

**Wing Lee Development Construction Holdings Limited**

**榮利營造控股有限公司**

*(An Exempted Company Incorporated in the Cayman Islands with Limited Liability)*

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**RULES RELATING TO  
THE SHARE AWARD SCHEME**

*(Conditionally adopted on 20 September 2024  
by the written resolutions of the sole shareholder of the Company)*

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**Wing Lee Development Construction Holdings Limited**  
**榮利營造控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*

**RULES OF THE SHARE AWARD SCHEME**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In these rules of this Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:

<b>“associate(s)”</b>	has the meaning given to it under the Listing Rules;
<b>“Award”</b>	an award granted under this Scheme by the Board to an Eligible Participant, which may vest in the form of Award Shares in accordance with these rules and the terms of the Award;
<b>“Award Letter”</b>	has the meaning as set out in Clause 6.12;
<b>“Award Shares”</b>	the Shares granted to an Eligible Participant in an Award;
<b>“Board”</b>	the board of directors of the Company;
<b>“Business Day”</b>	any day on which the Stock Exchange is open for the business of dealing in securities;
<b>“Companies Act”</b>	the Companies Act (as revised) of the Cayman Islands, as amended, modified and supplemented from time to time;
<b>“Company”</b>	Wing Lee Development Construction Holdings Limited 榮利營造控股有限公司, a limited liability company incorporated in the Cayman Islands;
<b>“Control”</b>	has the meaning given to it in The Hong Kong Code on Takeovers and Mergers from time to time;
<b>“core connected person(s)”</b>	has the meaning given to it under the Listing Rules;
<b>“Director(s)”</b>	the director(s) of the Company;
<b>“Effective Date”</b>	the Listing Date;
<b>“Eligible Participant(s)”</b>	any Employee Participant(s), Related Entity Participant(s) and Service Provider(s);
<b>“Employee”</b>	any employee (whether full time or part time) of the Company or any Subsidiary;

<b>“Employee Participant(s)”</b>	any Employee or chief executive officer, executive or non-executive director (including independent non-executive directors) of our Company or any Subsidiary of it and any person who has contracted to be employed (on a full-time or part-time basis) by our Company or any of its subsidiaries but whose employment has not commenced and any person to whom our Board wishes to offer Awards as an inducement to become an executive or director of our Company or any of our subsidiaries;
<b>“General Scheme Limit”</b>	means the maximum number of Shares issuable upon exercise of all options to be granted under this Scheme as set out in Clause 11.1;
<b>“Grantee”</b>	any Eligible Participant who has accepted the offer of the grant of an Award in accordance with the terms of this Scheme or, where the context so permits, any person entitled to any such Award in consequence of the death of the original Grantee or the legal personal representative of such person;
<b>“Group”</b>	the Company and its subsidiaries;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Lapse”</b>	Shall have the meaning as set out in Clause 8.2;
<b>“Listing Committee”</b>	the listing committee appointed by the Stock Exchange for considering applications for listing and approving the listing of and dealing with securities on the Stock Exchange;
<b>“Listing Date”</b>	the date on which the Shares are listed and from which dealings therein are permitted to take places on the Stock Exchange;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange;
<b>“Performance Condition(s)”</b>	the performance condition(s) as may be set by the Board in relation to an Award;
<b>“Reference Amount”</b>	the sum of (i) the closing price of a Share as at the Reference Date multiplied by the number of Award Shares; and (ii) the related purchase expenses (including for the time being, if any, the brokerage fee, stamp duty, SFC transaction levy, Stock Exchange trading fee and investor compensation levy) and such other necessary expenses required for the completion of the purchase of all the Award Shares;

