

INTRON TECHNOLOGY HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

SHARE SCHEME

INTRON TECHNOLOGY HOLDINGS LIMITED

SHARE SCHEME

1. DEFINITIONS

1.1. In this Scheme the following expressions have the following meanings:-

“Acceptance Date”	the date upon which an Award must be accepted by the relevant Eligible Participant, being a date not later than 28 days after the Offer Date;
“Adoption Date”	[27 May 2024], being the date on which the Scheme was approved by the Shareholders at the general meeting;
“Allotment Date”	the date on which Shares are allotted to a Grantee (or his legal personal representative(s)) pursuant to the Award granted and exercised or vested hereunder;
“Articles of Association”	the articles of association of the Company as amended from time to time;
“associate”	has the meaning ascribed to it under the Listing Rules;
“Award”	an award, which may take the form of a Share Option or a Share Award, granted under the Scheme by the Board to an Eligible Selected Participant in accordance with these Scheme Rules;
“Board”	the board of Directors of the Company or a duly authorised committee thereof;
“Board Lot”	the board lot in which Shares are traded on the Stock Exchange;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Company”	Intron Technology Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability;
“connected person”	has the meaning ascribed to it under the Listing Rules;

“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;	
“Core Connected Person”	has the meaning ascribed to it under the Listing Rules;	
“Directors”	directors of the Company;	
“Eligible Participants”	directors and employees of the Company or any of its Subsidiaries (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with these companies);	
“Exercise Price”	with respect to any Share Option, the price per Share at which a Grantee may subscribe for Shares on the exercise of Share Options as described in paragraph 6;	
“Expiry Date”	in respect of a Share Option, such date of the expiry of the Share Option as the Board may in its absolute discretion determine and which shall not exceed 10 years from the Offer Date;	LR 17.03(5)
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of the Scheme or (in the case of an Eligible Participant being an individual and where the context so permits) the legal personal representative(s) entitled to any such Award in consequence of the death of the Eligible Participant;	
“Group”	the Company and its Subsidiaries;	
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;	
“Letter of Grant”	has the meaning ascribed to it under paragraph 5.2(b);	
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;	
“Listing Rules Amendments”	the amendments to the Listing Rules as set out in Appendix IV to the Consultation Conclusions to the Proposed Amendments to the Listing Rules relating to Treasury Shares published by the Stock Exchange on 12 April 2024;	
“Offer”	the offer of the grant of an Award made in accordance with paragraph 5 of the Scheme;	

“Offer Date”	the date on which an offer of an Award is made to the Eligible Participant, which must be a Business Day;
“Option Period”	in respect of a Share Option, the period to be determined and notified by the Company to the Grantee thereof at the time of making an Offer provided that such period shall not go beyond the day immediately prior to the tenth anniversary of the Offer Date with respect to the relevant Award;
“PRC”	the People’s Republic of China (for the purpose of this Scheme, excluding Hong Kong, the Macau Special Administrative Region and Taiwan);
“Purchase Price”	in respect of a Share Award, the price (if any) payable by a Grantee for obtaining the Shares underlying an Award as determined by the Board. For the avoidance of doubt, the Board may determine the Purchase Price be at nil consideration;
“Remuneration Committee”	remuneration committee of the Company;
“Scheme”	this share scheme, the rules of which are set out in this document in its present or any amended form;
“Scheme Limit”	has the meaning ascribed to it under paragraph 8.1(a);
“Scheme Rules”	the rules of the Scheme;
“SFC”	The Securities and Futures Commission of Hong Kong;
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company, or, if there has been a capitalisation issue, rights issue, sub-division, consolidation, reclassification of or reconstruction of the share capital of the Company, shares forming part of the ordinary share capital of the Company;
“Shareholder(s)”	holder(s) of Shares;
“Share Award(s)”	award(s) of Shares to be granted pursuant to the Scheme;

“Share Option(s)”	share option(s) to subscribe for Shares to be granted pursuant to the Scheme;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	has the meaning ascribed to it under the Listing Rules;
“Term”	has the meaning ascribed to it in paragraph 4.1;
“treasury Shares”	has the meaning ascribed thereto under the Listing Rules Amendments;
“Trustee”	the professional trustee from time to time of the Scheme appointed by the Company under paragraph 4.3;
“vest”	(i) in relation to a Share Option, the Grantee becoming entitled to exercise the Share Option to subscribe for or acquire such Shares; and (ii) in relation to a Share Award, the Grantee becoming entitled to receive such Shares; in each case subject to the Scheme Rules, and “vesting” and “vested” shall be construed accordingly;
“Vesting Date”	in respect of a Grantee, the date to be determined by the Board and notified to the relevant Grantee in the Letter of Grant on which an Award (or part thereof) is to vest in the relevant Grantee;
“Vesting Period”	the period commencing on the Offer Date and ending on the Vesting Date; and
“HK\$”	Hong Kong dollars.

