



SINO-ENTERTAINMENT TECHNOLOGY HOLDINGS LIMITED

新娛科控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6933)

NEW SHARE SCHEME RULES

1. DEFINITIONS AND INTERPRETATION

1.1 In this Scheme, except where the context otherwise requires, the following expressions have the following meanings:

“2020 Share Option Scheme”	the share option scheme adopted by the Company on 19 June 2020.
“2021 Share Award Plan”	the share award plan adopted by the Company on 15 April 2021 as amended on 8 December 2021.
“Adoption Date”	the date on which this Scheme is approved and adopted by the Shareholders.
“Articles”	the articles of association of the Company, as amended, supplemented and/or otherwise modified from time to time.
“associate(s)”	has the meaning ascribed to it under the Listing Rules.
“associated company(ies)”	has the meaning ascribed to it under the Takeovers Code.
“auditors”	the auditors for the time being of the Company.
“Award”	an award granted under the New Share Scheme by the Board to a Selected Participant in accordance with the New Share Scheme Rules, which may take the form of a Share Option or a Share Award.

“Award Letter”	a letter issued by the Company in respect of each grant of Awards in such form as the Board may from time to time determine setting out the terms and conditions of the Award.
“Award Share(s)”	new Shares (including treasury Shares) underlying an Award.
“Board”	the board of Directors.
“Business Day(s)”	any day on which the Stock Exchange is open for the business of dealing in securities.
“close associate”	has the meaning ascribed to it under the Listing Rules.
“Committee”	a committee of the Board from time to time delegated by the Board with the power and authority to administer this Scheme in accordance with the rules herein.
“Companies Act”	the Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented and/or otherwise modified from time to time.
“Company”	Sino-Entertainment Technology Holdings Limited (新娛科控股有限公司), a 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: 6933).
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules.
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules.
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules.

“Directors”	the director(s) of the Company.
“Earliest Vesting Date”	has the meaning ascribed thereto in paragraph 3.11(C).
“Eligible Participant”	<p>any person at any time during the Scheme Period belonging to the following classes of participants:</p> <p>(a) any Employee Participant;</p> <p>(b) any Related Entity Participant; and</p> <p>(c) any Service Provider Participant;</p> <p>and, for the purposes of this Scheme, the Award may be made to any company wholly owned by one or more of the above participant or any trust which the settlor is the above participant.</p>
“Employee Participant(s)”	<p>the employees (including full-time and part-time employees), chief executive and directors (including executive, non-executive or independent non-executive directors) of any member of the Group (including persons who are granted Awards under this Scheme as an inducement to enter into employment contracts with the Company or any of its Subsidiaries), provided that the Board shall have absolute discretion to determine whether or not one falls within such category.</p> <p>For prospective employee who is granted Award as an inducement for enter into employment contracts with the Group, if such person does not join the Group prior to the commencement of the vesting period, the Award will be cancelled by the Board accordingly.</p>

“Excluded Participant”	any person who is resident in a place where the award of the Award Shares and/or the vesting and transfer of Shares pursuant to the terms of this Scheme is not permitted under the laws and regulations of such place or where in the view of the Board or the Committee or the Trustee (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such person.
“Exercise Period”	in respect of any Award, the period during which the Selected Participant may exercise the Award.
“Exercise Price”	the price per Share at which a Selected Participant may subscribe for Shares upon the exercise of a Share Option.
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant, being the date of the Award Letter in respect of such Award.
“Group”	the Company and its Subsidiaries and “member(s) of the Group” shall be construed accordingly.
“Group Contribution”	such contribution in the form of money or otherwise made by the Company or any of its Subsidiaries.
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China.
“INEDs”	the independent non-executive Directors of the Company.
“Issue Price”	in respect of any Share Award, the price per Share a Selected Participant is required to pay to subscribe for the Award Shares.

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented and/or otherwise modified from time to time.
“Lock-up”	Restriction on selling, transferring, pledging and/or otherwise creating security and/or other third-party rights or encumbrances over such Shares.
“New Share Scheme Rules”	the rules set out herein relating to this Scheme as amended from time to time.
“New Share Scheme” or “this Scheme”	this share incentive scheme of the Company, constituted by the rules hereof, in its present form or as amended from time to time.
“Other Distributions”	shall have the meaning ascribed thereto in paragraph 5.2(A).
“People’s Republic of China” or “China”	the People’s Republic of China which, for the purposes of this document only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan.
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable to a deceased Selected Participant, is or are entitled to collect and receive the Award Shares which have been vested in such Selected Participant and formed part of his estate.
“Related Entity”	the holding companies, fellow subsidiaries or associated companies of the Company.
“Related Entity Participant(s)”	any person who is an employee (whether full-time or part-time or other employment relationship), director or officer of a Related Entity, provided that the Board shall have absolute discretion to determine whether or not one falls within such category.
“Remuneration Committee”	the remuneration committee of the Company as appointed by the Board for the time being.

“Scheme Mandate Limit”	Shall have the meaning ascribed to it in paragraph 7.1.
“Scheme Period”	the period of 10 years commencing on the Adoption Date and ending on the 10th anniversary of the Adoption Date.
“Selected Participant(s)”	any Eligible Participant for whom Shares have been provisionally set aside pursuant to an Award or (where the context so permits and as referred to in paragraph 5.3) his Personal Representative.
“Service Provider Participant(s)”	<p>any person (other than an Employee Participant or a Related Entity Participant, solely with respect to rendering services in such person’s capacity as an employee or director) providing goods and/or services to the Group on a continuing or recurring basis in the ordinary and usual course of business of the Group which are in the interests of the long-term growth of the Group as determined by the Board, including:</p> <p>(a). an online platform service provider that renders high-quality services to the Group on a continuing or recurring basis who/which supports the Group’s businesses of providing publishing-related services (that are, marketing, promotion, navigating the game players to register and recharge in the game) to the game publishers with whom the Group would consider important to maintain a close business relationship on an ongoing basis;</p>

- (b). game publishing service provider that provides high-quality services of publishing, providing payment solution, market promotion and customer service and maintaining the access portal network, to the Group on a continuing or recurring basis to ensure the game players can continue to gain access to the mobile game to get the game experience and benefit after the sale of the virtual items and to ensure customer satisfaction and retention for the Group's businesses of mobile game publishing as well as development and sale of customised software and mobile games, with whom the Group would consider important to maintain a close business relationship on an ongoing basis;

- (c). supplier of goods and/or services to the Group who/which supports the Group's businesses of (i) mobile game publishing as well as development and sale of customised software and mobile games and blockchain technology business; (ii) marketing and advertising services that promote the Group's brand and attract new customers for the Group's mobile game publishing as well as development and sale of customised software and mobile games and blockchain technology business; and/or (iii) information technology support and technical services that offer information technology and technical infrastructure to ensure the Group's business operate smoothly and securely; on a continuing or recurring basis, with whom the Group would consider important to maintain a close business relationship on an ongoing basis.

(d). consultant and adviser of the Group who/which provides advisory and consultancy services which are material and relevant to the Group's operations (that are, advisory and consultancy services in relation to research and development of mobile game, software and blockchain technology, technology advancement, business development, market expansion, recruitment and tax) and engage with the Group on a continuing or recurring basis.

For the avoidance of doubt, (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional Service Provider Participants such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be Service Provider Participants for the purposes of this Scheme.

“Service Provider Sublimit”

shall have the meaning ascribed to it in paragraph 7.1.

“SFO”

the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong, as amended, supplemented and/or otherwise modified from time to time.

“Share Award”

an award which vests in the form of the right to subscribe for and/or to be issued such number of Shares as the Board may determine at the Issue Price in accordance with the terms of the New Share Scheme Rules.

“Share Option”

an award which vests in the form of the right to subscribe for such number of Shares as the Board may determine during the Exercise Period at the Exercise Price in accordance with the terms of the New Share Scheme Rules.

“Shareholder(s)”

the holder(s) of Share(s).