<b>“Reference Date”</b>	the date of final approval by the Board of the total number of Shares to be awarded to the Eligible Participants in a single occasion pursuant to this Scheme;
<b>“Refreshment”</b>	the refreshing of the General Scheme Limit as approved by Shareholders in general meeting in accordance with the relevant Listing Rules;
<b>“Related Entity”</b>	a company which is a holding company, fellow subsidiary or associated company of the Company;
<b>“Related Entity Participant(s)”</b>	any director, chief executive or person employed (on a full-time or part-time basis) by any of the Related Entity;
<b>“Relevant Event”</b>	any variation in the share capital of the Company arising from capitalisation issue, rights issue, sub-division or consolidation of share capital of the Company, or reduction of capital;
<b>“Scheme”</b>	this scheme in its present form or as amended from time to time in accordance with the provisions hereof;
<b>“Scheme Administrator”</b>	a board committee established by the Board with its members or one or more persons or entities as the Board may appoint from time to time for the purpose of administering the operation of this Scheme;
<b>“Scheme Rules”</b>	the rules governing this Scheme;
<b>“Service Provider(s)”</b>	person(s) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, including but not limited to any consultant, independent contractor or adviser where the continuity and frequency of their services are akin to those of employees of the Group, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers (including but not limited to auditors or valuers) who provide assurance, or are required to perform their services with impartiality and objectivity;
<b>“Service Provider Sublimit”</b>	shall have the meaning given to it in Clause 11.2;
<b>“Share(s)”</b>	ordinary shares of HK\$0.01 each in the capital of the Company;
<b>“Shareholder(s)”</b>	holder(s) of the Share(s);
<b>“Share Option Scheme”</b>	the share option scheme of the Company adopted on 20 September 2024 or as adopted by the Company from time to time;

<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“Subsidiary”</b>	a company which is for the time being and from time to time a subsidiary (within the meaning ascribed to it under the Listing Rules) of the Company;
<b>“Trust”</b>	the trust to be constituted by a trust deed or such other governing documents of such trust arrangements and known as the “Share Award Scheme Trust” or such other name as the Board may determine from time to time;
<b>“Trust Deed(s)”</b>	in respect of each Trust, the trust deed to be entered into between the Company and the relevant Trustee (as amended, supplemented and restated from time to time) in respect of the establishment of the Trust and administrative of this Scheme;
<b>“Trustee”</b>	an entity to be appointed for the sole purpose of holding the Shares underlying the Awards issued on trust for Eligible Participants pursuant to this Scheme, who shall be an independent third party and not connected with the Company or any of its connected persons;
<b>“Vesting Date”</b>	the date or each such date on which the Award Shares are vested;
<b>“Vesting Expenses”</b>	all transfer fees, taxes, social security contributions and other levies associated with the vesting, release or transfer of the relevant Award Shares; and
<b>“%”</b>	Percent.

1.2 In this Scheme, unless the context otherwise requires:

- (a) clause headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme;
- (b) references herein to Clauses are to clauses of this Scheme;
- (c) references to masculine gender include references to the feminine and neuter gender;
- (d) references to the singular include references to the plural and vice versa;
- (e) any reference to a time of a day in this Scheme is a reference to Hong Kong time; and
- (f) a reference to a **“person”** shall be construed so as to include bodies corporate, corporations, partnerships, sole proprietorships, organizations, associations, enterprises, branches and entities of any other kind whether or not having separate legal entity.

## **2. CONDITIONS OF THIS SCHEME**

### **2.1 This Scheme is conditional upon:**

- (a) the passing of a resolution by the Shareholders at a general meeting of the Company to approve and adopt this Scheme and to authorize the Directors to grant Awards under this Scheme and to allot, issue, procure the transfer of and otherwise deal with the Award Shares in connection with this Scheme;
- (b) the Listing Committee granting the approval for the listing of, and permission to deal in any new Shares which may fall to be allotted and issued by the Company to the Trustee pursuant to this Scheme; and
- (c) the commencement of dealings in the Shares on the Stock Exchange.

