



MANWAH

MAN WAH HOLDINGS LIMITED

敏華控股有限公司

(Incorporated in Bermuda with limited liability)

MAN WAH HOLDINGS LIMITED

(Stock Code: 01999)

RULES RELATING TO

THE 2024 SHARE AWARD SCHEME

(Adopted on [24 June 2024])

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1. DEFINITIONS AND INTERPRETATION

1.1 In these Scheme Rules, unless the context otherwise requires, each of the following words and expressions shall have the meaning respectively shown opposite to it:

“Adoption Date”	means the date on which the Shareholders adopted the Scheme;
“Actual Selling Price”	an amount equal to the actual price at which Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy, the Accounting and Financial Reporting Council transaction levy and any other applicable costs) in the circumstances contemplated in Rules 13.3 or 13.4;
“associate”	shall have the meaning given to it in the Listing Rules;
“Award”	an award granted under the Scheme by the Scheme Administrator to a Grantee and vests in the form of the right to subscribe for and/or to be issued such number of Award Shares as the Scheme Administrator may determine at the Issue Price in accordance with the terms of the Scheme Rules;
“Award Letter”	shall have the meaning as set out in Rule 10.1;
“Award Shares”	new Shares underlying an Award;
“Board”	the board of Directors;
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities;
“Bye-laws”	the bye-laws of the Company, as amended from time to time;
“Cap”	means, where an Award specifies a cash amount in respect of which the Grantee would receive a Share equivalent on vesting (calculated by dividing the specified cash amount by the Market Price), the cap on the number of Shares the Grantee may receive as determined by the Scheme Administrator to ensure that regardless of Market Price fluctuations and any Discount applied, no Scheme limits would be exceeded as a result of the grant of Award and vesting thereof;
“chief executive”	shall have the meaning given to it in the Listing Rules;
“close associate”	shall have the meaning given to it in the Listing Rules;
“Company”	Man Wah Holdings Limited 敏華控股有限公司, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange;
“connected person”	shall have the meaning given to it in the Listing Rules;
“Director”	a director of the Company;

“Discount”	means, where an Award specifies a cash amount in respect of which the Grantee would receive a Share equivalent on vesting (calculated by dividing the specified cash amount by the Market Price, and subject always to a Cap), any downward adjustment to the Market Price as may be determined by the Scheme Administrator;
“Eligible Participant”	an Employee Participant;
“Employee Participant”	any person who is an employee (whether full-time or part-time), director or officer of any member of the Group on the Grant Date, including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with any member of the Group, provided that a person shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) any transfer of employment amongst members of the Group or any successor, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment;
“Grant Date”	the date on which the grant of an Award is made to a Grantee, being the date of the Award Letter in respect of such Award;
“Grantee”	any Eligible Participant approved for participation in the Scheme and who has been granted any Award pursuant to Rule 8.1;
“Group”	the Company and its subsidiaries from time to time, and the expression “member of the Group” shall be construed accordingly;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Price”	in respect of any Award, the price per share a Grantee is required to pay to subscribe for the Shares constituting the Award;
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Market Price”	means the highest of (i) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the 5 trading days immediately preceding the relevant Vesting Date; (ii) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets on the relevant Vesting Date (and if such date is not a trading day, then the trading day immediately preceding the relevant Vesting Date); and (iii) the par value of the Shares;
“Scheme”	this share scheme constituted by the Scheme Rules;

“Scheme Administrator”	the Board and/or any committee of the Board or other persons to whom the Board has delegated its authority to administer the Scheme in accordance with the Scheme Rules;
“Scheme Mandate Limit”	shall have the meaning set out in Rule 6.1, as increased, refreshed or renewed from time to time in accordance with the Scheme Rules;
“Scheme Period”	the period of 10 years commencing on the Adoption Date and ending on the 10th anniversary of the Adoption Date;
“Scheme Rules”	the rules set out herein relating to the Scheme as amended from time to time;
“SFC”	the Securities and Futures Commission of Hong Kong;
“Shares”	ordinary shares with a par value of HK\$0.40 each in the share capital of the Company, or, if there has been a sub-division, consolidation, re-classification or re-construction of the share capital of the Company, shares forming part of the ordinary share capital of the Company of such other nominal amount as shall result from such sub-division, consolidation, re-classification or re-construction;
“Share Registrar”	the Hong Kong branch share registrar of the Company;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	shall have the meaning given to it in the Listing Rules;
“substantial shareholder”	shall have the meaning given to it in the Listing Rules;
“Taxes”	shall have the meaning as set out in Rule 14;
“Trust”	any trust or similar arrangement established for the purposes of implementing and administering the Scheme;
“Trust Deed”	the deed constituting and/or governing any Trust or such other governing documents or custodian arrangements entered into between the Company and any Trustee as the Scheme Administrator considers appropriate;
“Trustee”	any trustee or other third party appointed by the Company to hold Shares under a Trust pursuant to a Trust Deed; and
“Vesting Date”	the date or dates on which an Award (or part thereof) is to vest in the relevant Grantee, as determined from time to time by the Scheme Administrator pursuant to Rule 11.1, unless a different Vesting Date is deemed to occur in accordance with Rule 21.1.