“Shares Pool”	shall have the meaning ascribed to it in paragraph 4.1.
“Shares”	ordinary share(s) of US\$0.0001 each in the share capital of the Company, which include treasury Share(s), if any.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“Subsidiary(ies)”	a company which is for the time being and from time to time a subsidiary (within the meaning of Division 4 of Part 1 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere.
“substantial Shareholder(s)”	shall have the meaning ascribed to it under the Listing Rules.
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, as amended, supplemented and/or otherwise modified from time to time.
“treasury Shares”	Shares repurchased and held by the Company in treasury (if any), as authorised by the laws and regulations of the Cayman Islands and/or the Articles.
“Trust Deed”	the trust deed to be entered into by the Company as settlor and the Trustee as trustee in respect of Shares and other trust fund (if any) held or to be held by the Trustee subject to the terms thereof, as amended from time to time.
“Trustee”	the trustee or trustee(s) (which is/are independent of and not connected with the Company) appointed or to be appointed by the Company for the administration of the New Share Scheme or any additional or replacement trustee(s).
“US\$”	United States dollar, the lawful currency of the United States of America.

“Vesting Date”

in relation to any Selected Participant, the date on which the legal and beneficial ownership of the Award Shares are vested in such Selected Participant pursuant to an Award as referred to in paragraph 5.1.

“vesting period”

in relation to any Selected Participant, the period commencing on the date on which the Award Shares have been provisionally set aside pursuant to an Award to such Selected Participant as referred to in paragraph 4.1 and ending on the Vesting Date (both dates inclusive).

“%”

per cent.

1.2 In these rules:

- (A) the headings are for ease of reference only and shall be ignored in construing these rules of this Scheme;
- (B) references to paragraphs or sub-paragraphs are references to paragraphs or sub-paragraphs hereof;
- (C) words importing the singular include the plural and vice versa;
- (D) words importing one gender include both genders and the neuter and vice versa;
- (E) references to persons include bodies corporate and unincorporated;
- (F) 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
- (G) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. PURPOSES, ADMINISTRATION AND DURATION

2.1 The purpose of this Scheme is, through an award of Shares, to:

- (A) recognise and reward the contribution of certain Eligible Participants to the growth and development of the Group and to give incentives thereto in order to retain them for the continual operation and development of the Group; and
- (B) attract suitable personnel for further development of the Group.

2.2 This Scheme shall be subject to the administration of the Board or the Committee whose decisions on all matters arising in relation to this Scheme or its interpretation or effect shall be final, conclusive and binding on all persons who may be affected thereby, provided that such administration shall not prejudice the powers of the Trustee as provided under the Trust Deed; and for avoidance of doubt, the Remuneration Committee shall have powers on recommending and/or deciding (on and subject to the terms and conditions provided under this Scheme) the selection of the Selected Participants, the number of Award Shares to be awarded to the respective Selected Participants and other related matters as expressly provided under this Scheme or in accordance with the Listing Rules or other applicable laws,

legislation and regulations. In the event that a Selected Participant or his associate is a member of the Board, such person will abstain from voting on any approval by the Board of an Award to such Selected Participants.

- 2.3 A Selected Participant shall ensure that the acceptance, vesting and the holding of any Award Shares under this Scheme and the exercise of all rights attaching thereto are valid and comply with all laws, legislation and regulations including all applicable exchange control, fiscal and other laws to which he is subject. The Board or the Committee may, as a condition precedent of making an Award, require an Eligible Participant to produce such evidence as it may reasonably require for such purpose.
- 2.4 Subject to paragraph 12, this Scheme shall be valid and effective for a term of 10 years commencing from the date of adoption of this Scheme, and after the expiry of such 10-year term no further Awards may be made but these rules of this Scheme shall remain in full force and effect to the extent necessary to give effect to any Awards made prior thereto and the administration of the trust property held by the Trustee pursuant to the Trust Deed.

3. AWARD OF AWARD SHARES

- 3.1 The Board or the Committee shall, subject to and in accordance with these rules of this Scheme, be entitled (but shall not be bound) to, at any time during the continuation of this Scheme, make an award (the “**Award**”) out of the Shares Pool to any of the Eligible Participants (as it shall in its absolute discretion select but excluding any Excluded Participant) such number of issued Shares, fully paid or credited as fully paid, as the Board or the Committee shall, subject to paragraph 7, determine pursuant to these rules of this Scheme. For the avoidance of doubt until so selected, no Eligible Participant shall be entitled to participate in this Scheme.
- 3.2 An Award may take the form of:
- (a) an award which vests in the form of the right to subscribe for and/or be issued such number of Award Shares as the Board may determine at the Issue Price in accordance with the terms of the New Share Scheme Rules (a “**Share Award**”); or
 - (b) an award which vests in the form of the right to subscribe for such number of Shares as the Board may determine during the Exercise Period at the Exercise Price in accordance with the terms of the New Share Scheme Rules (a “**Share Option**”).

- 3.3 Awards can be funded by new Shares (including treasury Shares). The Award Shares subject to this Scheme must be separately designated unless they are identical with the other Shares of the Company in issue.
- 3.4 The Board may determine the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, which amounts (if any) and periods shall be set out in the Award Letter. Such amount will either be HK\$1.0 or nil, subject to the absolute discretion of the Board. Unless otherwise specified in the Award Letter, the Selected Participant shall have 21 Business Days from the Grant Date to accept the Award, following which, the portion not accepted by the Selected Participant shall automatically lapse.
- 3.5 The Issue Price for Awards which take the form of Share Awards shall be such price determined by the Board and notified to the Selected Participant in the Award Letter. The Issue Price shall be determined on an individual basis for each of the Selected Participant by the Directors, taking into account the purpose of this Scheme, the interests of the Company and the individual circumstances of each Selected Participant. For the avoidance of doubt, the Board may determine the Issue Price to be at nil consideration.
- 3.6 For Awards which take the form of Share Options the Board shall determine and notify the Selected Participant in the Award Letter:
- (a) the Exercise Price for such Share Options, provided that the Exercise Price shall in any event be no less than the higher of:
 - (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Grant Date; and
 - (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Grant Date, and
 - (b) the Exercise Period for any award of Share Options shall be such period determined by the Board in their absolute discretion and notified to the Eligible Participant in the Award Letter, provided that the Exercise Period shall in any event be not longer than 10 years from the Grant 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 Grant Date.

- 3.7 The Company will disclose the Issue Price and Exercise Price in the announcement on grant of relevant Awards and in its annual and interim reports to the extent required under Chapter 17 of the Listing Rules.
- 3.8 The Directors are of the view that the above flexibility allows the Company to control the costs incurred by the Company from the grant of Awards under the New Share Scheme by correlating the Exercise Price for Share Options with prevailing market prices at the time of grant (particularly considering that timing of when the Share Options will be exercised are within the discretion of the Selected Participant and is typically made with reference to the difference between Exercise Price and prevailing market prices at the time of exercise) and the Company reserving the discretion to determine the Issue Price, if any, on an individual basis taking into account the nature and degree of value benefiting the Group from granting Awards to such Selected Participant, which is aligned with the purpose of the New Share Scheme (particularly considering that Share Awards typically do not involve the same degree of exercise procedure and discretion on the part of the Selected Participant as with Share Options).
- 3.9 Without prejudice to paragraph 4.2, the making of an Award to any connected person shall be subject to compliance by the Company with the applicable requirements under the Listing Rules.
- 3.10 (a) The eligibility of any of the Eligible Participants to an Award shall be determined by the Board or the Committee from time to time on the basis of the Board's or the Committee's opinion as to his contribution and/or future contribution to the development and growth of the Group.
- (b) In assessing the eligibility of Employee Participants, the Board will consider, among others, (i) their skills, knowledge, experience, expertise and other relevant personal qualities; (ii) their performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard; (iii) their contribution made or expected to be made to the growth of the Group; and (iv) their educational and professional qualifications, and knowledge in the industry.
- (c) In assessing the eligibility of Related Entity Participants, the Board will consider, among others: (i) the contributions to the returns and benefits of the Group's investment and/or interest in the Related Entity; (ii) the business synergy and opportunities brought by them to the Group and/or the Related Entity; and (iii) whether they should be rewarded to further motivate their performance for the benefit of the Group and/or the Related Entity.

