distributions on the relevant Vesting Date, and notify the Trustee accordingly.

50. Notwithstanding anything herein contained, in the event that the relevant Trustee has not received the Related Distributions before the Vesting Date of the Awarded Shares, the Trustee shall transfer the Related Distributions to the Selected Person within 5 Business Days after it receives the Related Distributions unless the Board in its sole and absolute discretion determines otherwise.

Clawback mechanism

51. For the purpose of this Scheme, “**Clawback**” means the Company’s overriding right, authority and power to recover or withhold the Awarded Shares (and Related Distribution) granted to any Selected Person, which includes without limitation, (i) the return or repayment of all or a specified part of such Awarded Shares (and Related Distribution) granted to a Selected Person and/or (ii) the ceasing or variation of the Selected Person’s entitlement to receive or be vested with all or a specified part of any such Awarded Shares (and Related Distribution) which has not yet been vested in the Selected Person.
52. The Company may exercise the Clawback right in circumstances where, in the absolute opinion of the Board, it may be regarded as inequitable for any Awarded Shares (together with the Related Distribution, if any) to be vested or retained (as the case may be) by any Selected Person, including but not limited to where there has been a material misstatement or omission in the financial reports of the Group or if the relevant Selected Person has committed any fraud or serious misconduct. Without limiting the generality of the foregoing, any Awarded Shares (together with the Related Distribution) may be subject to the Clawback pursuant to the Company’s policy on Clawback, as amended from time to time.

R17.03(19)

Arrangement on tax and other expenses

53. Save for the stamp duty or transaction levies payable in respect of the transfer by the relevant Trustee to the Selected Person of the relevant Awarded Shares and, if applicable, the Related Distributions, the Selected Person shall be fully responsible for any Tax and any other expenses (for instance but not limited to administrative, handling and/or brokerage charges, whether imposed by the Trustee, securities brokers or otherwise) (“**Other Expenses**”) arising out of or in connection with his participation in the Scheme and/or in relation to receipt of and/or otherwise dealing with the Awarded Shares, the Related Distributions or cash amount of equivalent value of the Awarded Shares. Should any arrangement be made at the request by the Selected Person such that a financial institution designated by the Company and/or the Trustee is to pay first any Tax to any relevant authority, the Selected Person must repay such financial institution and/or the Trustee as soon as possible and in any event no later than one (1) month after the payment has been made (or such other period as the Board may in its sole and absolute discretion determine).
54. Any Tax due on and any Other Expenses incurred in connection with the granting or vesting of the Awarded Shares and, if applicable, the Related Distributions are to be borne by the Selected Person alone absolutely. Any social security contributions legally due, if any, on the granting or vesting of the Awarded Shares and, if

applicable, the vesting of the Related Distributions shall be borne in such proportion as is required by the applicable laws between the Selected Person and the relevant member of the Group.

55. In the event that the Company is obliged, required or otherwise requested to pay for and on behalf of the relevant Selected Person any Tax and/or Other Expenses referred to in Rules 53 and 54 which are to be borne by him, the Company shall be entitled, as the Board may in its sole and absolute discretion determine, to elect on the Vesting Date either one or a combination of the following to recover such amount of Taxes paid by the Company for the Selected Person (“**Amount Paid**”) as reimbursement AND the Selected Person shall not be entitled to challenge any decision made by the Company pursuant to this Rule 55 nor have any claim against the Company or any Trustee in relation to such decision:-
- 55.1. the Company may deduct the Amount Paid (or any part thereof) from any salary or any other cash payment to be paid to the Selected Person by the Company; or
- 55.2. the Company may forfeit by way of deducting from the total number of Awarded Shares to be transferred to the Selected Person on the Vesting Date (or as soon as practicable if it is not practicable to effect the deduction on the Vesting Date) certain number of the Awarded Shares entitled to be vested in Selected Person which value equals to or is not greater than the Amount Paid, PROVIDED THAT:-
- (a) the value of the Awarded Shares shall be conclusively determined by the Company at its sole and absolute discretion with reference to the closing price of the Shares on the Vesting Date or, if the Vesting Date is not a Business Day, either the immediately preceding or the immediately following Business Day as quoted on the Stock Exchange (or such other price as the Board may in its sole and absolute discretion deem fair and reasonable having consulted the relevant Trustee); and
- (b) the Selected Person and the relevant Trustee shall be notified of the number of Awarded Shares and amount of Related Distributions so forfeited in accordance with this Rule 55.2 and the Amount Paid in the Vesting Notice referred to in Rule 49;or
- 55.3. the Company may request the Selected Person to pay to the Company in advance or in arrears a sum equals to the Amount Paid; or
- 55.4. any other method the Board in its sole discretion considers appropriate.
56. If, after the Company has taken any or all of the actions under Rule 55 for the purpose of reimbursing the Company Taxes paid by the Company for the Selected Person, it is at the sole and absolute discretion of the Board determined that the value of reimbursement (whether being salary or cash payment deducted, Awarded Shares forfeited or otherwise):