- 1.2. Paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of the Scheme. References to paragraphs and clauses are to paragraphs and clauses of the Scheme. Unless the context otherwise requires, words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include bodies corporate or unincorporated. References to any statutory provisions or rules prescribed by any statutory bodies shall include the same as from time to time amended, consolidated and re-enacted and shall include any subordinate legislation made under the relevant statute. References to any statutory body shall include the successor thereof and anybody established to replace or assume the functions of the same. Any reference to a time of a day in the Scheme is a reference to Hong Kong time.

2. PURPOSE OF THE SCHEME AND ELIGIBILITY

- 2.1. The purpose of this Scheme is to provide incentive to the Eligible Participants in order to promote the development and success of the business of the Group. This Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimising their performance and efficiency and attract and retain the Eligible Participants whose contributions are important to the long-term growth of the Group. LR17.03(1)
- 2.2. Subject to the terms of the Scheme, the Board shall be entitled at any time during the life of the Scheme to offer the grant of any Award to any Eligible Participant as the Board may in its absolute discretion select.
- 2.3. In determining the basis of eligibility for Eligible Participants, the Board will consider, among others, (a) the individual performance; (b) the skill, knowledge, experience, expertise and other personal qualities; (c) responsibilities or employment conditions according to the prevailing market practice and industry standard; (d) the length of engagement with the Group; and (e) the individual contribution or potential contribution to the development and growth of the Group. LR17.03(2)
17.02(2)(b)

3. CONDITIONS PRECEDENT

- 3.1. The Scheme shall become effective upon satisfaction of the following conditions: LR17.02(1)(a)
- (a) the passing of a resolution by the Shareholders to approve the adoption of the Scheme; and
 - (b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares to be allotted and issued by the Company pursuant to the Awards.

4. DURATION AND ADMINISTRATION

4.1. Duration of the Scheme

Subject to paragraph 17, the Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date (the “**Term**”), after which no further Awards will be offered or granted but the provisions of the Scheme shall remain in force and effect in all other respects. All Awards which are granted during the Term and which remain unvested or which have vested but have not yet been exercised shall continue to be valid and exercisable subject to and in accordance with the Scheme. LR17.03(11)

4.2. Administration of the Scheme

- (a) The Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the Scheme or its interpretation or effect shall (save as otherwise provided in the Scheme) be final and binding on all parties. Without limiting the generality of the foregoing, subject to compliance with the requirements of the Listing Rules and the provisions of the Scheme, the Board shall have the right to (i) interpret and construe the provisions of the Scheme; (ii) determine the persons who will be offered Awards under the Scheme; (iii) determine the terms on which the Awards are granted; and (iv) make such other decisions or determinations or regulations as it shall deem appropriate for the administration of the Scheme.
- (b) Subject to compliance with the Listing rules, the Board may delegate any or all of its powers in relation to the Scheme to any of its committees.
- (c) To satisfy the Share Awards, the Board may in its absolute discretion allot and issue new Shares to the Grantee and/or acquire existing Shares through on-market purchases or receive existing Shares from any Shareholders.
- (d) The Company may use treasury Shares, if any, for this Scheme after the Listing Rules Amendments have become effective. In this Scheme, references to new Shares include treasury Shares, and references to the issue of Shares include the transfer of treasury Shares.

4.3. Establishment of Trust and Appointment of Trustee

The Company may, in its absolute discretion, establish a trust and appoint a Trustee to assist with the administration, exercise and vesting of Awards granted pursuant to this Scheme. The Company may, to the extent permitted by the Listing Rules and applicable laws, (a) allot and issue Shares to the Trustee, (b) direct and procure the Trustee to make on-market or off-market purchases of Shares, and/or (c) accept and receive a specified number of Shares from any existing Shareholder or any party designated by the Company, in either case to satisfy the Awards upon vesting or exercise. The Company shall, to the extent permitted by applicable laws, provide sufficient funds to the Trustee by whatever means as the Board may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration, vesting and exercise of Awards. The Trustee shall abstain from voting on matters that require Shareholders' approval under the Listing Rules in respect of any Shares held by directly or indirectly it under the trust (if any).

5. GRANT OF AWARDS

- 5.1. On and subject to the terms of the Scheme, the Board shall be entitled at any time and from time to time during the Term to make an Offer to any Eligible Participant as the Board may in its absolute discretion select. An Award may be in the form of a Share Award or a Share Option.