- (d) In assessing the eligibility of Service Provider Participants, the Board will consider, among others: (i) in respect of advisers and consultants, their expertise, professional qualifications and industry experience; their performance and track record, including whether the Service Provider Participants have a proven track record of delivering quality services and products; the Group's period of engagement of or collaboration with the Service Provider Participants; and their actual or potential contribution to the Group in terms of a reduction in cost or an increase in turnover or profit; and (ii) in respect of online platform service provider, game publishing service provider, contractors, suppliers, and agents, the scale of the Service Provider Participants' business dealings with the Group in terms of purchases or sales attributable to them; their ability to maintain the quality of services and products; their performance and track record, including whether the Service Provider Participants have a proven track record of delivering quality services and products; the benefits and strategic value brought by the Service Provider Participants to the Group's development and future prospects in terms of the profits and/or income attributable to the Service Provider Participants' collaboration with the Group; the scale of the Service Provider Participants' collaboration with the Group; the length of business relationships between the Service Provider Participants and the Group; and the business opportunities and external connections that the Service Provider Participants have introduced or will potentially introduce to the Group.
- (e) In assessing whether the Service Provider Participant 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 and type of services provided and the recurrence and regularity of such services, the nature of the services provided to the Group by the Service Provider Participant, and whether such services form part of or are directly ancillary to the businesses conducted by the Group.
- (f) The Service Provider Participants who have relevant expertise in fields related to the business(es) engaged by the Group from time to time, that are, mobile game publishing as well as development and sale of customised software and mobile games and blockchain technology business, possess in the view of the Board industry-specific knowledge, or have extensive experience and understand the market trend, can directly contribute to the long-term growth of the Group's business by providing services that are of a continuing and recurring nature in the ordinary and usual course of the Group's business. These Service Provider Participants are closely connected to and important to the Group's day-to-day business which spans across provision of products and services, and marketing, and their contribution directly impacts the results of operations of the

Group. The strategic advice and guidance provided by engaging these Service Provider Participants benefit the Group in its ordinary and usual course of business and often allows the Group to more effectively plan its future business strategies for long-term growth.

- (g) Taking into account the criteria of eligibility for the Service Provider Participants as set out above and their relevance and significance to the main businesses of the Group, the independent non-executive Directors of the Company (the “INEDs”) are of the view that the categories of the Service Provider Participants and the criteria in determining the eligibility of such Service Provider Participants were designed and set in line with the Group’s business need. In view of the above, the INEDs are of the view that the inclusion of Service Provider Participants as Eligible Participants is fair and reasonable and aligns with the purposes of this Scheme and in the long-term interest of the Company and its Shareholders as a whole.
- (h) The Group maintains close collaborative relationships with the Related Entity Participants such as senior management of the associated companies of the Group. Given that the Company may have significant interests in these associated companies, the INEDs consider it important for the Company to be able (if thought fit) to deploy benefits in the form of Awards to attract, retain and/or incentivise appropriate directors and/or employees of such entities (being Related Entity Participants) in the same way as Employee Participants, so that the Related Entity Participants may also align their interest with the growth and performance of such entities as well as the Group. In view of the above, the INEDs are of the view that the inclusion of Related Entity Participants as Eligible Participants is fair and reasonable and aligns with the purposes of this Scheme and in the long-term interest of the Company and its Shareholders as a whole.
- (i) Grant of Awards to Service Provider Participants and Related Entity Participants would not only align the interest of the Group with Service Provider Participants and Related Entity Participants, but also strengthen their loyalty to the Group and provide incentives to them for (i) a higher degree of participation and involvement in promoting the business of the Group; and (ii) maintaining a stable and long-term relationship with the Group.
- (j) The INEDs are of the view that, apart from the contributions of employees, the success of the Group may also come from the efforts and cooperation of Service Provider Participants and Related Entity Participants who play a part in the development and continued success of the Group’s business and operations, and have contributed or may contribute to the Group in the future. Despite the Company has never granted share awards and share options to Service Provider Participants and Related Entity

Participants under the respective 2020 Share Option Scheme and 2021 Share Award Plan, the INEDs are of the view that it would be in the Company's interest to retain such flexibility to grant Awards to the Service Provider Participants and Related Entity Participants.

- (k) The INEDs are of the view that the inclusion of Service Provider Participant and Related Entity Participant will enable the Group to preserve its cash resources and use equity incentives to encourage persons within and outside the Group to continue to contribute to the growth and development of the Group's business, and therefore aligns with the purpose of this Scheme and the long-term interests of the Company and the Shareholders.
- (l) More specifically, the use of equity incentives for Service Provider Participants and Related Entity Participants will:
 - (i) encourage the Service Provider Participants to provide quality services and products (as the case may be) on a long-term basis and strengthen their loyalty in order to maintain sustainable relationships with the Service Provider Participants and ensure stable and sufficient supply of the relevant services and/or products; and
 - (ii) allow the Related Entity Participants to have a common goal in the growth and development of the Group's business, participate in the future prospects of the Group and enhance the long-term relationship by aligning their interests with that of the Company and the Shareholders as a whole.
- (m) Based on the above, in particular the benefits the Service Provider Participants and Related Entity Participants could bring to the development and continued success of the Group's business and operation, the INEDs considered that the Awards to the Service Provider Participants and Related Entity Participants are fair and reasonable, despite the dilution impact, and the additional administration costs and expenses to be incurred from granting Awards.

3.11 As the Group is principally engaged in mobile game publishing as well as development and sale of customised software and mobile games and blockchain technology business, the Group may require different types of professional services to be provided by the Service Provider Participants on a recurring basis to assist in the Group's new initiatives and projects in order to capture new business opportunities. The Board will determine whether the Service Provider Participants providing such professional services are eligible to participate in this Scheme based on whether such professional services provided are in line with the Group's business need and the industry norm, desirable and necessary from a commercial perspective and helps maintain or enhance the competitiveness of the Group, having regard to the Group's key business segments and focuses from time to time. In respect of Related Entity Participants, they will have a sufficiently close relationship with the Group and would likely be in a position to influence the Group's business, reputation, operations and performance, for example referring or introducing opportunities to the Group or assist the Group in tapping into new markets and/or increase its market share. The INEDs are of the view that the inclusion of Service Provider Participants and Related Entity Participants as Eligible Participants is fair and reasonable and the terms of grant (including vesting requirements and performance targets, if any) align with the purpose of this Scheme and the criteria for selection of Service Provider Participants and Related Entity Participants are appropriate and in the interest of the Company and the Shareholders as a whole. The Board or the Committee shall notify the Trustee by a notice in writing (the "**Award Letter**") upon the making of an Award under this Scheme and, in the Award Letter, the Board or the Committee shall specify the following:

- (A) the name, address, identity card (or, as the case may be, passport) number and position of the relevant Selected Participant;
- (B) the number of Award Shares provisionally awarded to the relevant Selected Participant pursuant to such Award;
- (C) the earliest date ("**Earliest Vesting Date**") and other subsequent date(s), if any, on which the Trustee may vest the legal and beneficial ownership of the Award Shares (or the relevant portions thereof) or the net proceeds thereof in the relevant Selected Participant under paragraph 5.1;
- (D) the condition(s) and/or performance target(s), if any, that must be duly fulfilled by the relevant Selected Participant before any of the Award Shares (or the net sales proceeds thereof) may be transferred to and vested in such Selected Participant under such Award;

- (E) the condition(s) and/or performance target(s) of the Selected Participant, if any, that must be duly altered or waived by the Board or the Committee before any of the Award Shares (or the net sales proceeds thereof) may be transferred to and vested in such Selected Participant under such Award;
- (F) the clawback mechanism for the Company to recover or withhold any Award granted to any Selected Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other special circumstances, or, if none, a negative statement to that effect;
- (G) whether the Award Shares or any part thereof should be acquired by subscription, purchase of Shares, and in the case of subscription, the subscription price therefore;
- (H) any lock-up applicable to Award Shares upon vesting and transfer to Selected Participants (with details and duration before release); and
- (I) such other terms and conditions of such Award as may be imposed by the Board or the Committee which are not inconsistent with these rules of this Scheme and the Trust Deed on either the Trustee (with the prior written consent of the Trustee unless the same has already been provided for in the Trust Deed) and the relevant Selected Participant, or any of them before the Award Shares (or the net sale proceeds thereof) may be transferred to and vested in such Selected Participant.