- 56.1. shall exceed the Amount Paid, the Company shall, within 1 month (or as soon as practicable), return the excess to the relevant Selected Person in such manner as the Board deems fit; or
- 56.2. shall be less than the Amount Paid, the relevant Selected Person shall, within 1 week (or such other period as may be determined by the Board from time to time at its sole and absolute discretion) after being notified of such shortfall by the Company, pay an amount equivalent to such shortfall (net of tax and expenses, if any) in such manner as the Board deems fit to the Company.
57. The Awarded Shares so forfeited in accordance with Rule 55.2 shall become Returned Shares and, if applicable, the Related Distributions referable to those forfeited Awarded Shares shall be treated as Cash Income for the purposes of the Scheme.

Alteration to the Awards

58. Notwithstanding any provisions contained in these Scheme Rules or any terms or conditions stated in the Grant Letter but subject to Rule 60 and also subject always to the applicable laws, rules and regulations including the Listing Rules, the Company may, at any time during the subsistence of the relevant Trust in respect of the Scheme, and at its sole and absolute discretion, alter the terms and conditions of the Awards granted to a Selected Person (including but not limited to (i) accelerate the vesting of such Awarded Shares to an earlier date; (ii) postpone the vesting of such Awards to a later date; and/or (iii) waive or alter any or all of the vesting conditions attached to such Awarded Shares). Written notice of any alteration of the terms and conditions of the Awards granted to a Selected Person shall be given to such Selected Person and the relevant Trustee as soon as practicable after the Board has made such decision.
59. The Selected Person shall have no claim or recourse against the Company, the Board, the Remuneration Committee, the independent non-executive Directors, or the Shareholders and/or the Trustee in respect of any alteration made to the Awards granted to such Selected Person in accordance with the Scheme and the Selected Person shall be deemed to have irrevocably waived any such entitlement (to the extent there is any).
60. For the avoidance of doubt, any alteration to the terms and conditions of the Awards granted to a Selected Person (including but not limited accelerated or postponed vesting of an Award, waiver or alteration of any vesting conditions attached to an Award) pursuant to Rule 58 shall be regarded as a change to the terms of the Award, which must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in the manner set out in the Listing Rules (as the case may be) if the initial grant of the Award was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) (except where the change takes effect automatically under the existing terms of the Scheme), and the amended terms and conditions of the Award must comply with the Listing Rules.

R17.03(18)
Note (2), (3)

Nature of the Award

61. An Award shall be personal to the Selected Person to whom it is made and shall not be assignable nor transferable, and no Selected Person shall in any way sell, transfer, charge, mortgage, encumber, or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to either the Reference Amount or the Awarded Shares (and/or the Related Distributions, if any) referable to him pursuant to such Award or any of the Returned Shares and/or Further Shares or enter into any agreement so to do, save and except for (i) vesting of Awarded Shares on the Personal Representative(s) or its nominee(s) pursuant to the provisions of these Scheme Rules; or (ii) situation set out in Rule 62 below. The Personal Representative(s) and its nominee(s) to accept the Awarded Shares shall comply with all provisions of these Scheme Rules, which shall apply *mutatis mutandis* to such Personal Representative(s) or its nominee(s). For the avoidance of doubt, where the Grantee is a corporate body, any change of its controlling shareholder or any substantial change in its management (which is to be determined by the Board at its absolute discretion) will be deemed to be a sale or transfer of interest aforesaid, unless the Board shall in its sole and absolute discretion determine otherwise. R17.03(17)
62. Where (i) the Board has expressly consented in writing (which consent may or may not be given by the members of the Board at their absolute discretion), and (ii) the Stock Exchange has given an express waiver, the Selected Person may be allowed to transfer such Awarded Share(s) granted to and held by him to a vehicle (“**Participant Vehicle**”) (such as a trust or a private company) nominated by such Selected Person for the benefit of the Selected Person and any of his or her family members (e.g. for estate planning or tax planning purposes or such other purposes as the Board and the Stock Exchange consider to be justifiable) that would continue to meet the purpose of the Scheme and comply with other requirements of the provisions under the Listing Rules. In connection with the application for the above consent from the Board and the above waiver from the Stock Exchange, the Selected Person shall provide the Company with information on the beneficiaries or discretionary objects of such trust or the ultimate beneficial owners of such Participant Vehicle, evidence of such trust arrangement between the Selected Person and the proposed Participant Vehicle and such other information as may be required by the Board or the Stock Exchange, and the Selected Person shall also consent to the disclosure of such information in any public disclosure of the Company (including announcement, circular, and/or report to be published by the Company). The Participant Vehicle shall comply with all provisions of the Scheme (including this Rule 62), which shall apply *mutatis mutandis* to the Participant Vehicle.
63. The Company may, after having reasonably satisfied itself that the Selected Person has committed or attempted to commit a breach of Rule 61 and/or 62, forthwith revoke any Award granted to such Selected Person by notice. Such revocation notice shall be final and binding on such Selected Person and the Selected Person shall not be entitled to claim any loss or damages against the Company or members of the Board for such revocation provided that the Company has acted in good faith.
64. For the avoidance of doubt,