### **2.2 If any of the above conditions are not satisfied within 12 calendar months from the date of approval of this Scheme by the Shareholders, this Scheme shall forthwith determine, and no person shall be entitled to any right or benefit or be under any obligation under or in respect of this Scheme.**

### **2.3 A certificate of a Director that the conditions as set out in Clause 2.1 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 shall be conclusive evidence of the matters so certified.**

## **3. PURPOSES OF THIS SCHEME**

The purpose of this Scheme is to: (a) provide our Company with a flexible means of attracting, remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to Eligible Participants (as defined below); (b) align the interests of Eligible Participants with those of our Company and Shareholders by providing such Eligible Participants with the opportunity to acquire proprietary interests in our Company and become Shareholders; and (c) encourage Eligible Participants to contribute to the long-term growth, performance and profits of our Company and to enhance the value of our Company and our Shares for the benefit of our Company and Shareholders as a whole.

## **4. DURATION AND ADMINISTRATION**

### **4.1 Subject to Clauses 2 and Clause 15, this Scheme shall be valid and effective for a period of ten years commencing on the Effective Date and upon its expiry, 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.**

### **4.2 This Scheme shall be subject to the administration of the Board and the Trustee in accordance with the rules of this Scheme. The Board may delegate the authority to administer this Scheme to the Scheme Administrator to assist in the administration of this Scheme and delegate such powers and/or functions relating to the administration of this Scheme as the Board thinks fit. The Board may also, in its absolute discretion, appoint any Trustee to assist with the administration and vesting of the Award Shares granted pursuant to this Scheme.**

4.3 Subject to complying with the Listing Rules, the Scheme Administrator shall have the sole and absolute discretion to:

- (a) interpret and construe the provisions of this Scheme;
- (b) determine the persons who will be granted Awards under this Scheme, the terms and conditions on which the Awards are granted and under what conditions will the Awards granted pursuant to this Scheme vest;
- (c) make such appropriate and equitable adjustments to the terms of the Awards granted under this Scheme as it deems necessary; and
- (d) make such other decisions or determinations as it shall deem appropriate in the administration of this Scheme.

The decisions of the Board or the Scheme Administrator on all matters (save for those specifically reserved for determination by the Shareholders in accordance with the Listing Rules) arising in relation to this Scheme or its interpretation or effect shall be final, conclusive and binding on all relevant parties.

4.4 Without prejudice to Clause 14, the Board or the Scheme Administrator shall have the power from time to time to make or vary regulations for the administration and operation of this Scheme, provided that the same are not inconsistent with the provisions of this Scheme, the Articles, the Listing Rules and any applicable laws, rules and regulations.

4.5 The Trustee shall hold the Award Shares, the lapsed Award Shares and other cash and non-cash income derived therefrom UPON TRUST exclusively for all or such one or more of the Grantees subject to the terms and conditions set out herein and in the Trust Deed and such further terms and conditions as the Board or the Scheme Administrator may stipulate at the time of selecting any person as a Eligible Participant hereunder.

## **5. DETERMINATION OF ELIGIBILITY**

The Board may, at its absolute discretion, invite any persons belonging to any of the following classes of participant (i.e. Eligible Participants), to be offered Awards:

- (a) Any Employee Participant(s);
- (b) any Related Entity Participant(s); and
- (c) any Service Provider(s).

The basis of eligibility of any Eligible Participant to the grant of any Award shall be determined by the Board (or as the case may be, where required under the Listing Rules, approved by the independent non-executive directors) from time to time on the basis of the Directors' opinion as to the Eligible Participant's contribution or potential contribution to the development and growth of the Group.