3.12 The Board or the Committee shall notify the Selected Participant in writing after an Award has been provisionally made to such Selected Participant and the notice shall contain substantially the same information as that set out in the Award Letter provided that nothing contained in such notice shall be construed as conferring any rights, interests, benefits and title to and in the Award Shares on such Selected Participant before the vesting of the legal and beneficial ownership of such Award Shares (or the net sale proceeds thereof) in the Selected Participant in accordance with these rules of this Scheme.

3.13 No Award shall be granted to any Eligible Participant during the following time periods:

- (A) in circumstances prohibited by the Listing Rules or at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the Listing Rules (including the Model Code for Securities Transactions by Directors of Listed Issuers, set out in Appendix C3 to the Listing Rules) or by any other applicable rule, regulation or law;
- (B) where the Company is in possession of any unpublished inside information (having the meaning defined in the SFO) in relation to the Company, until (and including) the trading day after such inside information has been announced; and
- (C) during the periods commencing 30 days immediately before the earlier of: (i) the date of the board meeting for approving the Company's results for any year or interim (including quarterly) period, and (ii) the deadline for the Company to announce such results, and ending on (and including) the date of the results announcement publication, provided that such period will also cover any period of delay in the publication of any results announcement.

3.14 Subject to the Listing Rules, the Board or the Committee may from time to time, at its discretion, determine the Earliest Vesting Date and other subsequent date(s), if any, upon which the Award Shares (or the net sale proceeds thereof) held by the Trustee upon trust and which are referable to a Selected Participant shall vest in that Selected Participant. The Vesting Date in respect of any Award shall be not less than 12 months from the Grant Date, provided that for Employee Participants, the Vesting Date may be less than 12 months from the Grant Date (including on the Grant Date) in the following circumstances:

- (A) grants of "make-whole" Awards to new Employee Participants to replace share awards such Employee Participants forfeited when leaving their previous employers;
- (B) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
- (C) grants of Awards which are subject to the fulfilment of performance targets pursuant to the terms of this Scheme;

- (D) grants of Awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee Participant, in which case the Vesting Date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;
- (E) grants of Awards with a mixed or accelerated vesting schedule such that the Awards vest evenly over a period of 12 months;
- (F) grants of Awards with a total vesting and holding period of more than 12 months; or
- (G) such circumstances as set out in paragraph 3.16 and 5.2(E).

each of which is considered appropriate and serves the purpose of this Scheme to provide flexibility to grant Awards (1) as part of competitive terms and conditions to induce valuable talent to join the Group; (2) to reward past contribution which may otherwise be neglected due to administrative or technical reasons; (3) to reward exceptional performers with accelerated vesting; (4) to motivate exceptional performers based on performance metrics rather than time; and (5) in exceptional circumstances such as death of the relevant Employee Participants or in case of takeover or winding up of the Company to provide appropriate safeguard of interests of the relevant Selected Participants so as to be in line with market standard.

The Board and the Remuneration Committee are of the view that the vesting period (including the circumstances in which a shorter vesting period may apply) enables the Company to offer competitive remuneration and reward packages to Employee Participants, on an ad hoc basis, in such circumstances that would be justified and reasonable, which is also consistent with the Listing Rules and the former practice of the Company and peer companies in the Group's industry. The Board and the Remuneration Committee believe that its ability to provide for flexible accelerated exercisability or vesting of an Award in certain cases allows it to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, and to provide for succession planning and the effective transition of employee responsibilities by incentivizing key employees to remain during critical transitions, ensuring continuity and stability facilitating knowledge transfer, mitigating disruption, attracting external talent by keeping its remuneration package competitive, and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified. The Company should also be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on

individual circumstances. Therefore, the Board and the Remuneration Committee are of the view that allowing a shorter vesting period in the circumstances prescribed above is in line with the market practice and is appropriate and aligns with the purpose of this Scheme.

The Board may determine in its absolute discretion the Exercise Period for any award of Share Options and/or Share Awards and such period shall be set out in the Award Letter. However, the Exercise Period for any award of Share Options shall not be longer than 10 years from the Grant Date.

3.15 (I) PERFORMANCE TARGETS

Unless otherwise determined by the Board and specified in the Award Letter, vesting of Awards is not subject to any performance target that needs to be achieved by the Selected Participant. The Board may in respect of each Award and subject to all applicable laws, rules and regulations determine such performance targets or other criteria or conditions for vesting of Awards in its sole and absolute discretion. In determining the performance targets of the Selected Participants (if any), the Board will, on a case-by-case basis, take into account both qualitative and quantitative factors including, but not limited to, the business performance of the Group, the actual or expected increase in the Group's revenue or profits which is attributable to the Selected Participant, the Selected Participants' past contributions to the Group, their leadership roles, duties and responsibilities and effort. Any such performance targets, criteria or conditions shall be set out in the Award Letter.

The Company considers that it is not practicable to expressly set out a generic set of performance targets in the rules of this Scheme since each Selected Participant has a different position/role with respect to the Group or the Related Entity and will contribute differently to the Group in nature, duration and significance. While there is no performance target prescribed under the rules of this Scheme at the outset, the Board may, in respect of each grant of Award and subject to all applicable laws, rules and regulations, determine and specify in the Award Letter such performance target(s) for vesting of the Awards in its sole and absolute discretion considers appropriate in light of the particular circumstances of the Award. Such performance target(s) (if any) may be based on, among others, business or financial performance results in terms of the Group's revenue and/or profits, the actual or expected increase in the Group's revenue or profits which is attributable to the Selected Participant, transaction milestones, individual performance appraisal, results of strategic plans formulated by the Selected Participant, developments or breakthroughs in certain markets of the Group and/or the Selected Participant's contribution to the Group (via his/her/its position at the Group or at the Related Entity, or as a Service Provider Participant) and as evaluated by the

Group over a specified evaluation period. The methods for assessing how the performance target(s) (if any) are satisfied include but not limited to setting specific targets, establishing a measurement period, evaluating actual performance against these targets, and making any necessary adjustments for exceptional circumstances according to changes in market conditions. By giving maximum flexibility for the Board to impose conditions in the Award Letter as and when required, the Board will be able to ensure that all Awards granted will align with the purpose of this Scheme as far as possible.

The Company will evaluate the actual performance and contribution of a Selected Participant against the performance targets set and form a view as to whether the relevant performance targets have been satisfied. Each performance target may be assessed either on a time basis (i.e., annually or cumulatively over a period of years) to previous years' results or to a designated comparison group, or upon the completion of the milestone event(s) as specified in the Award Letter, in each case as specified by the Board in its sole discretion. The Board shall have the sole discretion in determining whether the relevant performance targets for the Selected Participant have been met.

The Remuneration Committee is in the view of that, it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant of an Award, to align with the Eligible Participants' contribution or potential contribution. Further, by allowing the Company to grant Awards under this Scheme and to impose such clawback mechanism along the scope as described below and/or require the Eligible Participants to achieve such performance targets as may be stipulated in the Award Letter on a case-by-case basis, the Company may be in a better position to retain such Eligible Participants to continue serving and achieving the goals of the Group, and therefore aligns with the purpose of this Scheme as a whole.

(II) CLAWBACK MECHANISM

With reference to the clawback mechanism, where certain events specified in the rules of this Scheme arise, with respect to a Selected Participant, Awards granted but not yet exercised shall immediately lapse, regardless of whether such Awards have vested or not, and with respect to any Shares delivered or amount paid to the Selected Participant, the Selected Participant be required to transfer the same value, whether in Shares and/or cash, back to our Company (or nominee). These circumstances are:

- (a) the Selected Participant ceasing to be an Eligible Participant by reason of termination of his/her employment or contractual engagement with the Group or Related Entity for cause (including but not limited to, misconduct, fraud or poor

performance) or as a result of the Selected Participant having been charged, penalised or convicted or an offence involving the Selected Participant's integrity or honesty;

- (b) the Selected Participant commits a serious misconduct or breach, including with respect to a policy or code of or other agreement with the Group, which is considered to be material;
- (c) a Selected Participant has engaged in any act or omission to perform his/her duties that has had or will have a material adverse effect on the reputation or interests of the Group; or
- (d) the Award to the Selected Participant will no longer be appropriate and aligned with the purpose of this Scheme.