- 64.1. a Selected Person shall only have a contingent interest in the Awarded Shares (and, if applicable, the Related Distributions) which are referable to him subject to the vesting of such Awarded Shares (and, if applicable, the Related Distributions) in accordance with the terms and conditions as set out in the Grant Letter, and in no circumstance shall a Selected Person have any contingent interest in any Cash Income derived from the Awarded Shares referable to him other than (if and to the extent applicable) the Related Distributions;
- 64.2. a Selected Person shall have no rights in the Residual Cash, any of the Returned Shares or the interest, if any, accrued on the Related Distributions;
- 64.3. no instructions may be given by a Selected Person to the relevant Trustee in respect of the Awarded Shares that have not vested, the Related Distributions and such other properties of the Trust Funds managed by the relevant Trustee; and
- 64.4. the Trustee (or each of the Trustees if there are more than one Trustee appointed for the Scheme) shall not exercise the voting rights in respect of any Shares held by it as nominee or under the Trust (if any) (including but not limited to the Awarded Shares, the Returned Shares and any bonus Shares and scrip Shares derived therefrom), unless otherwise required by law to vote in accordance with the beneficial owner(s)' direction and such a direction is given. R17.03(10)
65. Any Awarded Shares transferred to a Selected Person will be subject to the Company's memorandum of association and Articles and any applicable laws, rules and regulations (including the Listing Rules) for the time being in force and shall rank *pari passu* in all respects with the fully-paid Shares in issue as at the date of the transfer (or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members), and will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of transfer (or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members) other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of transfer. R17.03(10)

TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME, ETC

66. If there occurs an event of change in control of the Company (whether by way of a takeover offer, share buyback offer, or scheme of arrangement or otherwise in the like manner, but other than in the event of a privatisation offer as set out in Rule 67), unless (i) the Board shall in its sole and absolute discretion determine otherwise or (ii) the relevant Selected Person voluntarily surrenders his / her interest in all Awarded Shares and the Related Distribution (if any), (A) all the then outstanding Awarded Shares yet to vest and, if applicable, the Related Distributions shall immediately vest on the date when such change of control event becomes or is declared unconditional (or such other date as the Board may determine) and such date shall be deemed to be the Vesting Date; and (B) subject to the receipt by the

relevant Trustee of duly executed transfer documents (if any) and other relevant documents prescribed by the relevant Trustee within 5 Business Days from the aforesaid deemed Vesting Date, the relevant Trustee shall transfer the Awarded Shares and, if applicable, the Related Distributions to the Selected Person. For the purpose of this Rule 66, “**control**” shall have the meaning as specified in the Takeovers Code from time to time.

67. If an offer to acquire and/or cancel the Shares arising from a privatisation proposal of the Company, whether by way of takeover offer, share buy-back offer, or scheme of arrangement or otherwise is made to all the holders of the Shares (or all such holders other than the offeror of the offer and/or any person controlled by such offeror and/or any person acting in association or concert with such offeror) (“**Privatisation Offer**”), whether or not it involves a change of control of the Company, unless (i) the Board shall in its sole and absolute discretion determine otherwise or (ii) the relevant Selected Person voluntarily surrenders his / her interest in all Awarded Shares and the Related Distribution (if any), (A) all the then outstanding Awarded Shares yet to vest shall immediately vest upon such Privatisation Offer becomes or is declared unconditional (or such other date as the Board may determine) and such date shall be deemed to be the Vesting Date, and (B) the relevant Trustee shall accept any such offer (or any revised offer) by the offeror to acquire and/or cancel the Awarded Shares and, if applicable, the Related Distributions and, notwithstanding any other provisions contained in these Scheme Rules, and (C) all proceeds in respect of the Awarded Shares and, if applicable, the Related Distributions paid or payable to or receivable by the relevant Trustee by reason of such acceptance or by reason of the Privatisation Offer becoming effective or being declared unconditional shall be applied by the relevant Trustee for the sole purpose of paying to or transferring to such Selected Persons by reference to the number of Awarded Share(s) and, if applicable, the Related Distributions attributable to such Selected Persons. The Selected Person shall have no claim or recourse against the Company or any Trustee in respect of the dealing with the Awarded Shares and, if applicable, the Related Distributions by the relevant Trustee in accordance with this Rule 67 and the Selected Person shall be deemed to have irrevocably waived any such entitlement (to the extent there is any). For the purpose of this Rule 67, “**control**” shall have the meaning as specified in the Takeovers Code from time to time.
68. In the event the Company undertakes an open offer of new securities in respect of any Share which are held by the Trustee under the Scheme and the record date for the entitlement to the open offer falls within the period from the Grant Date to the Vesting Date of such Awarded Shares (both dates inclusive), unless the Board shall in its sole and absolute discretion determine otherwise, the relevant Trustee shall not subscribe for any new Shares. In the event of a rights issue and the record date for the entitlement to the rights issue falls within the period from the Grant Date to the Vesting Date of such Awarded Shares (both dates inclusive), unless the Board shall in its sole and absolute discretion determine otherwise, the relevant Trustee shall sell such amount of the nil-paid rights allotted to it as is appropriate and the net proceeds of sale of such rights shall be held as Cash Income of the Trust Funds of the relevant Trust and applied in accordance with Rule 33.