## **6. OPERATION OF SCHEME**

- 6.1 Subject to Clause 11, the Board may, from time to time, at its absolute discretion and subject to such terms and conditions as it may think fit (including the basis of eligibility of each Eligible Participant determined by the Board from time to time), select any Eligible Participant for participation in this Scheme as an Eligible Participant, grant an Award to such Eligible Participant and determine the number of Award Shares. However, until so selected, no Eligible Participant shall be entitled to participate in this Scheme.
- 6.2 Subject to this Scheme Rules, the Board may impose any conditions, restrictions or limitations or waive any such conditions, restrictions or limitations from time to time in relation to the Award as it may at its absolute discretion think fit. Where an Eligible 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 Eligible Participant.
- 6.3 Where any grant of Awards to an Eligible Participant would result in the Shares issued and to be issued in respect of all Awards granted to such person (excluding any Awards lapsed in accordance with the terms of this Scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of shares of the Company in issue, such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.
- 6.4 Any grant of Awards to a Director, chief executive or substantial Shareholder, or any of their respective associates, under this Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Awards).
- 6.5 Where any grant of Awards to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of 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 relevant class of shares in issue (excluding treasury shares), such further grant of Awards must be approved by the Shareholders in general meeting, at which the grantee, his/her associates and all core connected persons of the Company must abstain from voting.
- 6.6 Where any grant of Awards to an independent non-executive Director or a substantial Shareholder, or any of their respective associates would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of 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 relevant class of shares in issue (excluding treasury shares), such further grant of Awards must be approved by the Shareholders in general meeting, at which the grantee, his/her associates and all core connected persons of the Company must abstain from voting.
- 6.7 For any grant of Awards to any connected person of the Company, the Company shall comply with all applicable laws, rules and regulations, including but not limited to the Listing Rules from time to time.



6.8 To satisfy the Awards after vesting, the Company may, to the extent permitted by the Companies Act and the Listing Rules, as determined by the Board or the Scheme Administrator in its absolute discretion:

- (a) allot and issue new Shares to the Grantee directly; and/or
- (b) allot and issue new Shares to the Trustee to be held by the Trustee for specific Grantees pending the vesting or exercise of the Awards granted and which will be used to satisfy the Awards upon vesting or exercise; and/or
- (c) instruct the Trustee to acquire existing Shares through on-market or off-market purchases at prevailing market prices from funds provided by the Company subject to such maximum price as may from time to time be prescribed by the Board.

6.9 The Company shall, to the extent permitted by the Companies Act and the Listing Rules, provide sufficient funds to the trustee by whatever means as the Board may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration, vesting and exercise of Awards. For the purpose of Clause 6.8(b) above and subject to Clause 6.10, the Board may from time to time cause to be paid the Reference Amount to the Trustee by way of settlement as directed by the Board which shall constitute part of the trust fund of the Trust, for the purchase or subscription (as the case may be) of Shares.

The Trustee shall hold such Awarded Shares acquired on Trust for the Eligible Participants and to distribute such Award Shares to the Eligible Participants, in accordance with the Scheme Rules and pursuant to the Trust Deed or such other governing documents of such trust arrangements provided that:

- (a) the Trustee holding unvested Award Shares under this Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by applicable laws to vote in accordance with the beneficial owner's direction and such a direction is given; and
- (b) to the extent any new Shares will be allotted and issued by the Company to satisfy any Award after vesting, such allotment and issue shall be subject to and conditional upon the granting of approval by the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, such number of new Shares which may fall to be allotted and issued.

The Trustee shall not purchase any Shares on the market or off the market on its own discretion, but the Trustee is allowed to exercise its own discretion in making actual Share purchases within the ambit of the instructions of the Board or the Scheme Administrator. As soon as the Trustee completes the purchases, the Trustee shall inform the Board or the Scheme Administrator of the number of Shares purchased and the price at which those Shares have been purchased. Any balance of the Reference Amount which has not been utilised shall under no circumstances form part of the fund of the Trust. The Board or the Scheme Administrator may, from time to time in its sole and absolute discretion, direct and procure the Trustee to return any balance of the Reference Amount to the Company after completion of the relevant purchase.