If the Board exercises its discretion with respect to any matters in relation to this paragraph, it may give (but is not obliged to) the relevant Selected Participant written notice and the Board's interpretation of and determination shall be final, conclusive and binding.

For the avoidance of doubt, such clawback mechanism will be applicable to the granted but unvested Awards which shall immediately lapse in the event if there is any transfer of Related Entity Participants from one Related Entity to another Related Entity or to the Group or vice versa.

The Directors are of the view that the above clawback mechanism enables the Company to clawback awards (or the award Shares underlying such Awards) received by those Selected Participants that have, for example, seriously violated the policies of the Group, put the Group into disrepute, adversely harmed the Group, or otherwise exposed the Group to significant risk. In these circumstances, the Company would not consider it in the Company or Shareholders' best interests to incentivise them with proprietary interests of the Company under this Scheme, nor would the Company consider such Selected Participants benefiting under this Scheme to align with the purpose thereof. As such, the Company considers this clawback mechanism appropriate and reasonable and aligns with the purpose of this Scheme.

- 3.16 Notwithstanding the requirement that the Vesting Date in respect of any Award shall be not less than 12 months from the Grant Date under paragraph 3.14, but subject to the terms of this Scheme, at any time prior to a Vesting Date, unless the Board or the Committee otherwise determines, in respect of an Employee Participant who died, all the Award Shares of the Employee Participant shall be deemed to be vested on the Employee Participant on the day immediately prior to his death.
- 3.17 An Award shall be personal to the Selected Participant and shall not be transferable or assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to an Award or enter or purport to enter into any agreement to do so. Any breach of the foregoing by any Selected Participant shall entitle the Company to cancel the Award made to such Selected Participant, and the Board or Committee shall notify the Trustee in writing accordingly.

4. POOL OF AWARD SHARES

- 4.1 Upon the receipt of an Award Letter, the Trustee shall set aside from the Shares Pool the Award Shares provisionally awarded to the Selected Participant to whom such Award Letter relates pending the transfer and vesting of the Award Shares under the Award to which such Award Letter relates in accordance with paragraph 5. The Trustee shall hold the Award Shares so set aside during the vesting period on the terms of the Trust Deed. The Trustee may, at any time during the continuation of this Scheme and the Trust Deed, set aside the appropriate number of Award Shares out of a pool of issued Shares, fully paid or credited as fully paid, for the time being and from time to time held by the Trustee pursuant to the Trust Deed (the “**Shares Pool**”) comprising the following:
- (A) such Shares as may be purchased by the Trustee on the Stock Exchange or off the market in accordance with paragraph 4.2 by utilising the Group Contribution and Other Distributions in accordance with paragraph 4.2, but subject to the limitations set out in paragraph 7;
 - (B) such Shares as may be subscribed for by the Trustee in accordance with paragraph 4.2 by utilising the Group Contribution and Other Distributions in accordance with paragraph 4.2, but subject to the limit set out in paragraph 7;
 - (C) such Shares as may be allotted or issued to the Trustee as a holder of Shares, whether by way of scrip dividend or otherwise;
 - (D) such Shares which remain unvested and revert to the Trustee;

- (E) such Shares which any person or company recommended by the Company may irrevocably donate or transfer to or irrevocably vest or caused to be vested in the Trustee to be held upon trusts and with and subject to the powers and provisions in the Trust Deed; and/or
- (F) such Shares vested and transferred to a Selected Participant but subject to lock-up, which are returned to the Share Pool according to the condition(s) set out in the Award Letter, to form part of the Trust Fund; and/or
- (G) treasury Shares which shall be held by the broker after repurchase of such shares.

4.2 The following provisions of this paragraph 4.2 shall provide for and govern the purchase of and/or subscription for the Award Shares by utilising the Group Contribution:

- (A) At any time during any particular financial year of the Company, the Board or the Committee, after having regard to all relevant circumstances and affairs of the Group (including without limitation the Group's business and operational conditions, its business plans and cashflow requirements currently and in the near future), may from time to time cause to be paid to the Trustee from the Company's resources such amount of moneys which may be utilised by the Trustee to purchase and/or subscribe for Shares which will constitute the Shares Pool.
- (B) Within 30 Business Days on which the trading of the Shares has not been suspended (or such longer period as the Trustee and the Board or the Committee may agree from time to time having regard to the circumstances of the purchase concerned) after receiving (a) the Group Contribution; or (b) any Other Distributions referred to in paragraph 5.2(A); or (c) any proceeds arising from such sales as mentioned in paragraph 5.2(B), the Trustee shall apply the same towards the purchase of the maximum number of board lots of Shares, respectively at the prevailing market price (subject to such maximum price as may be from time to time prescribed by the Board or the Committee). In the event that the Trustee effects any purchases by off-market transactions, the purchase price for such purchases shall not be higher than the lower of the following: (i) the closing market price on the date of such purchase, and (ii) the average closing market price for the five (5) preceding trading days on which the Shares were traded on the Stock Exchange.
- (C) Where any Award is specified to be satisfied by an allotment and issue of new Shares to the Trustee, such allotment and issue should only be made upon fulfilment of the condition that the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Shares which may be allotted and issued by the Company to the Trustee pursuant to this Scheme.

(D) Where any Award is proposed to be satisfied by an allotment and issue of new Shares to the Trustee, the Board or the Committee shall notify the Trustee in writing upon the satisfaction of the conditions referred to in paragraph 4.2(C) and, subject to paragraph 4.3, the Board or the Committee shall instruct the Trustee in writing to apply to, and the Trustee shall within ten (10) Business Days after actual receipt of such instruction apply to, the Company for the allotment and issue of the appropriate number of new Shares. If the conditions referred to in paragraph 4.2(C) cannot be satisfied, the Board or the Committee shall forthwith notify and instruct the Trustee and pay or procure to be paid the Group Contribution to the Trustee. Upon the receipt of the instruction and Group Contribution from the Company, the Trustee shall, subject to paragraph 4.3, satisfy any shortfall, actual or contingent, in the Award Shares by purchasing the relevant number of Shares on the Stock Exchange in accordance with paragraph 4.2(B), provided that if any Award is proposed to be made to a connected person, any allocation of funds by the Company to the Trustee for this purpose shall satisfy all applicable requirements of Chapter 14A of the Listing Rules.

(E) If:

- (i) the Group Contributions received by the Trustee have been applied for purchases of and/or subscriptions for such number of Shares which reaches the maximum number of issued Shares as provided under paragraph 7; or
- (ii) there are any excess Group Contributions after all the said purchases and/or subscription,

the excess Group Contributions shall be returned by the Trustee to the Company as soon as reasonably practicable after completion of all such purchases and/or subscription.

(F) For the avoidance of doubt, Shares purchased and/or subscribed for under this paragraph 4.2 shall form part of the capital of the trust fund of the trust constituted by the Trust Deed.

4.3 If any proposed purchase of or, as the case may be, subscription for Shares under paragraph 4.2 shall fall on any day on which the Board or the Committee is restricted from making any Award or giving any instruction as referred to in paragraph 3.13, the Trustee shall not effect the relevant purchase and/or subscription. The Trustee shall notify the Board or the Committee in writing at least three (3) Business Days in advance of a proposed date of purchase and/or subscription under paragraph 4.2 and the Board or the Committee shall instruct the Trustee in writing at least two (2) Business Days prior to such proposed date of purchase and/or subscription if such purchase and/or subscription has to be postponed by reason of this paragraph 4.3, whereupon such purchase and/or subscription shall be postponed to such date as notified by the Board or the Committee in writing (and in case the Shares are not traded on the Stock Exchange on such date, the next Business Day on which the Shares are traded on the Stock Exchange).

5. VESTING OF AWARD SHARES AND EXERCISE PERIOD

5.1 Subject to paragraphs 5.2(E) and 6, the Trustee shall transfer to and vest in any Selected Participant the legal and beneficial ownership of the Award Shares (or the net sale proceeds thereof) to which such Selected Participant is entitled under the relevant Award as soon as practicable after the latest of:

- (a) the Earliest Vesting Date as specified in the Award Letter to which such Award relates;
- (b) the receipt by the Trustee of the requisite information and documents stipulated by the Trustee within the stipulated period; and
- (c) where applicable, the date on which the condition(s) and/or performance target(s) (if any) to be attained or paid by such Selected Participant as specified in the related Award Letter have been attained or paid and notified to the Trustee by the Board or the Committee in writing.