69. In the event the Company issues bonus warrants in respect of any Shares which are held by the relevant Trustee and the record date for the entitlement to the bonus warrants falls within the period from the Grant Date to the Vesting Date of such Awarded Shares (both dates inclusive), unless the Board shall in its sole and absolute discretion determine otherwise, the relevant Trustee shall not subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants and shall sell the bonus warrants, the proceeds of which shall be held as Cash Income of the Trust Funds under the relevant Trust and shall be applied in accordance with Rule 33.
70. In the event the Company makes distribution by way of bonus Shares issues in respect of any Awarded Shares and the record date for the entitlement to the bonus Shares falls within the period from the Grant Date to the Vesting Date of such Awarded Shares (both dates inclusive), unless the Board shall in its sole and absolute discretion determine otherwise, the bonus Shares attributable to any then outstanding Awarded Shares held by the Trustee shall be held by the relevant Trustee as Related Distributions upon trust under the relevant Trust for the benefit of the relevant Selected Persons and shall be transferred to such Selected Person when the relevant Awarded Shares and the Related Distributions are transferred to the Selected Person in accordance with Rule 38.
71. In the event the Company undertakes a scrip dividend scheme, unless the Board shall in its sole and absolute discretion determine otherwise, the relevant Trustee shall elect to receive cash dividend but not scrip Shares which shall be held upon trust under the relevant Trust as Related Distributions.
72. In the event of an issue of Shares by the Company credited as fully paid to the holders of the Shares by way of capitalisation of profits or reserves, the Shares attributable to any Awarded Shares held by the Trustee shall be deemed to be an accretion to such Awarded Shares and shall be held by the Trustee as if they were Awarded Shares purchased by the Trustee hereunder and all the provisions hereof in relation to the original Awarded Shares shall apply to such additional Shares.
73. In the event the Company undertakes a capitalisation issue, bonus issue with price-dilutive element (as referred to in the Supplementary Guidance), rights issue, open offer with price-dilutive element (as referred to in the Supplementary Guidance), consolidation, subdivision or reduction of the share capital of the Company, corresponding adjustments (if any) may be made to the number of the then outstanding Awarded Shares or in the manner as members of the Board may deem appropriate, provided that:
 - 73.1. no such adjustments shall be made in respect of an issue of securities by the Company as consideration in a transaction;
 - 73.2. any such adjustments must give a Selected Person the same proportion of the equity capital, rounded to the nearest whole share, as that to which that person is previously entitled immediately prior to the occurrence of such event of alteration in the capital structure of the Company as referred to in this Rule 73;

- 73.3. no such adjustments may be made to the extent that a Share would be issued at less than its nominal value;
- 73.4. any such adjustments, save as those made on a capitalisation issue, shall be confirmed by the Auditors or the independent financial adviser (who shall act as experts and not as arbitrators and their certification shall in the absence of manifest error be final and binding on the Company, the Selected Persons and any persons who may be affected thereby, and their costs shall be borne by the Company) in writing to the members of the Board as satisfying the requirements of Rules 73.2 and 73.3 above and the requirements of the relevant provisions of the Listing Rules; and
- 73.5. all fractional Shares arising from such consolidation or subdivision in respect of the Awarded Shares of a Selected Person shall be deemed as Returned Shares for the purposes of the Scheme and shall not be transferred to the relevant Selected Person on the relevant Vesting Date.
74. In the event the Company declares any dividend in the form of a distribution in specie to Shareholders (including but not limited to circumstances where the Company carries out a spin-off and separate listing of a subsidiary of the Company by way of distribution in specie whereby the Shareholders will receive the relevant shares of the relevant subsidiary), unless the Board shall in its sole and absolute discretion determine otherwise, the shares of such subsidiary attributable to any then outstanding Awarded Shares held by the Trustee shall be held by the relevant Trustee as Related Distributions upon the Trust for the benefit of the relevant Selected Persons and shall be transferred to such Selected Person when the relevant Awarded Shares and, if applicable, the Related Distributions are transferred to the Selected Person in accordance with Rule 40.
75. In the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon trust under the relevant Trust, unless the Board shall in its sole and absolute discretion determine otherwise, the relevant Trustee shall dispose of such distribution and the net sale proceeds thereof shall be deemed as Cash Income of a Share held upon trust under the relevant Trust and shall be applied in accordance with Rule 33.
76. For the purpose of Rules 66 to 75,
- 76.1. “**Supplementary Guidance**” means the “Frequently asked questions on adjustments of the exercise price of share options” (FAQ No.072-2020) published by the Stock Exchange and its attachment “Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rule 23.03(13) and the Note Immediately After the Rule” (as may be amended and updated from time to time).
- 76.2. Upon occurrence of any of the events referred to in Rules 66 and 67, subject to compliance with the applicable laws, rules and regulations (including the Listing Rules), the Board shall have the sole and absolute discretion to make any decision regarding the vesting of Awarded Shares, notwithstanding the terms of the relevant Award, including but not limited to:

