

Adopted by an ordinary resolution of the shareholders of the Company
on [•] June 2023

SANVO FINE CHEMICALS GROUP LIMITED

三和精化集團有限公司

(a company incorporated in the Cayman Islands with limited liability)

2023 Share Award Scheme

The purpose of the 2023 Share Award Scheme is to recognize, including but not limited to, the incredible contribution made towards the listing of the Company on the Stock Exchange and the continuous contribution made towards the development of the Group by the employees of the Group during the COVID-19 epidemic and global economic downturn and to provide Selected Employees with incentives for their contribution or potential contribution to the development and long-term growth of the Group.

1. DEFINITIONS AND INTERPRETATION

1.1 In these rules of the scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings: –

“2023 Share Award Scheme”	the employee share award scheme of the Company adopted by the Board on the Adoption Date
“Adoption Date”	the date on which the 2023 Share Award Scheme is adopted by an ordinary resolution of the shareholders of the Company
“Award(s)”	award(s) of the Award Shares by the Board pursuant to the 2023 Share Award Scheme to a Selected Employee
“Award Letter”	a letter issued by the Company to a Selected Employee in such form as determined by the Board from time to time, specifying the Grant Date, the number of Award Shares, the vesting criteria and conditions, the vesting date and such other details as the Board may consider necessary
“Award Shares”	those award shares to be awarded to the Selected Employees under the subject to the terms and conditions of the 2023 Share Award Scheme
“Board”	the board of Directors

“Company”	SANVO Fine Chemicals Group Limited (三和精化集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 301)
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended or supplemented from time to time
“Director(s)”	the director(s) of the Company
“Grant Date”	the date on which the grant of an Award is made to a Selected Employee
“Grant Notice”	shall have the meaning as set out in Clause 5.2
“Grantee”	means any Selected Employee who accepts an Award in accordance with the terms of the 2023 Share Award Scheme or, where the context so permits, a person entitled to any such Award in consequence of the death of the original Grantee or the legal personal representative of such person
“Group”	the Company and our subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock

“Scheme Limit”	the total number of Shares which may be issued in respect of all share options and awards to be granted under the 2023 Share Award Scheme and any other schemes of the Company
“Selected Employee(s)”	full-time employee(s) of any member of the Group (excluding any director of any member of the Group, chief executive of the Company and any of their associates) as selected by the Board in its discretion to be eligible to participate in the 2023 Share Award Scheme, who is/are not a connected person, and whose employment with the Group is/are not subject to contractual renewal or the subject of any employment termination notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Vesting Date”	the date on which an entitlement of such Grantee to the Award Shares is vested in such Grantee

“Vesting Period”	the minimum period for which an Award must be held before it can be vested as the Board may in its absolute discretion determine
“%”	per cent

- 1.2 References to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification).
- 1.3 References herein to Clauses are to clauses of the 2023 Share Award Scheme unless the context requires otherwise.
- 1.4 The headings are inserted for convenience only and shall not affect the construction of the 2023 Share Award Scheme.
- 1.5 Reference to a person includes any public body and any body of persons, corporate or unincorporated.
- 1.6 Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing a gender or the neuter include both genders and the neuter.

2. CONDITION

The adoption of the 2023 Share Award Scheme is conditional upon:

- (1) the passing of an ordinary resolution of the shareholders of the Company approving the adoption of the 2023 Share Award Scheme; and
- (2) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal, in the Shares which may fall to be allotted and issued by the Company upon the exercise of the Awards that may be granted under the 2023 Share Award Scheme.

3. DURATION AND ADMINISTRATION

- 3.1 Subject to any early termination as may be determined by the Board pursuant to the terms of the 2023 Share Award Scheme, the 2023 Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.
- 3.2 The 2023 Award Scheme shall be subject to the administration of the Board in accordance with the rules, terms and conditions of the 2023 Share Award Scheme. The decisions of the Board as to all matters relating to the 2023 Share Award Scheme or its interpretation shall be final and binding.
- 3.3 No any trustee will be appointed to administer the 2023 Share Award Scheme, and none of the Directors is a trustee of the 2023 Share Award Scheme nor has a direct or indirect interests in the trustee(s) of the 2023 Shard Award Scheme (if any).

4. DETERMINATION OF ELIGIBILITY

The Board may, from time to time, at its absolute discretion select any employee as a Selected Employee, grant Awards to any Selected Employee and determine the number of Award Shares to be granted.