5.2. Offer of an Award

- (a) An Offer shall be made to an Eligible Participant by a Letter of Grant (as defined below) in such form as the Board may from time to time determine requiring the Eligible Participant to undertake to hold the Award on the terms on which it is to be granted and to be bound by the terms of the Scheme.
- (b) The letter of grant of an Award shall specify the terms on which the Award is to be granted (the “**Letter of Grant**”), including:
 - (i) the Eligible Participant’s name, address, and occupation/position;
 - (ii) the Offer Date;
 - (iii) whether the Award is in the form of a Share Option and/or a Share Award;
 - (iv) the number of Shares underlying the Award;
 - (v) the Vesting Date and any performance conditions or other conditions that must be satisfied in order for the Award to vest in whole or in part;
 - (vi) the Exercise Price and Expiry Date of the Share Option and/or the Purchase Price of the Share Award; and
 - (vii) any other terms which may be imposed or not imposed either on a specific Award or generally, provided such terms shall not be inconsistent with any other terms and conditions of the Scheme.

5.3. Grant to Directors, Chief Executive, Substantial Shareholders or Connected persons

- (a) Any grant of an Award to a Director, chief executive or a substantial Shareholder of the Company or any of their respective associates must first be approved by the independent non-executive Directors of the Company (excluding the independent non-executive Director who or whose associates is the grantee of an Award), and all grants to connected persons shall be subject to compliance with the applicable requirements under the Listing Rules.
- (b) Where any grant of Share Awards (i.e. excluding grant of Share Options) to any Director (other than an independent non-executive Director), 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 granted (excluding any Awards lapsed in accordance with the terms of the Scheme) to such person pursuant to the Scheme and any other share schemes of the Company in the 12-month period up to and including the Offer Date representing in aggregate over 0.1% of the Shares in issue on the Offer Date (excluding treasury Shares), such further grant of Awards shall be subject to prior approval by the Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

LR17.03(4)

- (c) Where any grant of Awards (including grant of Share Options and Share 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 granted (excluding any Awards lapsed in accordance with the terms of the Scheme) to such person pursuant to the Scheme and any other share schemes of the Company in the 12-month period up to and including the Offer Date representing in aggregate over 0.1% of the Shares in issue on the Offer Date (excluding treasury Shares), such further grant of Awards shall be subject to prior approval by the Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

5.4. Conditions of Grant of Awards

- (a) The Board may in respect of each Award in its sole and absolute discretion determine such vesting criteria and conditions or periods for vesting of the Awards. The relevant Vesting Date of any Award shall be set out in the Letter of Grant as mentioned in paragraph 5.2(b).
- (b) The Vesting Period of the Awards shall not be less than 12 months from the Offer Date, except for such circumstances the Board may consider appropriate and in alignment with the purposes of the Scheme in relation to grant of Awards to the Eligible Participants under the following circumstances:
 - (i) grants of “make-whole” awards to new joiners to replace the options or awards they forfeited when leaving the previous employer;
 - (ii) grants to an Eligible Participant whose employment is terminated due to death, disability or occurrence of any out of control event, in which circumstances the vesting of share awards may accelerate;
 - (iii) grants which would have been made earlier but for administrative and compliance reasons and are made in a subsequent batch, in order to put the Grantees in the same position as they would have been in had the grant been made earlier;
 - (iv) grants with a mixed or accelerated vesting schedule, such as where the Awards may vest evenly over a period of twelve (12) months;
 - (v) grants with performance-based vesting conditions in lieu of time-based vesting criteria; or
 - (vi) grants of Awards with a total vesting and holding period of more than twelve (12) months.

It is considered that by having the flexibility of having a shorter vesting period in accordance with paragraph 5.4(b) above, the Group will be in a better position to attract and retain such Eligible Participants to continue serving the Group whilst at the same time providing them with further incentive in achieving the goals of the Group, and thereby, to achieve the purpose of the

Scheme.

- (c) For Share Options, the Option Period shall be such period determined by the Board in its absolute discretion and notified to the Eligible Participant in the Letter of Grant, *provided that* the Option Period shall not be longer than 10 years from the Offer Date. A Share Option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the expiry of the tenth anniversary from the Offer Date.
- (d) In respect of any Eligible Participant, the Board or the Remuneration Committee may (as the case may be) establish performance targets against the attainment of which the Awards granted to the Eligible Participants concerned. Proposed performance targets include business, financials, operations, market value of the Company and creation of capital value for the Group's business segments, or individual performance appraisal results for the relevant year evaluated in accordance with the performance appraisal system as established by the Group applicable to the Eligible Participants as the Board or the Remuneration Committee (as the case may be) considers reasonable at its sole discretion. The Board or the Remuneration Committee (as the case may be) shall conduct assessment prior to the relevant vesting period of Awards on the fulfilment or satisfaction of such performance targets to determine whether the targets and the extents to which have been met. For the avoidance of doubt, an Award shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Letter of Grant.