5.2 During the vesting period:

- (A) any dividends and other distributions declared and made in respect of any Award Shares (“**Other Distributions**”) shall belong to the Trustee and the relevant Selected Participant shall not have any right whatsoever in such Other Distributions in respect of any Award Shares or otherwise unless and until the relevant Award Shares are vested in such Selected Participant in accordance with paragraph 5.1. Such Other Distributions shall be applied to subscription for and/or purchase of Shares for the purpose of satisfying any further Awards by the Board or the Committee in accordance with paragraph 4.1 and, upon termination of this Scheme, shall be treated and dealt with as income of the trust fund under the Trust Deed generally and, for administration of this Scheme, the Trustee shall be entitled to use and/or transfer such Other Distributions in any manner as directed by the Board or the Committee;

- (B) if the Company offers to Shareholders new Shares or other securities for subscription by way of rights, options or warrants and no amount is required to be payable by the Shareholders for such rights, options or warrants, the Trustee may (after obtaining a written consent from the Board or the Committee) (i) sell any nil-paid rights, options or warrants allocated to it in respect of the Award Shares held by the Trustee if there is an open market for such rights, options or warrants, or (ii) take steps to exercise such nil-paid rights, options or warrants by applying the Group Contributions in the form of cash then held by the Trustee. The net proceeds of such sale (if so sold) shall be applied to subscription for and/or purchase of Shares for the purpose of satisfying any further Awards by the Board or the Committee in accordance with paragraph 4.2 and, upon termination of this Scheme, shall be treated and dealt with as income of the trust fund under the Trust Deed generally. For the avoidance of doubt, no Selected Participants shall have any right to, or interest in, any nil-paid rights, options or warrants (or the underlying Shares, or the proceeds of sale of any such nil-paid rights, options or warrants) allocated under such offer, or any Shares arising from the exercise of such nil-paid rights, options or warrants;

- (C) if the Company offers to the Shareholders new shares or other securities for subscription by way of rights, options, warrants or other open or preferential offer and consideration is required to be paid for the taking up and/or the exercise of such rights, options, warrants or open or preferential offer, the Trustee may (after obtaining a written consent from the Board or the Committee) (i) decline to take up, purchase and/or subscribe for such rights, options, warrants or open or preferential offer, or (ii) take steps to take up, purchase and/or subscribe (in whole or in part) for such rights, options, warrants or open

or preferential offer by applying the Group Contributions in the form of cash then held by the Trustee. For the avoidance of doubt, no Selected Participants shall have any right to, or interest in, any such offer;

- (D) without prejudice to sub-paragraph (A) above, with respect to any dividends declared by the Company and in connection with which the Company allows its Shareholders to elect to receive Shares in lieu of cash (as provided for in the relevant announcement and/or circular of the Company), then in respect of the Award Shares provisionally set aside for any Selected Participant which have not vested, the Trustee (after obtaining a written consent from the Board or the Committee) shall determine whether it shall elect to receive Shares in lieu of cash or cash in respect of such dividends, and any such scrip dividend or cash dividend so elected and received by the Trustee shall be treated as and constitute Other Distributions referred to in paragraph 5.2(A). For the avoidance of doubt, no Selected Participants shall have any right to give any direction to, or make any claim against, the Trustee in relation to the making of the said election; and
- (E) Notwithstanding the requirement that the Vesting Date in respect of any Award shall be not less than 12 months from the Grant Date under paragraph 3.14, in the event of a dissolution or liquidation of the Company, or if there is an event of change in control of the Company, or if a general or partial offer, whether by way of takeover offer, share repurchase offer or scheme of arrangement or otherwise in like manner is made to all the Shareholders (or all Shareholders other than the offeror, any persons controlled by the offeror and any persons acting in association or concert with the offeror), and such offer becomes or is declared unconditional prior to the vesting of the Award Shares in the relevant Employee Participants pursuant to paragraph 5.1, the Employee Participant shall be entitled to, subject to the direction of the Board or the Committee, be vested with all of his Award Shares at any time before the expiry of the period of ten (10) Business Days following the date on which the offer becomes or is declared unconditional. For the purpose of this paragraph 5.2, “control” shall have the meaning as specified in The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission from time to time.

5.3 In the event that a Selected Participant dies prior to the Vesting Date of the Award relating to such Selected Participant, and such Award has not lapsed or been cancelled by reason of paragraph 3.16 or 6, the Award Shares under such Award shall be held by the Trustee on behalf of the Personal Representative(s) of such Selected Participant and the Trustee shall transfer to such Personal Representative(s), as notified by the Board or the Committee in writing together with such documents or evidence of the appointment of the Personal Representative(s) under applicable law as may be reasonably required by the Trustee, such

Award Shares within a reasonable time after the receipt by the Trustee of the aforesaid documents, whereupon the Trustee shall be discharged from all duties and liabilities in respect of such Selected Participant.

6. LAPSE OF AWARDS

6.1 Without prejudice to the authority of the Board to provide additional situations when an Award shall lapse in the terms of any Award Letter, an Award shall lapse automatically on the earliest of:

- (i) the expiry of any applicable Exercise Period;
- (ii) the Selected Participant no longer qualifies as an Eligible Participant;
- (iii) the clawback mechanism being triggered;
- (iv) the expiry of any of the periods for accepting or exercising the Awards;
- (v) the Selected Participant breaching the rule against transferring the Awards; and
- (vi) the Selected Participant forfeiting the Award as a result of (i) the voluntary liquidation or winding up of the Company; (ii) the death of the Selected Participant; or (iii) the Selected Participant has become bankrupt or has made any arrangement or composition with his/her creditors or has been convicted of any criminal offense involving fraud or dishonesty.

7. SCHEME LIMIT

7.1 The aggregate maximum number of Shares (“**Scheme Mandate Limit**”) to be subscribed by the Trustee by applying the Group Contribution pursuant to paragraph 4.2 for the purpose of this Scheme to be issued in respect of all awards and options to be granted under this Scheme and any other share schemes adopted or to be adopted by the Company that involve(s) the issuance of new Shares and the transfer of treasury Shares from time to time, shall not exceed 10% of the total number of issued Shares (excluding treasury Shares) as at the Adoption Date unless the Company obtains an approval from its Shareholders for refreshment of the Scheme Mandate Limit in accordance with paragraph 7.4 below. Within the Scheme Mandate Limit, the aggregate maximum number of Shares which may be newly issued (and, together with treasury Shares which may be transferred, as applicable) in respect of all awards and options granted to Service Provider Participants under this Scheme and any other share schemes of the Company that involve(s) the issuance of new Shares and the transfer of treasury Shares

shall not exceed 1% of the total number of issued Shares (excluding treasury Shares) (“**Service Provider Sublimit**”) as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sublimit. The Board or the Committee shall not instruct the Trustee to subscribe for any Shares for the purpose of this Scheme when such subscription will result in the Scheme Mandate Limit or the Service Provider Sublimit being exceeded.

For the avoidance of doubt, the Scheme Mandate Limit and the Service Provider Sublimit do not apply to Share Awards that are funded by existing Shares to be held by the Trustee, and there is no upper limit for Share Awards in this regard.