- (a) when the Awarded Shares (and the Related Distributions, if applicable) shall vest provided that such Vesting Date shall not exceed the original Vesting Date;
 - (b) the extent to which such Awarded Shares (and the Related Distributions, if applicable) may vest, whether to its full extent or in part and whether only to the extent performance targets have been satisfied;
 - (c) the manner in which an Award (and the Related Distributions, if applicable) shall vest, including whether in the form of transfer of Awarded Shares (and the Related Distributions, if applicable) onto the Selected Persons or by way of the relevant Trustee selling the Awarded Shares and transferring the net sale proceeds (and the Related Distributions, if applicable) after deducting all relevant expenses to the Selected Person;
 - (d) whether any performance targets and other performance conditions imposed by the Board must be satisfied as a pre-condition to the vesting of such Awarded Shares;
 - (e) any condition(s) or limitation(s) which is/are to be imposed on the vesting of Awarded Shares;
 - (f) in case an Award may only be vested in part (whether according to the provisions hereof or the determination by the Board) such that only part of the Awarded Shares are to be vested, whether the balance of Awarded Shares shall lapse or continue to be exercisable in accordance with the terms of Award or such other terms as the Board may consider appropriate.
- 76.3. Upon occurrence of any of the events referred to in Rules 68 to 75, subject to compliance with the applicable laws, rules and regulations (including the Listing Rules), the Board shall have the sole and absolute discretion to make any decision regarding the dealing of such rights, additional Shares or distribution (whether in the form of cash or Shares) attached to the Awarded Shares, notwithstanding the terms of the relevant Award.
- 76.4. Neither the Company nor any of its officers or members of the Board or the Trustee shall owe any liability to any Selected Person, any Personal Representative of a Selected Person and Participant Vehicle for the decision made by the Board pursuant to Rules 66 to 75 and this Rule 76.
77. In the event of any non-cash distribution or other events not referred to above, if by reason of which the Board may (but is not obliged to) in its sole and absolute discretion consider an adjustment to an outstanding Award to be fair and reasonable, then as an alternative to the treatment set out in Rules 66 to 75, an adjustment may be made to the number of outstanding Awarded Shares of each Selected Person as the Board shall in its sole and absolute discretion consider fair and reasonable, in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the Selected Persons; and in such case, the Company shall provide such funds, or such directions on application

of the Returned Shares or Cash Income, as may be required to enable the relevant Trustee to purchase additional Shares on-market at the prevailing market price or to subscribe new Shares from the Company to satisfy the additional Awards as a result of such adjustment.

SCHEME MANDATE LIMIT, SERVICE PROVIDER SUBLIMIT AND INDIVIDUAL LIMIT AND ADDITIONAL APPROVAL REQUIREMENTS

78. Subject to refreshment pursuant to Rule 82 and adjustment pursuant to Rule 81, the maximum number of new Shares which may be allotted and issued in respect of all Awards to be granted under the Scheme and all share options and share awards to be granted under any Other Schemes (“**Scheme Mandate Limit**”) shall not in aggregate exceed ten (10) percent of the number of issued Shares of the Company as at the Adoption Date (or such other limit (if any) prescribed by the Listing Rules from time to time), unless the Company has obtained separate approval by Shareholders pursuant to Rule 84. For the avoidance of doubt, Shares awarded but lapsed will not be counted for the purpose of calculating the Scheme Mandate Limit or the refreshed Scheme Mandate Limit (as the case may be). R17.03(3)
R17.03B(1)
79. Subject to Rule 78, refreshment pursuant to Rule 82 and adjustment pursuant to Rule 81, the maximum number of Awarded Shares which may be issued in respect of all Awards, all share options and all share awards to be granted to Service Providers under the Scheme and any Other Schemes (“**Service Provider Sublimit**”) must not in aggregate exceed 1% of the total number of Shares in issue as at the Adoption Date, unless the Company has obtained separate approval by Shareholders pursuant to Rule 82.
80. Awards, any share options and share awards lapsed in accordance with the respective terms of the Scheme and any Other Schemes shall not be regarded as utilised and hence shall not be counted for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit under Rules 78 and 79, respectively. R17.03B
Note 1
81. If the Company conducts consolidation or subdivision of its Shares after the Scheme Mandate Limit (or New Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the New Service Provider Sublimit, as the case may be) has been approved in general meeting, the maximum number of Awarded Shares that may be issued in respect of all the Awards to be granted under the Scheme under the Scheme Mandate Limit (or New Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the New Service Provider Sublimit, as the case may be) 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 to the nearest integral whole Share. R17.03B
Note 2
82. The Scheme Mandate Limit and the Service Provider Sublimit may be respectively refreshed by the Company as follows:
- 82.1. The Company may seek approval by its Shareholders in general meeting for refreshing the Scheme Mandate Limit and Service Provider Sublimit (as the case may be) under the Scheme after three years from the Adoption Date or from the date of Shareholders’ approval for the last refreshment; and R17.03C
(1)(a)