LR17.03(7)

5.5. Restrictions on Time of Grant of Awards

LR17.05

The Board shall not offer the grant of an Award to any Eligible Participant and no instructions to subscribe for or otherwise deal in any Shares shall be given to the Trustee under the Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time. Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be:

- (a) after inside information (having the meaning defined in the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong) has come to the knowledge of the Company until (and including) the Business Day after it has been announced pursuant to the requirements of the Listing Rules; and
- (b) during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to publish an announcement of 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 announcements (or during any period of delay in publishing results announcements); and

- (c) during the period of:
 - (i) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
 - (ii) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

5.6. Acceptance of an Offer

LR17.03(8)

- (a) The Board may determine in its absolute discretion the amount (if any) payable on acceptance of an Offer and the period within which any such payments must be made, and such amounts (if any) and periods shall be set out in the Letter of Grant.
- (b) Unless otherwise specified in the Letter of Grant, an Offer shall remain open for acceptance by the Eligible Participant concerned for a period of 21 days from the Offer Date (inclusive of the Offer Date). An Award may be accepted in whole or in part provided that it must be accepted in respect of a Board Lot for dealing in Shares or a multiple thereof. An Award shall be deemed to have been granted and accepted by the Eligible Participant and to have taken effect when the duplicate Letter of Grant comprising acceptance of the Award duly signed by the Grantee together with a remittance in favour of the Company of any consideration payable upon grant of Award, if any. Such remittance, if any, shall in no circumstances be refundable.
- (c) To the extent that the Award or part thereof is not accepted in the manner indicated in paragraph 5.6(b), the portion not accepted shall be deemed to have been irrevocably declined and shall automatically lapse.

6. EXERCISE PRICE AND PURCHASE PRICE

LR17.03(9)

- 6.1. The Exercise Price in respect of any particular Share Option shall be a price solely determined by the Board and notified to a Eligible Participant and shall be at least the highest of:

- (a) the nominal value of a Share on the Offer Date;
 - (b) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; and
 - (c) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the Offer Date.
- 6.2. Notwithstanding anything to the contrary contained herein, the Board has the right to adjust the Exercise Price in its absolute discretion to ensure compliance with the applicable laws, rules and regulations, including but not limited to the Listing Rules.
- 6.3. For Share Awards, the Board may in its absolute discretion determine whether the Grantee is required to pay any Purchase Price for obtaining the Shares underlying the Share Award. For the avoidance of doubt, the Board may determine the Purchase Price be at nil consideration.
- 6.4. The Exercise Price and the Purchase Price (if any) shall be settled in accordance with the manners as set out under paragraph 7.1.

7. VESTING AND EXERCISE

7.1. Vesting and exercise of Awards

- (a) In the case of a Share Award, subject to the terms of the Scheme and to the specific terms on which such Share Award is granted, the Shares underlying a Share Award shall vest on the Vesting Date of such Share Award, provided that in the case of a Share Award, if the vesting date of the Share Award falls within a period during which the Company, the Trustee (in its capacity only under its appointment in terms of paragraph 4.3 above) or the relevant Grantee is prohibited from dealing in Shares by the Stock Exchange, the Listing Rules or any applicable laws, rules or regulations, the Shares underlying the Awards shall vest on the first Business Day after the expiry of such period or such later date as the Board notifies to the Grantee, while the Company shall, subject to the payment of Purchase Price, if any, by the Grantee, accordingly allot and issue the relevant number of Shares, or cause the relevant number of Shares to be transferred, to the Grantee (or his legal personal representative(s)). If vesting is subject to the satisfaction of performance or other conditions and such conditions are not satisfied in whole or in part, the Share Award shall lapse automatically in respect of such proportion of underlying Shares as have not vested with effect from the date on which the conditions are not satisfied.

LR17.03(5)
LR17.03(6)

- (b) In the case of a Share Option, subject to the terms of the Scheme and to the specific terms on which such Share Option is granted, a Share Option may be exercised in whole or in part after the same has become vested and before the Expiry Date by the Grantee (or, as the case may be, his legal personal representatives) giving notice in writing to the Company in such form as the Board may from time to time determine stating that the Share Option is thereby exercised and the number of Shares in respect of which it is exercised (which, except where the number of Shares in respect of which the Share Option remains unexercised is less than one board lot or where the Share Option is exercised in full, must be for a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each such notice must be accompanied by a remittance for the full amount of the aggregate Exercise Price.
- (c) For the avoidance of doubt, unless otherwise required by the applicable laws and regulations, the Company shall not be liable for any tax or expenses of such other nature payable on the part of the Grantee in respect of any vesting, subscribe for, sale or transfer of Shares. The Company shall not be obliged to allot and issue any Shares, or procure the transfer of any Shares, unless and until the Grantee has paid to the Company such sum as is sufficient to cover in full against any costs, liabilities or taxes arising on vesting or has provided evidence satisfactory to the Company according to applicable laws and regulations that such arrangements have been made as the Company may reasonably require to ensure that any costs, liabilities or taxes will be reimbursed for which any such person is liable to account.