- 7.2 Awards lapsed in accordance with the paragraph 6 of this Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit or the Service Provider Sublimit. If the Company conducts any capitalisation issue, rights issue, share consolidation, share sub-division or capital reduction, the maximum number of Shares that may be issued by the Company, subscribed for by the Trustee pursuant to this Scheme and all other share schemes of the Company under the unutilised Scheme Mandate Limit or the Service Provider Sublimit shall be adjusted accordingly, with reference to the total number of issued Shares at the date immediately before and after such event and rounded to the nearest whole Share, such that the Select Participants will be entitled to the same proportion of the Company’s equity capital as to which such Select Participants previously entitled to. In respect of any such adjustment, other than any made on a capitalisation issue, an independent financial adviser or the Company’s auditors must confirm to the Directors in writing that the adjustments satisfy the requirements under the Note to Rule 17.03(13) of the Listing Rules.
- 7.3 Any grant of Awards to any Director, chief executive or substantial Shareholder of the Company, or any of his respective associates, shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is a proposed recipient of the grant of Awards). In addition:
- (A) where any grant of Share Awards to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of his respective associates, would result in the Shares issued and to be issued (or the treasury Shares to be transferred, as applicable) in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of this Scheme) 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 Shares in issue (excluding treasury Shares) at the date of such grant; or

- (B) where any grant of Awards to an independent non-executive Director or substantial Shareholder of the Company (or any of his respective associates) would result in the number of Shares issued and to be issued in respect of all (i) options; and (ii) awards involving issue of new Shares (regardless whether such awards are granted under this Scheme or any other share scheme(s) of the Company) (excluding any options or awards lapsed in accordance with the terms of this Scheme or any other share scheme(s) of the Company) to such person in the 12 month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of Shares in issue (excluding treasury Shares), such further grant of Awards must be approved by Shareholders of the Company in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.
- (C) In the circumstances described in 7.3(A) and (B) above, the Company must send a circular to the Shareholders. The Selected Participants, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

The maximum number of Shares, in a 12-month period up to and including the date of award, which may be issued (and, together with treasury Shares which may be transferred, as applicable) in respect of an Award or Awards to a Selected Participant together with any Shares to be issued under any options and awards granted to such Selected Participant under any share schemes of the Company shall not (i) in aggregate exceed 1% of the issued share capital (excluding treasury Shares) of the Company; and (ii) exceed any limits applicable to such Selected Participant under the Listing Rules. Any further grant of Awards must be separately approved by the Shareholders in general meeting with such Eligible Participant and his or her close associates (or his or her associates if the Eligible Participant is a connected person) abstaining from voting. The Company must then send a circular to its Shareholders and the circular must disclose the identity of the Eligible Participants, the number and terms of the Awards to be granted and Awards previously granted to such Eligible Participant and the information required under the Listing Rules. The number and terms of the Awards to be granted to such Eligible Participant must be fixed before Shareholders' approval.

- 7.4 The Company may seek approval by its Shareholders in general meeting for refreshing the Scheme Mandate Limit and/or the Service Provider Sublimit under this Scheme after three years from the date of Shareholders' approval for the last refreshment or the adoption of this Scheme and in accordance with the applicable Listing Rules.

Any refreshment within any three-year period must be approved by the Shareholders subject to the following provisions:

- (a) any controlling shareholders of the Company and their respective associates (or, if there is no such 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
- (b) the Company must comply with the relevant requirements of the Listing Rules,

the requirements under sub-paragraphs (a) and (b) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the 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 (as a percentage of the total number of Shares in issue (excluding any treasury Shares)) upon refreshment is the same as the unused part of the scheme mandate immediately before the issue of securities, rounded to the nearest whole Share.

Awards already granted under the New Share Scheme and any other share schemes of the Company (including those outstanding, cancelled or lapsed in accordance with its terms or exercised) shall not be counted for the purpose calculating the Scheme Mandate Limit or the Service Provider Sublimit as refreshed.

The total number of Shares which may be issued in respect of all options and awards to be granted under the New Share Scheme and all other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue (excluding any treasury Shares) as at the date of the aforesaid approval to refresh the Scheme Mandate Limit by the Shareholders in general meeting.

Subject to compliance with the relevant requirements as set out in the Listing Rules, the Company may seek separate approval by the Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit provided that, the Awards in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought.

- 7.5 Subject to Chapter 17 of the Listing Rules, with the prior consent of the Selected Participant, the Board may in its sole and absolute discretion cancel any Awards granted. If the Company cancels the Award Shares granted to a Selected Participant and makes a new grant to the same Selected Participant, such new grant may only be made under this Scheme with available Scheme Mandate Limit approved by the Shareholders as mentioned in paragraph 7.1 and granted in compliance with the terms of this Scheme, the Listing Rules and the

applicable laws or regulations. The Award Shares so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit thereunder as applicable).

8. VOTING AND DIVIDEND RIGHTS

8.1 Awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights. No Selected Participant shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Shares underlying an award are issued or delivered to the Selected Participant pursuant to the vesting and/or exercise of such Awards.

9. DISPUTES

Any dispute arising in connection with this Scheme shall be referred to the decision of the Board or the Committee who shall act as experts and not as arbitrators and whose decisions shall be final, conclusive and binding on all persons who may be affected thereby.

10. ALTERATION OF THESE RULES OF THE SCHEME

10.1 These rules of this Scheme may be altered by the prior sanction of a resolution passed by the Board or the Committee provided that no such alteration shall operate to affect adversely any rights of any Selected Participant in respect of his Award Shares which remain unvested except with the consent in writing of the majority of the Selected Participants whose Award Shares remained unvested on that date (but, for the avoidance of doubt, excluding for this purpose any such Shares in respect of which that date is a Vesting Date) as would be required of the holders of Shares under the Articles for a variation of the rights attached to such Shares. The amended terms of the rules of this Scheme must comply with all applicable laws, rules and regulations (including without limitation the Listing Rules). Any alteration to the terms of the rules of this Scheme which are of material nature or relating to the matters as set out in Rule 17.03 of the Listing Rules to the advantage of Eligible Participants must be approved by the Shareholders in general meeting.

10.2 Change to the terms of the Awards granted to a Selected Participant must be approved by the Board, the Remuneration Committee, the independent non-executive directors of the Company and/or Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the Remuneration Committee, the independent non-executive directors of the Company and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of this Scheme.

10.3 Any change to the authority of the directors of the Company or scheme administrators to alter the terms of the rules of this Scheme must be approved by the Shareholders in general meeting.

11. ALTERATIONS IN SHARE CAPITAL OR CORPORATE TRANSACTIONS

11.1 In the event of any alteration in the capital structure of the Company by way of capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of the share capital of the Company (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party) after the Adoption Date, the Board shall make such corresponding adjustments, if any, as the Board in its discretion may deem appropriate to reflect such change with respect to:

- (i) the number of Shares constituting the Scheme Mandate Limit, provided that in the event of any Share subdivision or consolidation the Scheme Mandate Limit as a percentage of the total issued Shares of the Company at the date immediately before any consolidation or subdivision shall be the same on the date immediately after such consolidation or subdivision;
- (ii) the number of Shares in each Award to the extent any Award has not been exercised;
- (iii) the Exercise Price of any Share Option or Issue Price of any Share Award,

or any combination thereof, as the auditors or an independent financial advisor engaged by the Company for such purpose have certified satisfy the relevant requirements of the Listing Rules and are, in their opinion, fair and reasonable either generally or as regards any particular Selected Participant, provided always that (i) any such adjustments should give each Selected Participant the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Selected Participant was previously entitled prior to such adjustments, and (ii) no such adjustments shall be made which would result in a Share being issued at less than its nominal value. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial advisor or the auditors shall confirm to the Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules. The capacity of the auditors or financial advisor (as the case may be) is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Selected Participants.

Any adjustments made by the Board will be made in accordance with the requirements under Appendix 1 to Frequently Asked Questions FAQ13 — No.1—20 published by the Stock Exchange.

12. TERMINATION

12.1 This Scheme shall terminate on the earlier of:

- (i) on the 10th anniversary date of the adoption of this Scheme; and
- (ii) such date of early termination as determined by the Board or the Committee and notified to the Trustee in writing, provided that such termination shall not affect any subsisting rights in respect of the Awards already granted to Eligible Participants.

12.2 Upon termination of this Scheme, no further Award (including Awards granted under this Scheme but not yet exercised or in respect of which Award Shares are not yet issued to the Eligible Participant(s)) shall be granted but in all other respects the provisions of this Scheme shall remain in full force and effect. The Award Shares granted and subsisting prior to the termination shall continue to be in full force and effect.

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

13. MISCELLANEOUS

13.1 These rules of this Scheme shall not form part of any contract of employment between the Company or any Subsidiary or any Related Entity and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his office or employment shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such Eligible Participant no additional rights to compensation or damages in consequence of the termination of his office or employment for any reason.