82.2. Subject to Rule 83, if the Company seeks to refresh the Scheme Mandate Limit and the Service Provider Sublimit (as the case may be) under the Scheme within three years period from the Adoption Date or from the date of Shareholders' approval for the last refreshment, such refreshment must be approved by the Shareholders in general meeting subject to the following provisions:

R17.03C
(1)(b)

- (a) Any controlling Shareholders 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 rules 13.39(6) and (7), 13.40, 13.41 and 13.42 and/or such other applicable provisions of the Listing Rules.

PROVIDED that Rule 82.2(a) and 82.2(b) 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 Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (or the New Scheme Mandate Limit, as the case may be) (as a percentage of the issued Shares) upon refreshment is the same as the unused part of the Scheme Mandate Limit (or the New Scheme Mandate Limit, as the case may be) immediately before the issue of securities, rounded to the nearest integral whole Share.

R17.03C
(1)(c)

83. The total number of Shares which may be issued in respect of all Awards to be granted under the Scheme, and share options or share awards to be granted under any Other Schemes under the Scheme Mandate Limit as refreshed (the "**New Scheme Mandate Limit**") must not exceed 10% (and the Service Provider Sublimit as refreshed ("**New Service Provider Sublimit**") shall not exceed 1%) of the issued Shares as at the date of Shareholders' approval of the New Scheme Mandate Limit (and New Service Provider Sublimit). Any Awards, any share options and share awards previously granted under the Scheme and any Other Schemes (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of this Scheme or any Other Schemes) will not be counted for the purpose of calculating the total number of Shares subject to the New Scheme Mandate Limit (and New Service Provider Sublimit). The Company must send a circular to its Shareholders containing the number of Awarded Shares, share options and share awards that are already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the refreshment.

R17.03C
(2)

84. Without prejudice to Rules 82 and 83, the Company may seek separate approval by the Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit (or the Service Provider Sublimit) or, if applicable, the New Scheme Mandate Limit (or the New Service Provider Sublimit) provided that:

R17.03(3)

84.1. the Awards in excess of the Scheme Mandate Limit (or the Service Provider Sublimit) or the New Scheme Mandate Limit (or the New Service Provider

Sublimit) are granted only to the Selected Person(s) specifically identified by the Company before such approval is sought;

- 84.2. the Company must send a circular to the Shareholders containing the name of each specified Selected Person who may be granted such Awards, the number of Awarded Shares and the terms of the Awards to be granted to each Selected Person, and the purpose of granting Awards to the specified Selected Persons with an explanation as to how the terms of the Awards serve such purpose; and
- 84.3. the number of Awarded Shares and terms of Awards to be granted to such Selected Persons must be fixed before Shareholders' approval.
85. Subject to Rule 86 and Rule 87, where any proposed grant of Awards to a Selected Person under the Scheme would result in Shares issued and to be issued in respect of all Awards, share options or share awards granted (including both exercised or outstanding share options and vested or outstanding Awarded Shares and share awards but excluding any Awards, share options and share awards lapsed in accordance with the terms of the Scheme or any Other Schemes) to such Selected Person in the 12-month period up to and including the date of such grant representing in aggregate over one (1) percent of the issued Shares (the "**Individual Limit**"), such proposed grant of Awards must be separately approved by Shareholders in general meeting with such Selected Person and his/her close associates (or his/her associates if the Selected Person is a connected person of the Company) abstaining from voting. Where required by the Listing Rules, the Company must send a circular to the Shareholders within such time as may be specified in the Listing Rules disclosing the identity of the Selected Person, the number of Awarded Shares and terms of the Awards to be granted (and those Awards, share options or share awards previously granted to such Selected Person in the aforesaid 12-month period), the purpose of granting the Awards to the Selected Person and an explanation as to how the terms of the Awards serve such purpose and such other information (if any) required under the Listing Rules. The number of Awarded Shares and terms of Awards to be granted to such Selected Person must be fixed before the Shareholders' approval. R17.03(4)
R17.03D
86. Without prejudice to Rule 85, where any grant of Awards under this Scheme to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all Awards and awards granted (excluding any Awards and awards lapsed in accordance with the terms of the Scheme or any Other Schemes) to such Selected Person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued Shares, where required under the Listing Rules, (i) such grant of Awards must be approved by Shareholders in general meeting with such Selected Person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting; (ii) the Company shall send a circular to the Shareholders containing information set out in Rule 88 within such time as may be specified in the Listing Rules; (iii) and the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 and/or such other applicable provisions of the Listing Rules. R17.04(2)
R17.04(4)