7.2. Rights on a Takeover

LR17.03(10)

Notwithstanding any other provision provided herein, if there occurs an event of change in control of the Company (whether by way of offer, merger, scheme of arrangement or otherwise), the Board shall determine, subject to compliance with applicable laws, rules and regulations, at its sole and absolute discretion whether such Awards shall vest in the Grantee and the time at which such Awards shall vest and whether the Grantee may exercise any such Share Option and the period during which it may be exercised. If the Board determines that any such Awards or Share Options shall not vest or exercisable, such Awards or Share Options shall lapse automatically. For the purpose of this paragraph, “control” shall have the meaning as specified in The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC from time to time.

7.3. Rights on a compromise or Arrangement

LR17.03(10)

If a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company, the Company shall give notice thereof to the Grantees on the same day as it dispatches notices to all members or creditors of the Company summoning the meeting to consider such a compromise or arrangement. The Board shall, subject to compliance with applicable laws, rules and regulations, determine at its absolute discretion whether any Award shall vest and the date of such vesting and whether the Grantee may exercise any such Share Options and

the period during which it may be exercised prior to the date of the general meeting directed to be convened by the court for the purposes of considering such compromise or arrangement (the “**Suspension Date**”). With effect from the Suspension Date, the rights of all Grantees to exercise their respective Awards shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Awards shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavour to procure that the Shares issued as a result of the exercise of Awards under this paragraph 7.3 shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court), the rights of Grantees to exercise their respective Awards shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of this Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of such proposal, unless any such loss or damage shall have been caused by the act, neglect, fraud or wilful default on the part of the Company or any of its officers.

7.4. Rights on Winding-up

LR17.03(10)

If notice is duly given by the Company to its shareholders to convene a shareholders’ meeting for the purpose of considering a resolution 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 an order of winding up of the Company is made, the Board shall determine, subject to compliance with applicable laws, rules and regulations, at its sole and absolute discretion whether any Awards shall vest in the Grantee and the time at which such Awards shall vest and whether the Grantee may exercise any such Share Option and the period during which it may be exercised prior to the proposed general meeting of the Company. If the Board determine that any such Award or Share Options shall not vest or exercisable, such Award or Share Options shall lapse automatically.

7.5. Retirement

If a Grantee ceases to be an Eligible Participant by reason of the Grantee’s retirement: (i) any outstanding Awards not yet vested shall continue to vest in accordance with the Vesting Date set out in the Letter of Grant, or such other period as the Board may determine at its sole discretion; and (ii) any vested Share Option may be exercised within the Option Period, failing which the Share Option shall lapse. A Grantee shall be taken to have retired on the date that the Grantee retires upon or after reaching the age of retirement specified in the Grantee’s service agreement or pursuant to any retirement policy of the relevant member of the Group applicable to the Grantee from time to time or, in case there is no such terms of retirement applicable to the Grantee, with the approval of the Board or the board of the applicable member of the Group.

7.6. Death, injury, disability on ill-health

If a Grantee ceases to be an Eligible Participant by reason of (i) death of the Grantee; or (ii) the termination of the Grantee's employment or contractual engagement with any member of the Group by reason of injury, disability or ill-health:

- (a) in the case of Share Options, any vested Share Option may be exercised within the Option Period by the personal representatives of the Grantee. In the case where a Grantee no longer has any legal capacity to exercise the Share Option, the vested Share Option may be exercised within that period by the persons charged with the duty of representing the Grantee under the relevant laws. If the vested Share Option is not exercised within the time mentioned above, the Share Option shall lapse; and
- (b) in the case of Share Awards, any outstanding Share Awards not yet vested shall immediately vest, and the Company shall deliver such number of Shares as are equal to the vested Share Awards (hereinafter referred to as "**Benefits**") to the legal personal representatives of the Grantee or the persons charged with the duty of representing the Grantee under the relevant laws, as the case may be, as soon as practicable following the death of the Grantee or, if the Benefits would otherwise become *bona vacantia*, the Benefits shall be forfeited and cease to be transferable and such Benefits shall lapse.