1.2 In these Scheme Rules, except where the context otherwise requires:

- (a) references to Rules are to rules of the Scheme Rules;
- (b) references to times of the day are to Hong Kong time;
- (c) if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;
- (d) a reference to “**dollars**” or to “**\$**” shall be construed as a reference to the lawful currency for the time being of Hong Kong;
- (e) a reference to statutes, statutory provisions or the Listing Rules shall be construed as references to those statutes, provisions or rules as respectively amended or re-enacted and shall include any orders, regulations, instruments, subsidiary legislation, other subordinate legislation or practice notes under the relevant statute, provision or Listing Rule;
- (f) unless otherwise indicated, the Board can make determinations in its absolute discretion and if the Board delegates its authority to administer the Scheme to a Scheme Administrator, such Scheme Administrator shall enjoy the same absolute discretion;
- (g) a reference to “**include**”, “**includes**” and “**including**” shall be deemed to be followed by the words “**without limitation**”;
- (h) words importing the singular include the plural and vice versa, and words importing a gender include every gender;
- (i) headings are included in the Scheme Rules for convenience only and do not affect its interpretation;
- (j) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same; and
- (k) references to person includes any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity.

2. CONDITIONS

- 2.1 The Scheme shall become effective upon the passing of a resolution by the Shareholders to approve the adoption of the Scheme.

3. PURPOSE OF THE SCHEME

- 3.1 The purpose of the Scheme is:

- (a) to provide the Company with a flexible means of remunerating, incentivising, retaining, rewarding, compensating and/or providing benefits to Eligible Participants;
- (b) to align the interests of Eligible Participants with those of the Company and Shareholders by providing such Eligible Participants with the opportunity to acquire proprietary interests in the Company and becoming Shareholders; and

- (c) to encourage Eligible Participants to contribute to the long-term growth, performance and profitability of the Company and to enhance the value of the Company and its Shares for the benefit of the Company and Shareholders as a whole.

4. ELIGIBLE PARTICIPANTS

- 4.1 Eligible Participants as determined by the Scheme Administrator from time to time shall be eligible to participate in the Scheme.
- 4.2 No person who is resident in a place where the grant or acceptance of an Award pursuant to the Scheme is not permitted under, or contrary to, the laws and regulations of such place or where, in the view of the Scheme Administrator, applicable laws and regulations in such place makes it necessary or expedient to exclude such person, shall be entitled to participate in the Scheme and such person shall therefore not be an Eligible Participant for the purposes of the Scheme.
- 4.3 In assessing the eligibility of Employee Participants, the Board will consider all relevant factors as appropriate, including, 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 expected to be made to the growth of the Group with reference to their historical contribution; (iv) their length of engagement or employment with the Group; and (v) their educational and professional qualifications, and knowledge in the industry.

5. DURATION

- 5.1 Subject to Rule 23, the Scheme shall be valid and effective for the Scheme Period, after which no further Awards will be granted under the Scheme, and thereafter for so long as there are any unvested Awards granted prior to the expiration of the Scheme Period, in order to give effect to the vesting of such Awards or otherwise as may be required in accordance with the provisions of the Scheme Rules.