In determining the eligibility of Selected Employees and the number of Awarded Shares to be granted, the Board may take into consideration, including but not limited to, the following matters:

1. the past contribution of the relevant Selected Employee made towards the listing of the Company on the Stock Exchange;
2. the past and/or future satisfaction of key performance indicators (such as individual performance assessment based on the periodic and/or annual performance assessment and review results);
3. the continuous contribution of the relevant Selected Employee made towards the development of the Group during the COVID-19 epidemic and global economic downturn;
4. the expected and potential contribution of the relevant Selected Employee to the development and long-term growth of the Group;

5. the length of employment of the relevant Selected Employee with the Group;
6. the current level of salary of the relevant Selected Employee;
7. the general financial condition of the Group; and
8. any other matter which the Board considers relevant.

5. GRANT OF AWARDED SHARES

5.1 The Board shall, in accordance with the provisions of the 2023 Award Scheme, be entitled but shall not be bound, at any time within a period of ten (10) years commencing on the Adoption Date to make an Offer of the grant of an Award to such Eligible Participant as the Board may in its discretion select.

5.2 After the Board has decided to select an employee to be offered with the grant of an Award under the Scheme, the Board shall notify the Selected Employee of such offer by a written notice (the "Grant Notice") and the Board shall specify the following in the Grant Notice:

- (a) the name, address and identity card (or, as the case may be, passport) number of the relevant Selected Employee;
- (b) the number of Award Shares underlying the Award to be granted to the relevant Selected Employee;
- (c) the amount, if any, payable by the relevant Selected Employee on acceptance of the Award and, if applicable, the period within which any such payments must or may be made or any loans for such purposes must be repaid;
- (d) the Vesting Date as determined in accordance with Clause 7.2 on which the Award may be vested in the relevant Selected Employee in respect of all or a proportion of the Award Shares;
- (e) the conditions, including any performance targets which may include without limitation as stated in Clause 4;
- (f) such lock-up periods or restrictions on disposal (if any) of the Award Shares as the Board may, in its absolute discretion, determine; and

(g) such other terms and conditions of the Award as may be imposed by the Board which are not inconsistent with these rules of the Scheme before the Award may be vested in such Selected Employee in respect of all or a proportion of the Award Shares.

The Grant Notice will require the Selected Employee to undertake to hold the Award on the terms on which it is granted and to be bound by the provisions of this scheme.

- 5.3 The Board is entitled to impose any conditions (including, without limitation, the performance, operating and financial targets and other criteria, if any, to be satisfied by the Selected Employee), as it deems appropriate in its sole and absolute discretion before the Awarded Shares can vest. The Board shall issue Award Letter to such Grantee specifying the Grant Date, the number of Award Shares, the vesting criteria and conditions, the vesting date and such other details as the Board may consider necessary.
- 5.4 An offer of Award is accepted by a Selected Employee when the acceptance form attached to the Award Letter duly signed by such Selected Employee is received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within such time as may be specified in the Award Letter (which shall not be later than one month from the offer date). Such remittance is not refundable in any circumstances. Where the offer of Award is not accepted within the prescribed period of time as specified in the Award Letter, the Award will be deemed not to have taken effect and will automatically lapse forthwith on the day following the last day of the prescribed period.
- 5.5 Any Award shall be personal to the Grantee and shall not be transferrable or assignable to any other person prior to the Vesting Date, unless a waiver is granted by the Stock Exchange allowing the transfer of the Awards from a Selected Employee to a vehicle (such as a trust or a private company) for the benefit of such Selected Employee and any family members of such Selected Employee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the 2023 Share Award Scheme and comply with the requirements of the Chapter 17 of the Listing Rules.

5.6 The Company may not grant any award(s) after inside information has come to the Company's knowledge until (and including) the trading day after the Company has announced the information in accordance with the requirements of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). In particular, the Company may not grant any award(s) during the period commencing one (1) month immediately before the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. No any award(s) may be granted during any period of delay in publishing a results announcement.

Further to the restrictions in the preceding paragraphs, the Company may not make any grant of award(s) on any day on which financial results of the Company are published and:

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

6. OPERATION OF SCHEME

Pursuant to the 2023 Share Award Scheme, the Board may, from time to time, at its absolute discretion select any eligible employee to participate in the 2023 Share Award Scheme as a Selected Employee and to grant the Award Shares and determine the number of Award Shares to be awarded as well as the terms and conditions to be complied with by any Selected Employee.

However, until so selected, no employee shall be entitled to participate in the 2023 Share Award Scheme.