7.7. Bankruptcy

If a Grantee is declared bankrupt or becomes insolvent or is wound-up or makes any arrangements or composition with the Grantee's creditors generally, the Grantee shall cease to be an Eligible Participant under the Scheme and any Awards not yet vested and any outstanding Share Options not yet exercised shall be immediately forfeited and shall lapse, unless the Board determines otherwise at its absolute discretion. A resolution of the Board to the effect that a Grantee or an Eligible Participant has or has not ceased to be an Eligible Participant for purposes of this paragraph shall be conclusive.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR THE SCHEME

LR17.03(3)

8.1. Limits of the Scheme

- (a) The total number of new Shares which may be issued in respect of all Awards to be granted under the Scheme and any other schemes of the Company must not in aggregate exceed [108,783,840] Shares, being ten percent (10%) of the Shares in issue as at the Adoption Date (hereinafter referred to as the "**Scheme Limit**"). Awards lapsed in accordance with the terms of the Scheme will not be regarded as utilised for the purpose of calculating the Scheme Limit.

- (b) For the avoidance of doubt, Awards which will be settled by existing Shares, whether funded by purchase or acquisition on-market or by transfer of existing Shares by any Shareholder for the purpose of implementation of the Scheme, in accordance with the terms of the Scheme Rules shall not be counted for the purpose of calculating the Scheme Limit.
- (c) If the Company conducts a share consolidation or subdivision after the Scheme Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Awards to be granted under all the schemes of the Company under the Scheme Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

8.2. Refreshment of the Scheme Limit

- (a) The Scheme Limit may be refreshed after or within any three years from the date of Shareholders' approval for the adoption of the Scheme or the last refreshment in accordance with the provisions of the Listing Rules where required.
- (b) Any refreshment within any three year period must be approved by Shareholders of the Company subject to the following provisions:
 - (i) any controlling Shareholders and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under paragraphs (i) and (ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Limit (as a percentage of the relevant class of shares in issue) upon refreshment is the same as the unused part of the Scheme Limit immediately before the issue of securities, rounded to the nearest whole share.

- (c) The total number of Shares which may be issued in respect of all Awards to be granted under all the schemes of the Company under the Scheme Limit as refreshed must not exceed 10 percent (10%) of the Shares in issue (excluding treasury Shares) as at the date of approval of the refreshed Scheme Limit. The Company must send a circular to the Shareholders containing the number of Awards that were already granted under the existing Scheme Limit, and the reason for the refreshment.

8.3. Grant of Awards Beyond the Scheme Limit

Notwithstanding the foregoing, the Company may seek separate approval by the Shareholders in general meeting for granting Awards beyond the Scheme Limit provided the Awards in excess of the limit are granted only to Grantees specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Grantees who may be granted such Awards, the number and terms of the Awards to be granted to each Grantee, and the purpose of granting Awards to the specified Grantee with an explanation as to how the terms of the Awards serve such purpose. The number and terms of Awards to be granted to such Grantee must be fixed before Shareholders' approval. In respect of any Share Options to be granted, the date of the board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Exercise Price under the Listing Rules.

9. MAXIMUM ENTITLEMENT OF GRANTEES

LR17.03(4)

- 9.1. In addition to paragraph 5.3 above, and subject to the paragraph below, the maximum number of Shares issued and to be issued upon the vesting or exercise of the Awards granted to each Eligible Participant under the Scheme and any other share scheme(s) of the Company (excluding any awards lapsed in accordance with the terms of the relevant share scheme) in any 12-month period up to and including the Offer Date shall not exceed 1% of the Shares in issue (excluding treasury Shares) for the time being.
- 9.2. When any further grant of Awards to an Eligible Participant would result in the Shares issued and to be issued upon the vesting or exercise of all Awards granted and to be granted to such person (excluding any awards lapsed in accordance with the terms of the relevant share scheme) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue (excluding treasury Shares), such further grant must be separately approved by Shareholders in general meeting in accordance with the Listing Rules.

10. RIGHTS ATTACHED TO THE AWARDS

LR17.03(10)

- 10.1. The Awards do not carry any right to vote at general meetings of the Company, or any dividend, transfer or other rights (including those arising on the winding-up of the Company).
- 10.2. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award under the Scheme, unless and until the Shares underlying the Award are actually allotted and issued or transferred to the Grantee pursuant to the vesting or exercise of such Award.

11. RIGHTS ATTACHED TO THE SHARES

LR17.03(10)
LR17.03(15)

- 11.1. The Shares to be allotted and issued or transferred upon the vesting or exercise of an Award (as the case may be) will be subject to all the provisions of the Articles of Association and the laws of the Cayman Islands from time to time and shall rank *pari*

passu in all respects with the then existing fully paid Shares in issue commencing from (i) the Allotment Date or the date of transfer, or (ii) if that date falls on a day when the register of members of the Company is closed, the first date of the re-opening of the register of members.

- 11.2. Accordingly, it will entitle the Shareholders to participate in all dividends or other distributions paid or made on or after (i) the Allotment Date or the date of transfer, or (ii) if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening 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 Allotment Date or the date of transfer.