- 6.10 No payment shall be made to the Trustee and no instructions to purchase Shares shall be given to the Trustee and no purchase of Shares shall be made by the Trustee pursuant to Clause 6.9:
- (a) after inside information (as defined under Part XIVA of the SFO) has come to the knowledge of the Company until (and including) the trading day after such inside information has been announced in accordance with the Listing Rules and the SFO;
  - (b) (i) during the period of sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to (and including) the publication date of the results; and (ii) during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to (and including) the publication date of the results;
  - (c) where such payment or purchase is prohibited under the Listing Rules or other applicable laws, regulations or regulatory rules, guidance, codes, decisions or guidelines from time to time; or
  - (d) in any other circumstances where the requisite approval from any applicable regulatory authorities has not been granted.
- 6.11 Subject to this Scheme Rules and the terms of the Award, as soon as practicable following the vesting of the Award Shares, the Board shall direct the Trustee to transfer the relevant vested Award Shares to, the Eligible Participant on the Vesting Date, or as soon as possible thereafter if it is not practicable to effect such transfer on such Vesting Date subject to (i) the receipt by the Trustee of, a written confirmation from the Company that all vesting conditions have been fulfilled and its prescribed transfer document(s) duly signed by the Eligible Participant; and (ii) the payment of all Vesting Expenses by the Eligible Participant.
- 6.12 After the selection of the Eligible Participant(s) and the determination of the number of Award Shares, the Company shall inform the Trustee accordingly. The Company shall also inform the Eligible Participant(s) by written notice in such form as the Company may from time to time determine (the “**Award Letter**”) requiring the Eligible Participant(s) to undertake to hold the Award on the terms on which it is to be granted and to be bound by this Scheme Rules.
- 6.13 Within thirty (30) Business Days (or such other period as the Trustee and the Company may agree from time to time having regard to the circumstances of the purchase concerned) after receipt of the Reference Amount, the Trustee shall apply the Reference Amount towards the purchase of the Award Shares at the prevailing market price in accordance with Clause 6.9. Any balance of the Reference Amount shall be returned by the Trustee to the Company promptly after completion of the purchase. The Shares so purchased shall form part of the trust fund of the Trust.
- 6.14 The Board may determine or modify the terms and conditions of the Award, including but not limited to, among others, the vesting periods, vesting criteria and other conditions. Vesting of the Award Shares will be conditional on the Eligible Participant remaining as an Eligible Participant after the Reference Date and until and on each of the relevant Vesting Dates and his/her execution of the relevant documents to effect the transfer from the Trustee.

- 6.15 The Award Shares will be granted to the Eligible Participant(s) at nil consideration, if any.
- 6.16 The Award Shares, when issued and fully paid, shall rank pari passu among themselves and with the other Shares in issue, with rights to receive all dividends and other distributions declared, made or paid on or after the date of proposed allotment and issue.
- 6.17 Upon the occurrence of any Relevant Event, the purchase price for Award Shares (if any) and/or the number of Award Shares may be adjusted in a manner as determined by the Board (having received a statement in writing from the independent financial adviser or the auditor of the Company that in their opinion the adjustments proposed satisfy the requirements set out in Rule 17.03(13) of Listing Rules), in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under this Scheme for such Eligible Participant(s). The adjustment must give such Eligible Participant(s) the same proportion of the Award Shares, rounded to the nearest whole Share, as that to which he was previously entitled, but no such adjustment may be made to the extent that a Share would be issued at less than its nominal value (if any).
- 6.18 For the avoidance of doubt, there is no clawback mechanism to recover or withhold Awards that have been made to Eligible Participant(s).

## **7. VESTING CONDITIONS**

The Board may at its discretion specify any Performance Condition in the offer letter at the grant of the relevant Award which must be satisfied before an Award may be vested. Save as determined by the Board on a case-by-case basis taking into account the nature of the duties of and services provided by the Eligible Participant(s) and set out in the offer of the grant of the relevant Award at the discretion of the Board, there is no performance condition which must be achieved before an Award can be vested under the terms of this Scheme.

## **8. VESTING AND FORFEITURE**

- 8.1 Unless otherwise determined by the Board at its discretion, the Award Shares held by the Trustee upon the Trust and which are referable to an Eligible Participant shall vest in that Eligible Participant in accordance with the conditions set out in the Award Letter as the Board may determine at its absolute discretion or is deemed to have vested pursuant to this Scheme Rules, provided that the Eligible Participant remains at all times after the Reference Date and on the relevant Vesting Dates (if applicable) an Eligible Participant and the related vesting period shall not be less than 12 months (except the specific circumstance as specified in Clause 10.2.7). An Eligible Participant shall have no right, benefit or interest in any Award Shares unless and until the Trustee has vested the legal and beneficial ownership of such Award Shares in him. The Board is of the view that the discretion in allowing a shorter vesting period in such circumstances is appropriate and in line with the requirements under the Listing Rules and market practice. Such discretion gives the Company more flexibility to (i) provide higher incentives when attracting talents; and (ii) grant awards in exceptional circumstance as specified in Clause 10.2.7, where justified, which is in line with the purposes of this Scheme.