87. Without prejudice to Rule 86, where any grant of Awards to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Awards, share options and share awards granted (excluding any Awards, share options and share awards lapsed in accordance with the terms of the Scheme or any Other Schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the issued Shares, where required under the Listing Rules, (i) such further grant of Awards must be approved by Shareholders in general meeting with such Selected Person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting; (ii) the Company shall send a circular to the Shareholders containing information set out in Rule 88 within such time as may be specified in the Listing Rules; and (iii) the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 and/or such other applicable provisions of the Listing Rules. R17.04(3)
R17.04(4)
88. The circular to be issued by the Company to the Shareholders pursuant to Rule 86 and Rule 87 must contain the following information and/or such other information as required under the Listing Rules: R17.04(5)
- 88.1. details of the number of Awarded Shares and terms of the Awards to be granted to each Selected Person, which must be fixed before the Shareholders' meeting on the grant is sought;
- 88.2. the views of the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Awards) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and its Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and
- 88.3. other information required under the Listing Rules (including, where applicable, Rule 17.02(2)(c) and Rule 2.17 of the Listing Rules).
89. Without prejudice to Rules 86 and 87, each grant of Award(s) 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 proposed Selected Person in respect of the proposed Awards). R17.04(1)
90. Notwithstanding any provision to the contrary in these Scheme Rules, if the Listing Rules stipulate any other limit regarding the maximum number of Awarded Shares granted and to be granted to any Participant or any class or category of Participants within any specified period, and/or impose additional compliance requirements for any such grant and/or for any grant exceeding the aforesaid limit, no grant of Awards to such Participant or class or category of Participants should be made unless the Company has duly complied with the Listing Rules. In all circumstances, no grant of Awards shall be made if it will result in contravention of the Listing Rules.

RETURNED SHARES & FURTHER SHARES

91. Subject to Rule 92, the relevant Trustee shall hold Returned Shares and Further Shares (if any) to be applied towards future Awards in accordance with the provisions hereof for the purpose of the Scheme.
92. The Board may, if and when it considers it appropriate, instruct any of the Trustees to sell such number of Returned Shares and/or Future Shares and remit all cash and net proceeds of such sale and the corresponding Returned Trust Funds (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the relevant Trust Deed) to the Company.

CANCELLATION OF AWARDS GRANTED

93. The Board in its sole discretion may cancel an Award granted but remained unvested with the approval of the relevant Selected Person in respect of such Award.
94. Awards may be granted to a Participant in place of his/her cancelled Awards provided that there are available Scheme Mandate Limit and Service Provider Sublimit approved by the Shareholders from time to time. The Awarded Shares cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

DISPUTES

95. Any dispute arising in connection with each of the Scheme shall be referred to the decision of the Board who shall act as experts and not as arbitrators and whose decision in the absence of manifest error shall be final and binding.

ALTERATION OF THE SCHEME

96. The Scheme may be altered in any respect by the Board except that:
 - 96.1. any alterations to the terms and conditions of the Scheme which are of a material nature including the provisions of the Scheme as to the definitions of “Participant”, “Employee Participant”, “Related Entity”, “Related Entity Participant”, “Service Provider”, “Other Participant” and “Selected Person” in Rule 1 must be approved by the Shareholders in general meeting;
 - 96.2. any alterations to the provisions of the Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Selected Person or prospective Selected Person must be approved by the Shareholders in general meeting;
 - 96.3. any change to the authority of the Board or the administrators of the Scheme to alter the terms of the Scheme must be approved by the Shareholders in general meeting; and
 - 96.4. no such alteration shall operate to affect adversely the terms of issue of any Awards granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Selected Persons as would be required of the Shareholders under the Articles for the time being of the

R17.03(18)
Note (1)

R17.03(18)
Note (4)

Company for a variation of the rights attached to the Shares as if the Awarded Shares constituted a separate class of share capital and as if the provisions under the Articles for the time being of the Company applied *mutatis mutandis* thereto.

97. The amended terms of the Scheme must comply with the relevant requirements of Chapter 17 of the Listing Rules.
98. Written notice of any amendment to the Scheme shall be given to all Selected Persons.