12. CLAWBACK MECHANISM

LR17.03(19)

- 12.1. The Board may make a determination at its absolute discretion that: (A) any Awards granted but not yet vested/exercised shall immediately lapse, regardless of whether such Awards have vested or not, and (B) with respect to any Shares delivered to the Grantee pursuant to any Awards granted under the Scheme, the Grantee shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a combination of (1) and (2), in the following circumstances:

- (a) a Grantee ceases to be an Eligible Participant by reason of: (i) termination of the Grantee's employment or contractual engagement with the Group for cause or without notice; (ii) termination of the Grantee's employment or contractual engagement with the Group as a result of the Grantee having been charged, penalised or convicted or an offence involving the Grantee's integrity or honesty;
- (b) in the reasonable opinion of the Board, a Grantee has committed a serious breach of an internal policy or code of any member of the Group or agreement with any member of the Group, including the breach of a non-compete obligation imposed on the Grantee by the Group, and such breach is considered material; or
- (c) in the reasonable opinion of the Board, a Grantee has engaged in serious misconduct or breaches the terms of the Scheme in any material respect.

- 12.2. The Board shall have the power to decide whether an Award shall lapse and its decision shall be binding and conclusive on all parties. The Company shall not owe any liability to any Grantee for the lapse of any Award under this paragraph.

13. TRANSFERABILITY OF AWARDS

LR17.03(17)

- 13.1. An Award shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Award or attempt so to do unless such prohibition is otherwise waived by the Stock Exchange in accordance with the Listing Rules. Any breach of the foregoing shall entitle the Company to cancel any outstanding Award or part thereof granted to such

Grantee.

14. LAPSE OF AWARD

LR17.03(12)

- 14.1. Without prejudice to the authority of the Board to provide additional situations when an Award shall lapse in the terms of any Letter of Grant, except as otherwise approved by the Board, an Award shall lapse automatically (to the extent not already vested and/or exercised) on the earliest of:
- (a) the expiry of the Option Period;
 - (b) the date on which the Board makes a determination under paragraph 12.1;
 - (c) the expiry of any of the periods for accepting the Award as referred to in paragraph 5.6(b);
 - (d) the expiry of any of the periods referred to paragraphs 7.2 to 7.7;
 - (e) the date on which Grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions that may be attached to the grant of the Award or which were the basis on which the Award was granted;
 - (f) the date of the commencement of the winding-up of the Company (as determined in accordance with the applicable law and regulations);
 - (g) the date on which the Grantee ceases to be an employee of the Group for any reason other than his retirement, death, injury, disability or ill-health.
- 14.2. No compensation shall be payable upon the lapse of any Award, provided that the Board shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case.

15. CANCELLATION OF AWARDS

LR17.03(14)

- 15.1. Any Awards granted but not vested/exercised may be cancelled by the Board at any time with the prior consent of the Grantee. No compensation shall be payable upon any such cancellation, provided that the Board shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case.
- 15.2. The Board may in its sole discretion determine to buyout an Award from a Grantee at a price, and on such terms as, deemed fair and communicated to the Grantee, following which, the purchased Award shall be cancelled.
- 15.3. Issuance of new Awards to the same Grantee whose Awards have been cancelled pursuant to paragraphs 15.1 and 15.2 may only be made if there are unissued Awards available under the Scheme Limit and in compliance with the terms of the Scheme. Awards cancelled pursuant to the terms of the Scheme Rules (or the terms of any other

share schemes of the Company) shall be counted as utilised for the purpose of calculating the Scheme Limit.

16. REORGANISATION OF CAPITAL STRUCTURE

LR17.03(13)

16.1. In the event of any alteration to the capital structure of the Company while any Award remains unvested or unexercised, whether by way of capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), the Board may make equitable adjustments that it considers appropriate, at its sole and absolute discretion, including:

- (a) the number of Shares that may be offered by the Company to the Grantee pursuant to the Awards that have already granted but not vested; and/or
- (b) the Purchase Price of any Share Award or the Exercise Price of any Share Option, provided that:
 - (1) any such adjustments made must give each Grantee the same proportion of the share capital of the Company, rounded to the nearest whole Share, as that to which he was previously entitled;
 - (2) no such adjustments shall be made which would result in the Purchase Price of any Share Award or the Exercise Price of any Share Option for a Share being less than its nominal value, provided that in such circumstances the Purchase Price of any Share Award or the Exercise Price of any Share Option shall be reduced to the nominal value;
 - (3) no adjustment shall be made to the advantage of the Grantee without specific prior approval from the shareholders of the Company;
 - (4) any adjustment made should have a neutral impact or worse from the perspective of the Grantee;
 - (5) any adjustment other than on a capitalisation issue must be confirmed in writing by an independent financial adviser or the external auditors of the Company as having satisfied the requirement set out in the Note to Rule 17.03(13) of the Listing Rules. The independent financial adviser or the auditors (as the case may be) shall act as experts and not as arbitrators and their certification shall be final and binding on the Company and the Grantee;
 - (6) any such adjustments to be made pursuant to a subdivision or consolidation of share capital shall be made on the basis that the aggregate Purchase Price of any Share Award or the Exercise Price of any Share Option payable by a Grantee for the vesting of the Shares underlying the Awards granted to him shall remain as nearly as possible the same (but shall not be greater than) as it was before such event; and