8.2 The Award granted to an Eligible Participant shall automatically lapse and be cancelled forthwith and the Award Shares of such Award shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of this Scheme, in the event that:

- (a) an earlier time is set in the Award Letter;
- (b) following the Grantee's death or permanent incapacity, bankruptcy, or where the Grantee ceases to be an Eligible Participant or terminates their employment or contractual engagement with our Group for reasons other than as already provided for in this Scheme, or where the Grantee's employment or contractual engagement has been suspended, or the Grantee's position in or with respect to our Group has been vacated, for more than six months;
- (c) upon the Grantee being convicted of any criminal offence involving his or her integrity or honesty, or charged, convicted or held liable for any offence under the relevant securities laws, regulations or rules in force from time to time in Hong Kong or elsewhere;
- (d) the Award has not been accepted by the Grantee (in the manner specified in the Award Letter) within the acceptance period;
- (e) forfeiture of the Award by the Grantee;
- (f) the Grantee transfers the award in breach of the transferability provisions specified in the plan; or
- (g) the date of the commencement of the winding-up of the Company,

(each of these, an event of "**Lapse**").

8.3 Awards lapsed in accordance with Clause 8.2 will not be regarded as utilised for the purpose of calculating the General Scheme Limit.

8.4 The Board or the Administration Committee may at any time cancel Awards previously granted but which have not yet vested. Where the Company cancels an Award granted to an Eligible Participant and makes a new grant to the same Eligible Participant, such new grant may only be made under this Scheme. The Award cancelled will be regarded as utilised for the purpose of calculating the General Scheme Limit.

## 9. **TRANSFERABILITY**

Any Awards granted shall be personal to the Eligible Participant, and no right or interest of an Eligible Participant in any Award may be pledged, encumbered, or hypothecated to or in favour of any party other than our Company or a Subsidiary, or shall be subject to any lien, obligation, or liability of such Eligible Participant to any other party other than our Company or a Subsidiary. Except as otherwise provided by our Board, no Award shall be assigned, transferred, or otherwise disposed of by an Eligible Participant.

## **10. RESTRICTIONS**

10.1 No Award shall be made and no instructions to acquire Shares on-market shall be given to the Trustee (i) where any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws, rules or regulations, or (ii) during the period of one month days immediately preceding the publication date of the annual/half-year results for any financial period of the Company or, if shorter, the period from the end of the relevant financial/interim period up to and including the publication date of such results.

10.2 For the avoidance of doubt,

- (a) notwithstanding any other provisions in these rules, the Awards do not carry any right to vote at general meetings of the Company, no Eligible Participant shall receive any cash income derived from the Award Shares (i.e., cash dividends declared and paid on the Award Shares, if any) in the event that the Company pays any dividend on the Award Shares until such Award Shares become fully vested (provided always that the Eligible Participant shall not be entitled to receive any dividend declared and distributed with respect to the Award Share, prior to the vesting of the same), unless otherwise provided in the Award Letter;
- (b) no Eligible Participant shall exercise any voting rights in respect of any Shares held on Trust that have not yet vested or take any action in relation to such Shares in the event of a proposed change in Control of the Company;
- (c) the Trustee shall not exercise the voting rights in respect of any Shares held under the Trust and the Trustee holding unvested Shares under this Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
- (d) no instructions may be given by an Eligible Participant to the Trustee in respect of the Award Shares or other properties of the Trust;
- (e) the Trustee shall not exercise or purport to exercise any of the rights attached to any Shares held under the Trust (including but not limited to the Award Shares and the Returned Shares) including but not limited to voting rights and the right to the Company's profit distribution or any forms of distributions. At such time as when the Award Shares are transferred to the relevant Eligible Participants pursuant to this Scheme, on the relevant Vesting Dates or thereafter, the Eligible Participants will be able to enjoy and exercise all rights attaching to the Award Shares, including but not limited to voting rights and the right to the Company's profit distribution or any forms of distributions, in the same way as all other ordinary Shareholders of the same class;
- (f) subject to Clause 16.2, any cash generated from a Share held upon the Trust shall form part of the trust fund of the Trust and the Trustee may (i) apply such cash for the purchase of Shares for the purpose of this Scheme, (ii) apply such cash to defray such fees, costs and expenses as referred to in Clause 16.2, or (iii) return such cash to the Company, as the Trustee at its absolute discretion shall at any time determine, after having taken into consideration the recommendations of the Board; and