13.2 The Company shall bear the costs and expenses of establishing, administering and implementing this Scheme (including, for the avoidance of doubt, the Trustee's fees and costs, any transaction levy, investor compensation levy, brokerage, trading fee, trading tariff, stamp duty and any other tax and expenses of whatsoever nature payable on the part of a Selected Participant or the Trustee in respect of any sale, purchase, vesting or transfer of, or subscription for, Shares pursuant to this Scheme), but excluding any costs, expenses, levies and taxes which are determined by the Board or the Committee (in their absolute discretion) to be payable due to reasons, factors or circumstances which are personal or pertaining to the relevant Selected Participant(s) or otherwise unrelated to the making of the relevant Award under this Scheme and which shall be payable by the relevant Selected Participant(s).

13.3 Any notice or other communication between the Company, the Board or the Committee, any Selected Participant and/or the Trustee may be given by sending the same by electronic mail, prepaid post or by personal delivery to:

- (A) in the case of the Company or the Board or the Committee, the principal place of business of the Company in Hong Kong;
- (B) in the case of the Trustee, its registered office or principal place of business in Hong Kong or such other address as notified by the Trustee to the Company from time to time; and
- (C) in the case of any Selected Participant, his last known address as notified by such Selected Participant to the Company from time to time or, if none or incorrect or out of date, his last place of employment with the Group or the Related Entity or the Company's principal place of business from time to time.

13.4 Any notice or other communication:

- (A) if sent by any Selected Participant, shall be irrevocable and shall not be effective until actually received by the Company, the Board or the Committee and the Trustee (as the case may be);
- (B) if sent to any Selected Participant shall be deemed to be given or made three (3) days after the date of posting, if sent by local postage pre-paid registered mail to an address in Hong Kong; and five (5) days after the date of posting, if sent by postage pre-paid registered airmail to an address outside Hong Kong; and when delivered, if delivered by hand; and
- (C) if sent to the Trustee, shall be irrevocable and shall not be effective until actually received by the Trustee.

13.5 This Scheme shall not confer on any person any legal or equitable rights against the Company, any Subsidiary, any Related Entity and the Trustee, or any of them, directly or indirectly or give rise to any cause of action at law or in equity against the Company, any Subsidiary, any Related Entity and the Trustee, or any of them.

13.6 A Selected Participant shall, before accepting an Award and taking the transfer and vesting of the related Award Shares (or the net sale proceeds thereof) to and in him, obtain all necessary consents that may be required to enable him to accept such Award and take such transfer and vesting of the related Award Shares (or the net sale proceeds thereof), as the case may be, in

accordance with these rules of this Scheme. By accepting an Award, the Selected Participant is deemed to have represented to the Company and the Trustee that he has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of an Award by a Selected Participant. A Selected Participant shall indemnify the Company and the Trustee, as the case may be, fully against all claims, demands, liabilities, actions, proceedings, fees, costs and expenses which the Company or the Trustee, as the case may be, may suffer or incur (whether alone or jointly with other party or parties) for or in respect of any failure on the part of such Selected Participant to obtain any necessary consent or to pay tax or other liabilities in relation to or in connection with his acceptance of the Award and taking the transfer and vesting of the related Award Shares (or the net sale proceeds thereof) to and in him as referred to in this paragraph 13.6.

13.7 A Selected Participant shall pay all tax and discharge all liabilities to which he may become subject or liable as a result or consequence of his participation in this Scheme, acceptance of any Award made hereunder, and taking the transfer and vesting of the related Award Shares (or the net sale proceeds thereof) to and in him, or any of the foregoing.

13.8 A Selected Participant shall indemnify the Company, any Subsidiary, any Related Entity and/or the Trustee against any liability each of them may have to pay or account for any taxes, including any withholding liability in connection with any taxes, and to give effect to this, the Trustee or the Company may, notwithstanding anything else herein contained (but subject to applicable law):

- (A) reduce or withhold the number of the Selected Participant's Award Shares underlying the Award (the number of Award Shares underlying the Award that may be reduced or withheld shall be limited to the number of Award Shares that have a fair market value on the date of withholding that, in the reasonable opinion of the Board or the Committee, is sufficient to cover such liability);
- (B) sell, on the Selected Participant's behalf, such number of Award Shares to which the Selected Participant becomes entitled under this Scheme and retain the proceeds and/or pay them to the relevant authorities or government agency;
- (C) deduct or withhold, without notice to the Selected Participant, the amount of any such liability from any payment to the Selected Participant made under this Scheme or from any payments due from the Company, any Subsidiary, or any Related Entity to the Selected Participant; and/or

(D) require the Selected Participant to remit to the Company, any Subsidiary, or any Related Entity in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by the Company, any Subsidiary, or any Related Entity on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

For the avoidance of doubt, the Trustee shall not be obliged to transfer any Award Shares (or the net sale proceeds thereof) to a Selected Participant unless and until the Selected Participant satisfies the Trustee and the Company that such Selected Participant's obligations under this paragraph 13.8 have been met.

13.9 The Selected Participant and/or the Company shall be responsible for any tax reporting obligations to any relevant tax authorities, and to notify the Trustee in a timely manner of any tax reporting obligations that the Trustee may have to enable the Trustee to fulfil such reporting obligations, including providing the Trustee with all information and documents required by the relevant tax authorities to fulfil its Common Reporting Standard ("CRS") and Foreign Account Tax Compliance Act ("FATCA") reporting obligations.

13.10 The Trustee may rely on the Award Letters and instructions and directions in writing, or any of them, given to it by the Board or the Committee from time to time under this Scheme, and the contents thereof, without further and/or independent inquiry or verification, and may assume the same and the transactions contemplated thereby to be in compliance with all applicable laws, rules, regulations, codes, and guidelines, whether statutory, regulatory, administrative or otherwise and whether having the force of law, and these rules of this Scheme and the Trust Deed.

13.11 In respect of the administration of this Scheme, the Company shall comply with all applicable disclosure regulations including without limitation those imposed by the Listing Rules from time to time.

14. CONDITIONS

14.1 This Scheme is conditional upon:

(A) the passing of an ordinary resolution by the Shareholders at a general meeting to approve the adoption of this Scheme and authorising the Directors to grant Awards thereunder and to allot, issue and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of this Scheme; and

- (B) the passing of an ordinary resolution by the Shareholders at a general meeting to terminate the 2020 Share Option Scheme;
- (C) the passing of an ordinary resolution by the Shareholders at a general meeting to terminate the 2021 Share Award Plan; and
- (D) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares representing the Scheme Mandate Limit (as defined in paragraph 7.1) to be allotted and issued by the Company pursuant to the grant of Awards in accordance with the terms and conditions of this Scheme.

14.2 If the conditions referred to in paragraph 14.1 are not satisfied on or before the date falling sixty (60) days after the date of the general meeting held for the purpose of approving this Scheme, this Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of this Scheme.

14.3 Reference in paragraph 14.1(D) to the Listing Committee of the Stock Exchange formally granting the listing and permission referred to therein shall include any such listing and permission which are granted subject to the fulfilment of any condition precedent or condition subsequent.

14.4 A certificate of a Director that the conditions set out in paragraph 14.1 have been satisfied and the date on which such conditions were satisfied or that such conditions have not been satisfied as of any particular date and the exact date of the Adoption Date shall be conclusive evidence of the matters certified.

15. RANKING OF SHARES

The Award Shares to be allotted and issued (or the treasury Shares to be transferred, as applicable) pursuant to the rules of this Scheme shall be identical to all existing issued Shares and shall be allotted and issued (or transferred) subject to all the provisions of the Articles for the time being in force and will rank *pari passu* with the other fully paid Shares in issue on the date the name of the Selected Participant is registered on the register of members of the Company (or the date of transfer of treasury Shares, as the case may be). For the avoidance of doubt, a Selected Participant shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on the register on a date prior to such registration.

16. GOVERNING LAW

16.1 This Scheme shall operate subject to the Articles.

16.2 This Scheme shall be governed by and construed in accordance with the laws of Hong Kong.

**The English text of the New Share Scheme Rules shall prevail
over the Chinese text in the case of inconsistency.**

***** End of the New Share Scheme Rules *****