7. VESTING OF AWARDED SHARES

7.1 Subject to the terms and conditions of the 2023 Share Award Scheme and the fulfillment of all relevant vesting conditions, the Board shall on the Vesting Date (or if any Vesting Date is not a business day, on the next business day) cause the Company to allot and issue to such Selected Employee such number of new Award Shares as set out in the Award Letter and the Board shall cause to be paid the subscription money for the new Award Shares, representing the nominal value of the new Award Shares multiplied by the number of new Award Shares to be issued, from the Group's resources.

7.2 The vesting of any Awards under the 2023 Share Award Scheme shall be subject to a Vesting Period to be determined by the Board in its absolute discretion, which shall be specified in the Award Letter. Only insofar as and for so long as the Listing Rules require, the Vesting Period for the Awards under the 2023 Share Award Scheme shall not be less than 12 months, unless the Board determines in its sole discretion that the Awards granted to Selected Employee may be less than 12 months under the following specific circumstances:

- (i) grants of "make-whole" Awards to a Selected Employee who is an employee of the Group to replace the share options or awards such person forfeited when leaving his previous employer(s);
- (ii) grants of Awards to a Selected Employee whose employment is terminated due to death or disability or event of force majeure;

- (iii) grants of Awards which are subject to the fulfilment of performance targets as conditions of the Awards;
- (iv) grants of Awards made in batches during a year for administrative and compliance reasons;
- (v) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months; and
- (vi) grants of Awards with a total vesting and holding period of more than 12 months.

The Board is of the view that the discretion in allowing a shorter vesting period in each of the circumstances gives the Company more flexibility to provide competitive remuneration package to reward exceptional performers and grant Award in exceptional circumstances where justified, which is in line with the purpose of the 2023 Share Award Scheme.

- 7.3 If a general offer is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Code)) and such offer becomes or is declared unconditional prior to the Vesting Date, the Board shall determine at its discretion whether such Award Shares shall vest in such Selected Employees and the time at which such Award Shares shall vest.
- 7.4 In the event that a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all Grantees on the same day as it despatches to the Shareholders the notice convening the general meeting. Notwithstanding any other terms on which the Award was granted, the Shares underlying the Award (to the extent not being vested) shall vest in such Grantees.

- 7.5 If a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purposes of a scheme for the reconstruction of the Company or its amalgamation with any other companies pursuant to the laws of the jurisdiction in which the Company was incorporated, the Company shall give notice to all the Grantees on the same day as it gives notice convening the general meeting to its Shareholders or creditors summoning the meeting to consider such a compromise or arrangement and the Shares underlying the Award (to the extent not being vested) shall vest in such Grantees.
- 7.6 If a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of the amalgamation of the Company with or its takeover by any other company prior to the Vesting Date, the Company shall give notice to the Grantees on the same date as it despatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and upon such compromise or arrangement being sanctioned by the court and becoming effective. All Awards that have not been vested shall immediately vest on such effective date and such date shall be deemed the Vesting Date.

The Directors are of the view that the Vesting Period for Awards granted to Selected Employee may be less than 12 months under specific circumstances as set out above is appropriate because such arrangement is in line with the requirements under the Listing Rules and market practice, and gives the Company flexibility to provide a competitive remuneration package to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, which is in line with the purpose of the 2023 Share Award Scheme.

- 7.7 A Selected Employee shall not have any interest or rights (including the right to receive dividends) in the Award Shares under an Award prior to the Vesting Date; and a Selected Employee shall have no voting rights in the Award Shares under an Award prior to the Vesting Date. The Award Shares to be allotted and issued shall rank pari passu with the fully paid Shares in issue on the date of allotment.

8. PERFORMANCE TARGET

The Board may at its discretion specify any condition in the Award Letter at the grant of the relevant Awards which must be satisfied before the vesting of the Awards. Save as determined by the Board and provided in the Award Letter, there is no performance target which must be achieved before the vesting of the Awards under the terms of the 2023 Share Award Scheme. The Directors are of the view that the flexibility given to the Directors in relation to the performance targets will place the Group in a better position to reward its employees and retain human resources that are valuable to the growth and development of the Group as a whole.

If performance targets are imposed upon grant of Awards, the Board will have regard to the purpose of the 2023 Share Award Scheme in assessing such performance targets, with reference to factors including but not limited to, as and when appropriate, sales performance (e.g. revenue), operating performance (e.g. profits, operation efficiency in term of cost control), financial performance (e.g. profits, cash flow, earnings, market capitalization, return on equity) of the Group, corporate sustainability parameter (e.g. timeliness and accuracy in handling customer feedback, team work capabilities, adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal business procedures), the satisfaction of which shall be assessed and determined by the Board at its sole discretion.