6. SCHEME LIMITS

- 6.1 The total number of Award Shares which may be issued pursuant to all Awards to be granted under the Scheme together with the number of Shares which may be issued under any other share schemes of the Company that are funded by the issuance of new Shares is [387,753,760] Shares, being not more than 10% of the Shares in issue as at the Adoption Date (the “**Scheme Mandate Limit**”).
- 6.2 Shares which would have been issued pursuant to Awards which have lapsed in accordance with the terms of the Scheme Rules (or the terms of any other share schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- 6.3 The Company may refresh the Scheme Mandate Limit:
 - (a) from the later of three years after the Adoption Date or three years after the date of the previous shareholder approval for refreshment of the Scheme Mandate Limit pursuant to this Rule, with the prior approval of Shareholders in general meeting by way of ordinary resolution; or
 - (b) at any time, with the prior approval of the Shareholders in general meeting and subject to compliance with any additional requirements set out in the Listing Rules.

- 6.4 The total number of Shares which may be issued in respect of all Awards to be granted under the Scheme together with any options/awards granted under any other schemes of the Company under the Scheme Mandate Limit as refreshed pursuant to Rule 6.3 shall not exceed 10% of the Shares in issue as at the date of the approval to refresh the Scheme Mandate Limit by the Shareholders in general meeting. Awards already granted under the Scheme and any other share schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with its terms) shall not be counted for the purpose of calculating the number of Award Shares that may be issued under the Scheme Mandate Limit as refreshed.
- 6.5 The Company may seek separate approval of the Shareholders in general meeting to grant Awards beyond the Scheme Mandate Limit to Eligible Participants specifically identified by the Company, subject to compliance with the requirements set out in the Listing Rules.

7. ADMINISTRATION

- 7.1 The Scheme Administrator shall be responsible and have full authority for administering the Scheme in accordance with the Scheme Rules.
- 7.2 Decisions of the Scheme Administrator in relation to the operation of the Scheme or interpretation of the Scheme Rules shall be final and binding on all parties.
- 7.3 The Scheme Administrator may from time to time appoint one or more administrators, who may be independent third-party contractors, to assist in the administration of the Scheme, to whom they may delegate such functions relating to the administration of the Scheme as they may think fit. The duration of office, terms of reference and remuneration (if any) of such administrators shall be determined by the Scheme Administrator.
- 7.4 Subject to the Scheme Rules and any applicable laws, rules and regulations, the Scheme Administrator shall have the power from time to time to:
- (a) construe and interpret the Scheme Rules and the terms of the Awards granted from time to time;
 - (b) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the Scheme, provided that they are not inconsistent with the Scheme Rules;
 - (c) establish a Trust, appoint a Trustee, approve the terms of any Trust Deed and make such other arrangements for the implementation and administration of the Scheme as they shall see fit pursuant to Rule 7.7;
 - (d) grant Awards to those Eligible Participants whom they shall select from time to time;
 - (e) take actions on behalf of the Company to allot and issue Award Shares underlying Awards from time to time;
 - (f) determine the terms and conditions of Awards granted under the Scheme including but not limited to number of Awards, Issue Price, Vesting Dates, vesting criteria, performance targets, clawback arrangements and other conditions;
 - (g) approve the form of Award Letters;

- (h) decide how the vesting of the Award Shares will be settled pursuant to Rules 13;
 - (i) make such appropriate and equitable adjustments to the terms of Awards granted under the Scheme as they deem necessary;
 - (j) determine the commencement or termination date of an Eligible Participant's or Grantee's employment with any member of the Group; and
 - (k) take such other steps or actions as they deem necessary or prudent to give effect to the terms and intent of the Scheme Rules and/or Awards.
- 7.5 None of the Directors or any Scheme Administrator shall be personally liable by reason of any contract or other instrument executed by him/her, or on his/her behalf or for any mistake of judgment made in good faith, for the purposes of the Scheme, and the Company shall indemnify and hold harmless each member of the Board and any Scheme Administrator against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such person's wilful default, gross negligence, fraud or bad faith.
- 7.6 In respect of the administration of the Scheme, the Company shall comply with all applicable shareholder approval, announcement, circular and reporting requirements imposed by the Listing Rules.
- 7.7 The Company may establish a Trust and appoint a Trustee to hold Shares and other trust property under the Trust for the purposes of implementing and administering the Scheme. The administration and operation of the Trust shall be governed by the Trust Deed. Unless otherwise agreed between the Company and any Trustee, the Scheme Administrator shall act on behalf of the Company to give instructions to and direct the Trustee. The Company may issue and allot to the Trustee, on terms and at issue prices (including at par value) as shall be determined by the Scheme Administrator, the relevant number of Shares issuable in respect of any Awards, to be held by the Trustee on the terms of the Trust Deed and reserved for specified Eligible Participants. A Trustee shall not exercise any voting rights in respect of any unvested Shares held by it, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