- (g) if there is an event of change in Control of the Company by way of a merger, a privatization of the Company by way of a scheme or by way of an offer, the vesting of any Award Shares to the Employee Participant may be accelerated. If the vesting of the Award Shares is accelerated, the procedures as set out in this Scheme shall apply except that the vesting notice will be sent to such Employee Participant affected by this rule as soon as practicable once the proposed vesting date is known. The Trustee shall act on the vesting notice in accordance with these Scheme Rules.
- 10.3 In respect of the administration of this Scheme, the Company shall comply with all applicable law and disclosure regulations.
- 10.4 The Trustee shall not be required to withhold any withholding tax or other tax in relation to the grant of the Award or the transfer of Award Shares. It shall be the duty of the Company to establish appropriate procedures to provide for any such payment.
- 10.5 Applications shall be made by the Company to the Listing Committee for the listing of and the permission to deal in any Award Shares that may be allotted and issued under this Scheme.
- 11. SCHEME LIMIT**
- 11.1 The Board shall not make any further Award which will result in the aggregate number of the Shares which may be issued (excluding treasury shares) in respect of all options and awards granted under all of this Schemes of the Company (including under this Scheme and the Share Option Scheme) exceeding 10% of the issued share capital of the Company (excluding treasury shares) as at the Effective Date of this Scheme.
- 11.2 The maximum number of Award Shares which may be granted to Service Providers under this Scheme must not, in aggregate exceed 1% of the total number of Shares in issue as at the Effective Date (i.e. the **"Service Provider Sublimit"**). The Board shall not make any further Award which will result in the total number of Award Shares in respect of all Awards granted/to be granted to Service Providers exceeding the Service Providers Sublimit.
- 11.3 The Award Shares subject to this Scheme must be separately designated unless they are identical with the other shares of the Company in issue.
- 11.4 The Company may seek approval by the Shareholders in general meeting to refresh the General Scheme Limit and/or the Service Provider Sublimit under this Scheme after three (3) years from the Effective Date of this Scheme (or the date of Shareholders' approval for the last Refreshment). However, the total number of Shares which may be issued upon exercise of all Awards to be granted under this Scheme and any other schemes of the Company under the limit as "refreshed" must not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed General Scheme Limit and/or the Service Provider Sublimit. For the purpose of seeking approval of the Shareholders, the Company must send a circular to its Shareholders containing the information required under the Listing Rules. Any Refreshment of the General Scheme Limit and/or the Service Provider Sublimit to be made within three (3) years from the Effective Date of this Scheme (or the date of Shareholders' approval for the last Refreshment) shall be subject to independent Shareholders' approval pursuant to Rule 17.03C of the Listing Rules, where the controlling Shareholders (or if there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) and their associates, must

abstain from voting in favour of the relevant resolution at the general meeting) in general meeting.

## **12. RETURNED SHARES**

Subject to Clause 15.2, the Trustee shall hold the returned Shares exclusively for the benefit of all or one or more of the Eligible Participants as the Board shall at its absolute discretion at any time determine. When Returned Shares have been awarded by the Trustee to an Eligible Participant, the Trustee shall notify the Company accordingly.