9. CLAWBACK MECHANISM

In certain circumstances, it may be regarded as inequitable for any Award Shares to be vested or retained, as applicable. Such Award Shares are therefore subject to Clawback, including but not limited to circumstances where such Grantee (i) ceases to be an employee of the Group by reason of the termination of his/her employment on grounds entitling the employer to effect such termination without notice or payment in lieu of notice; (ii) having been convicted of any criminal offence involving his/her integrity or honesty; (iii) has been guilty of persistent or serious misconduct; (iv) has committed any act of bankruptcy; (v) has made any arrangement or composition with his/her creditors generally; or (vi) having done something which brings the Group into disrepute or causes damages to the Group (including, among others, causing material misstatement of the financial statements of the Company), any Award granted to such Grantee (to the extent not being vested) shall lapse immediately and automatically.

If the Grantee ceases to be a Selected Employee for any reason other than the above, the Award (to the extent not being vested) shall lapse forthwith unless the Board determines otherwise in which event the Award (or such remaining part thereof) shall vest.

The Company does not have a policy of clawing back share options or Award Shares that have already been exercised or have already been delivered to Grantee, as the case may be.

10. LAPSE OF AWARD

The Award (to the extent not being vested) shall lapse automatically upon the following events:

- (a) the date on which Grantee (i) ceases to be an employee of the Group by reason of the termination of his/her employment on grounds entitling the employer to effect such termination without notice or payment in lieu of notice; (ii) having been convicted of any criminal offence involving his/her integrity or honesty; (iii) has been guilty of persistent or serious misconduct; (iv) has committed any act of bankruptcy; (v) has made any arrangement or composition with his/her creditors generally; or (vi) having done something which brings the Group into disrepute or causes damages to the Group (including, among others, causing material misstatement of the financial statements of the Company);
- (b) the expiry of any of the periods for accepting or exercising the Award;
- (c) the date on which such Grantee breaching the rule against transferring the Awards; and
- (d) on the date on which an order for the winding up of the Company is made or a resolution is passed for the voluntary winding up of the Company.

11. CANCELLATION OF AWARDS

Any Award granted may not be cancelled except with the consent of the relevant Grantee and the prior approval of the Board. Where the Company cancels Awards and offers new Awards to the same Selected Employee, the offer of such new Awards may only be made with available Awards to the extent not yet granted (excluding the cancelled Awards) within the Scheme Limit pursuant to the requirements of the Listing Rules.

12. SCHEME LIMIT

12.1 The maximum number of Shares which may be allotted and issued in respect of the 2023 Share Award Scheme and any other share scheme(s) of the Company shall not in aggregate exceed 42,750,000 Shares, being 10% of the Shares in issue as at the Adoption Date. Unless expressly approved by the Shareholders at general meeting and expressly allowed by the Stock Exchange, no any options or awards may be granted under any share schemes of the Company if the grant of such options or awards would result in the Scheme Limit being exceeded.

12.2 Any options or awards lapsed in accordance with the terms of the respective share scheme of the Company will not be regarded as utilised for the purpose of calculating the Scheme Limit.

12.3 The Company may seek approval of the Shareholders at general meeting for refreshing the Scheme Limit after three (3) years from (i) the Adoption Date; or (ii) the date of the Shareholders' approval for the last refreshment (as the case may be). In any event, the total number of Shares which may be allotted and issued in respect of the 2023 Share Award Scheme and any other share scheme(s) of the Company shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the refreshed limit. Any refreshment to the Scheme Limit within any three-year period must be approved by the Shareholders, where any controlling Shareholder and his associates (or if there is no controlling shareholder, Directors

(excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting and in accordance with the requirements under the Listing Rules. Such requirements are not applicable 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 Limit (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Scheme Limit immediately before the issue of securities, rounded to the nearest whole Share.

12.4 For the purpose of seeking approval of the Shareholders at general meeting for refreshing the Scheme Limit, the Company must send a circular to the Shareholders containing the information as required by the Listing Rules from time to time, including the reason for the refreshment.

12.5 No Award may be granted to any one Selected Employee such that the total number of Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the respective share scheme of the Company) in any 12-month period up to and including the date of such grant exceeds 1% of the issued Shares from time to time, unless such grant is separately approved by the Shareholders in general meeting with such grantee and his/her close associates (with the meaning ascribed thereto under the Listing Rules) abstaining from voting in accordance with Rules 17.03D(1) of the Listing Rules. In such case, the Company shall send a circular to the Shareholders containing the identity of each Selected Employee who may be granted such Award, the number and terms of the Awards to be granted to each Selected Employee (and those previously granted to such participant in the 12-month period), the purpose of granting Awards to the Selected Employee with an explanation as to how the terms of the Awards serve such purpose and other relevant requirements under the Listing Rules. The number and terms of Awards to be granted to such Selected Employee must be fixed before the Shareholders' approval.