DURATION AND TERMINATION OF THE SCHEME

99. The Scheme shall be effective from the Adoption Date and shall be valid and effective for the Scheme Period unless sooner terminated. The Scheme may be terminated at any time by the Board or by the Company by resolution in general meeting..
100. After the expiry or termination of the Scheme, no further Award shall be offered or granted under the Scheme, but in all other respects the provisions of the Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting of any Awarded Shares (together with, if applicable, the Related Distributions) granted under the Scheme prior thereto or otherwise as may be required in accordance with the provisions of the Scheme, and the Awarded Shares (together with, if applicable, the Related Distributions) which are granted and subsisting under the Scheme prior to such expiry or termination shall continue to be in full force and effect in accordance with the Scheme and their terms of grant.
101. Upon termination of the Scheme, the relevant Trustee shall, at the election of the Company:
 - 101.1. within sixty (60) Business Days (on which the trading of the Shares has not been suspended) of the latter of receiving notice of such termination of the Scheme or the settlement, lapse, forfeiture or cancellation (as the case may be) of the last outstanding Award made under the Scheme (or such other period as the relevant Trustee and the Board may otherwise determine), sell any Returned Shares and non-cash income remaining in the Trust Funds and immediately remit the net proceeds of sale of the Returned Shares, Residual Cash and such other funds or assets remaining in the Trust Funds (after making the appropriate deductions in respect of all disposal costs, liabilities (including all applicable Taxes and duties) and expenses properly and reasonably incurred by the relevant Trustee in accordance with the terms of the Trust Deed) to the Company; or
 - 101.2. resettle any Shares remaining in the Trust Funds upon another trust constituted by the Company for the purposes of a share incentive scheme adopted by the Company (on substantially consistent terms and conditions as those set out in the Trust Deed), and sell any other non-scrip and non-cash income remaining in the Trust Funds and immediately remit the net proceeds of sale, Residual Cash and such other funds or assets remaining in the Trust Funds (after making appropriate deductions in respect of all disposal costs,

liabilities and expenses properly incurred by the relevant Trustee in accordance with the terms of the Trust Deed) to the Company. For the avoidance of doubt, the relevant Trustee may not transfer any Shares to the Company, nor may the Company otherwise hold any interest in Shares whatsoever (other than its interest in the proceeds of sale of such Shares pursuant to this Rule 101).

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

MISCELLANEOUS

103. The Scheme shall not form part of any contract of employment between the Company or any subsidiary of the Company or any Related Entity on the one part and any Participant on the other part, and the rights and obligations of any Participant under the terms of his office or employment shall not be affected by his participation in any of the Scheme or any right which he may have to participate in it and the Scheme shall afford such Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
104. 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 Rule 106, expenses incurred in the purchase or subscription of Shares by the relevant Trustee and stamp duty and normal registration fees in respect of the transfer of Shares to Selected Persons 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 Participant or the relevant Trustee in respect of any sale, purchase, vesting or transfer of Shares.
105. A Selected Person shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction (or the country of incorporation of the Company) in order to permit the grant of Award, acceptance of or the vesting of the Awarded Shares (and Related Distributions, if applicable). A Selected Person shall pay all tax and discharge all other liabilities to which he may become subject as a result of his participation in the Scheme, acceptance of or the vesting of any Awarded Shares (and Related Distribution, if applicable) under the Award. The Company shall not be responsible for any failure by a Selected Person to obtain any such consent or for any tax or other liability to which a Selected Person may become subject as a result of his participation in the Scheme.
106. Any notice or other communication between the Company and any Participant may be given by sending the same by personal delivery or by prepaid post to, in the case of the Company, its principal place of business in Hong Kong or such other address as notified to the Participant from time to time and in the case of a Participant, his address in Hong Kong as notified to the Company from time to time.
107. Any notice or other communication given for the purpose of the Scheme:

107.1. if served by personal delivery, such notice shall be deemed to be served upon personal delivery to the intended recipient or (in case of a corporate recipient) a director or the company secretary of the intended recipient at the address of the intended recipient; and

107.2. if served by post:-

- (a) by the Company, such notice shall be deemed to have been served 24 hours after the same was put in the post; and
- (b) by a Participant, such notice shall not be deemed to have been received until the same shall have been received by the Company.

108. The Company shall not be responsible for any failure by any Participant to obtain any consent or approval required for such Participant to participate in the Scheme as a Selected Person or for any tax, duty, expenses, fees or any other liability to which he may become subject as a result of his participation in the Scheme.

109. 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 Scheme Rules, and any such deletion shall not affect the enforceability of the remaining provisions of these Scheme Rules.

NO THIRD PARTY RIGHTS

110. For the avoidance of doubt, no person other than the Company shall have any right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce or enjoy the benefit of any of the provisions of these Scheme Rules.

GOVERNING LAW & JURISDICTION

111. The Scheme shall operate subject to the Articles and any applicable law to which the Company is subject.

112. The Scheme is governed by and shall be construed in accordance with the laws of Hong Kong. The parties shall submit to the exclusive jurisdiction of the courts of Hong Kong in relation to any claim or matter arising from and in connection with the Scheme.