(7) any adjustments to be made will comply with the Listing Rules and any further guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

16.2. If there has been any alteration in the capital structure of the Company as referred to in paragraph 16.1 in this Scheme Rules, the Company shall notify each such Grantee of the adjustment to be made after such alteration in the capital structure of the Company.

17. TERMINATION

LR17.03(16)

17.1. The Company may by resolution in general meeting at any time terminate the operation of the Scheme. Upon termination of the Scheme as aforesaid, no further Awards shall be offered but the provisions of the Scheme shall remain in force and effect in all other respects. All Awards which are granted during the Term and which remain unvested or which have vested but have not yet been exercised shall continue to be valid and exercisable subject to and in accordance with the Scheme.

18. ALTERATION OF THE SCHEME

LR17.03(18)

18.1. Subject to the provisions of this paragraph 18, the Board may amend or modify all or any of the Scheme Rules or an Award granted provided that no amendment shall alter adversely the rights attaching to any Awards given prior to such amendment except with the approval of the Grantee and the Award so amended must comply with the relevant requirements under Chapter 17 of the Listing Rules.

18.2. Any alterations to the terms and conditions of the Scheme which are of a material nature or any alterations to the specific provisions of the Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants and/or the Grantees and changes to the authority of the Board in relation to any alteration of the terms of the Scheme, in each case, must be approved by Shareholders in general meeting.

18.3. Any changes to the terms of the Awards granted must be approved by Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) if the initial grant of such Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or Shareholders in general meeting (as the case may be), except where the alterations or changes take effect automatically under the existing terms of the Scheme.

18.4. The Scheme so altered must comply with the requirements of the applicable laws and the Listing Rules.

19. DISPUTES

19.1. Any dispute arising in connection with the Scheme (whether as to the number of Shares underlying an Award, the amount of the Exercise Price or Purchase price (if any) or otherwise) shall be referred to the decision of the independent financial adviser or external auditors who shall act as experts and not as arbitrators and whose decision shall,

in the absence of manifest error, be final and conclusive and binding on all persons who may be affected thereby.

20. MISCELLANEOUS

- 20.1. The Company shall bear the costs of establishing and administering the Scheme.
- 20.2. A Grantee shall be entitled to inspect copies of all notices and other documents sent by the Company to its members at the same time or within a reasonable time of such notices or documents being sent, which shall be made available to him during normal office hours at the principal office of the Company in Hong Kong.
- 20.3. Any notices, documents or other communication between the Company and a Grantee shall be in writing and may be sent by prepaid post or by personal delivery to, in the case of the Company, its principal office in Hong Kong and, in the case of the Grantee, his address as notified to the Company from time to time.
- 20.4. Any notice or other communication served:
 - (a) by the Company shall be deemed to have been served 24 hours after the same was put in the post or if delivered by hand, when delivered; and
 - (b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.
- 20.5. All allotments and issues of Shares pursuant to the Scheme shall be subject to any necessary consents or approval under the relevant laws, enactments or regulations for the time being in force in the Cayman Islands or elsewhere and a Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of his Award. By accepting an Award or exercising his Share Option, the Grantee thereof is deemed to have represented to the Company that he has obtained all such consents. A Grantee shall indemnify the Company fully 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 Grantee to obtain any necessary consent or to pay tax or other liabilities referred therein. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in the Scheme.
- 20.6. A Grantee shall pay all taxes and discharge all other liabilities to which he may become subject as a result of his participation in the Scheme or the vesting or exercise of any Award.
- 20.7. The Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.
- 20.8. The Scheme shall not form part of any contract of employment between the Company

or any Subsidiary and any Eligible Participants and the rights and obligations of any Eligible Participants under the terms of his office or employment shall not be affected by his participation in it and the Scheme shall afford such an Eligible Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

- 20.9. The Board shall procure that details of this Scheme and the schemes of the Company and its subsidiaries are disclosed in the annual reports and interim reports of the Company in compliance with the Listing Rules in force from time to time.

21. GOVERNING LAW

- 21.1. The Scheme and all Awards granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.
- 21.2. The courts of Hong Kong shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Scheme and, for such purposes, irrevocably submits to the jurisdiction of such courts.