13. DISPUTES

Any dispute arising in connection with the 2023 Share Award 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 2023 SHARE AWARD SCHEME

The 2023 Share Award Scheme may be altered by a resolution of the Board. However, provided that any amendments to the terms of the 2023 Share Award Scheme shall comply with the applicable requirements of Chapter 17 of the Listing Rules, a prior approval of the Shareholders in general meeting by ordinary resolution is required for the following matters:

- (a) any alterations to the terms and conditions of the 2023 Share Award Scheme which are material in nature or any alterations to the provisions of the 2023 Share Award Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Selected Employees;
- (b) any change to the authority of the Board to alter the terms of the 2023 Share Award Scheme; and
- (c) any alteration to the aforesaid alteration provisions.

Any alteration to the terms and conditions of the Awards granted to a Selected Employee 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 and/or the independent non-executive Directors and/or the Shareholders (as the case may be).

15. ADJUSTMENTS

Upon the occurrence of capitalisation issue, rights issue, sub-division or consolidation of the Shares or reduction of share capital of the Company, except where the Shares are issued as consideration or part consideration in a transaction), the number and the subscription price 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 the 2023 Share Award Scheme for such Selected Employee(s). The adjustment must give a Selected Employee the same proportion of the Award Shares, rounded to the nearest whole Share, as that to which he/she 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).

16. TERMINATION

The Company may by resolution in general meeting at any time terminate the 2023 Share Award Scheme and in such event no further Award shall be granted but the provisions of the 2023 Share Award Scheme shall remain in force and effect in all other respects. All Awards granted prior to such termination and not then vested shall continue to be valid and be vested upon expiry of the relevant Vesting Period, subject to and in accordance with the 2023 Share Award Scheme.

17. MISCELLANEOUS

- 17.1 The 2023 Share Award Scheme shall not form part of any contract of employment, service contract or engagement contract between the member of the Group and any Selected Employees, and the rights and obligations of any Selected Employees under the terms of his office, employment, appointment or engagement shall not be affected by his participation in the 2023 Share Award Scheme or any right which he may have to participate in it and the 2023 Share Award Scheme shall afford such an Selected Employees no additional rights to compensation or damages in consequence of the termination of such office, employment, appointment or engagement for any reason.
- 17.2 The 2023 Share Award Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.
- 17.3 The Company shall bear the costs of establishing and administering the 2023 Share Award Scheme, including any costs of the Auditors and the independent financial advisers in relation to the preparation of any certificate by them or providing any other service in relation to this scheme.
- 17.3 Any direct costs and expenses arising on the vesting and issue of the Award Shares to or for the benefit of a Grantee shall be borne by the Company.
- 17.4 A Grantee shall pay all tax and discharge all other liabilities to which the person may become subject as a result of his participation in the 2023 Share Award Scheme or the exercise of any Award.
- 17.5 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong and, in the case of the Grantee, his address in Hong Kong as notified to the Company from time to time or, if none or incorrect or out of date, his last place of employment with the Company or the Company's principal place of business in Hong Kong from time to time.

17.6 Any notice or other communication if sent by the Grantee shall be irrevocable and shall not be effective until actually received by the Company.

17.7 A Grantee shall, before accepting an Offer or exercising his Award, obtain all necessary consents and approvals that may be required to enable him to accept the Offer or to exercise the Award and the Company to allot and issue to him in accordance with the provisions of this scheme the Shares falling to be allotted and issued upon the exercise of his Award. By accepting an Offer or exercising his Award, the Grantee thereof is deemed to have represented to the Company that the person has obtained all such consents and approvals. Compliance with this paragraph shall be a condition precedent to an acceptance of an Offer by a Grantee and an exercise by a Grantee of his Award.

17.8 By accepting an Offer a Grantee shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever to any sum or other benefit to compensate him for loss of any rights under this scheme.

18. GOVERNING LAW

18.1 The 2023 Share Award shall operate subject to the Articles of Association of the Company, any applicable law, regulations, rules and codes from time to time.

18.2 The 2023 Share Award shall be governed by and construed in accordance with the laws of Hong Kong in force from time to time.