## **13. DISPUTES**

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

## **14. ALTERATION OF THIS SCHEME**

- 14.1 Subject to the applicable laws, this Scheme and this Scheme Rules may be altered in any respect (including but not limited to amendment and alterations for the purpose of complying with the Listing Rules) by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Eligible Participant.
- 14.2 No alteration shall be made to any of this Scheme Rules which is of a material nature or is related to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Eligible Participants unless such alteration is approved by the Shareholders in general meeting.
- 14.3 Any change to the terms of an Award granted to an Eligible Participant must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee, the independent non-executive Directors 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.
- 14.4 Any change to the authority of the Directors to alter the terms of this Scheme must be approved by the Shareholders in general meeting.
- 14.5 Written notice of any amendment to this Scheme shall be given to all Eligible Participants with subsisting Awards.

## **15. TERMINATION**

- 15.1 This Scheme shall terminate on the earlier of:
  - (a) the tenth anniversary of the Effective Date;
  - (b) the date when an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of an amalgamation, reconstruction or a scheme of arrangement); and

- (c) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Eligible Participant under this Scheme.
- 15.2 Upon termination, 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.
- 15.3 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.

## **16. REORGANISATION OF CAPITAL STRUCTURE**

- 16.1 In the event of any alternation in the capital structure of the Company, such as capitalisation issue, bonus issue, rights issue, consolidation, sub-division and reduction of the share capital of the Company, subject to other provisions of this Scheme, corresponding adjustments (if any) shall be made to the maximum number of Shares that may be issued by the Company in respect of all the Awards and other share awards and share options to be granted pursuant to all the share schemes of the Company under the unutilized General Scheme Limit with reference to the total number of issued Shares as at the date immediately before and after such event and rounded to the nearest whole Share. Any corresponding adjustments shall give a Grantee the same proportion of the equity capital, rounded to the nearest whole share, as that to which that Grantee was previously entitled according to the note to Rule 17.03(13) of the Listing Rules and shall be in accordance with the guidance the Stock Exchange issued from time to time. The auditors or the independent financial adviser of the Company retained for such purpose shall confirm in writing to the Directors that the adjustments satisfy the requirements under the note to Rule 17.03(13) of the Listing Rules.
- 16.2 No alteration shall be made the effect of which would be to enable any Share to be issued at less than its nominal value, or to give the advantage of the Grantees without specific prior approval of the Shareholders.
- 16.3 The capacity of the auditors or the independent financial adviser (as the case may be) is that of experts and not of arbitrators and their confirmation shall, in the absence of manifest error, be final and binding on the Company and the Selected Participants. The costs of the auditors or the independent financial adviser (as the case may be) shall be borne by the Company.

## **17. MISCELLANEOUS**

- 17.1 This Scheme shall not form part of any contract of employment, service contract or engagement contract between the member of the Group and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his office, employment, appointment or engagement 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 an Eligible Participant no additional rights to compensation or damages in consequence of the termination of such office, employment, appointment or engagement for any reason.



- 17.2 Save as specifically provided herein, this Scheme shall not confer on any person any legal or equitable rights (other than those constituting and attaching to the Shares themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.
- 17.3 Any notice or other communication between the Company, the Trustee and any Eligible Participant may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office in the Cayman Islands or such other address as notified to the Eligible Participant from time to time and in the case of an Eligible Participant, his address as notified to the Company from time to time. Any notice or other communication served by post shall be deemed to have been served 24 hours after the same was put in the post.
- 17.4 The Company shall not be responsible for any failure by any Eligible Participant to obtain any consent or approval required for such Eligible Participant to participate in this Scheme as an Eligible Participant or for any tax, duty, expenses, fees or any other liability to which he may become subject as a result of his participation in this Scheme.
- 17.5 Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such and in the event of any provision or provisions being or becoming unenforceable, they shall be deemed to be deleted from these Scheme Rules, and any such deletion shall not affect the enforceability of this Scheme Rules as remain not so deleted.
- 18. GOVERNING LAW**
- 18.1 This Scheme shall be governed by and construed in accordance with the laws of Hong Kong in force from time to time.
- 18.2 The parties shall submit to the exclusive jurisdiction of the courts of Hong Kong in relation to any claim or matter arising under this Scheme.