8. GRANT OF AWARDS

- 8.1 The Scheme Administrator may, from time to time, in its absolute discretion select any Eligible Participant to be a Grantee and, subject to these Scheme Rules and all applicable laws, rules and regulations (including the Listing Rules), grant an Award to such Grantee during the Scheme Period. The nature, amount, terms and conditions of any such Award so granted shall be determined by the Scheme Administrator in their sole and absolute discretion.
- 8.2 In determining the number of Shares to be subject to the Award, the Scheme Administrator shall specify:
- (a) the number of Shares the Grantee shall receive upon vesting; or
 - (b) a cash amount which would entitle the Grantee to receive a corresponding number of Shares upon vesting based on the Market Price of the Shares on the Vesting Date (as adjusted by any Discount), subject always to a Cap to be determined by the Scheme

Administrator to ensure that regardless of Market Price fluctuations, no Scheme limits would be exceeded as a result of the grant of Award and vesting thereof.

- 8.3 The Scheme Administrator 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.
- 8.4 The Issue Price shall be such price determined by the Scheme Administrator on an individual basis and notified to the Grantee in the Award Letter. For the avoidance of doubt, the Scheme Administrator may determine the Issue Price to be at nil consideration.

9. LIMITS ON GRANTS OF AWARDS

- 9.1 Unless approved by the Shareholders in the manner set out in this Rule, the total number of Shares issued and to be issued in respect of all Awards granted under the Scheme together with any options/awards granted under any other share schemes of the Company to each Eligible Participant (excluding any options/awards lapsed) in any 12-month period up to and including the date of such grant shall not exceed 1% of the total number of Shares in issue on the date of such grant. Any further grant of Awards to an Eligible Participant which would exceed this limit shall be subject to the relevant requirements in the Listing Rules, including separate approval of the Shareholders in general meeting with the relevant Eligible Participant and their close associates (or associates if the relevant Eligible Participant is a connected person) abstaining from voting. A circular shall be sent to the Shareholders disclosing the information required to be disclosed under the Listing Rules. The number and terms of the Awards to be granted to such Eligible Participant shall be fixed before the Shareholders' approval is sought.
- 9.2 Any grant of Awards to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the remuneration committee of the Board (excluding any member who is the proposed grantee) and the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee). In addition:
- (a) where any grant of Awards to any Director (other than an independent non-executive Director) or chief executive of the Company (or any of their respective associates) would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed) 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 on 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 their respective associates) would result in the number of Shares issued and to be issued in respect of all options/awards granted (excluding any options/awards lapsed) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of Shares in issue on the date of such grant;

such further grant of Awards must be approved by the Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

- 9.3 No Award shall be granted to any Eligible Participant nor shall a Vesting Date occur:

- (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 applicable rules, regulations or law;
- (b) where the Company is in possession of any unpublished inside information in relation to the Company, until (and including) the trading day after such inside information has been announced;
- (c) during the periods commencing one month immediately before the earlier of the date of the Board meeting for approving the Company's results for any year, half-year, quarterly or any other interim period and the deadline for the Company to announce such results, and ending on (and including) the trading day after the date of publication of the results announcement, provided that such period will also cover any period of delay in the publication of any results announcement;
- (d) if any member of the Group is required under applicable laws, rules or regulations to issue a prospectus or other offer documents in respect of such grant or the Scheme;
- (e) where such grant or dealing in the Shares in respect of such grant would result in a breach by any member of the Group or any of its directors of any applicable laws, rules, regulations or codes in any jurisdiction from time to time;
- (f) in circumstances where the requisite approval from any applicable governmental or regulatory authority has not been obtained, provided that to the extent permissible in accordance with applicable laws, rules and regulations an Award may be made conditional upon such approval being obtained;
- (g) in circumstances which would result in a breach of the Scheme Mandate Limit, provided that to the extent permissible in accordance with applicable laws, rules and regulations an Award may be made conditional upon the Scheme Mandate Limit being refreshed or approval of Shareholders being otherwise obtained; or
- (h) where such Award is to a connected person and under the Listing Rules requires the specific approval of Shareholders, until such approval of Shareholders is obtained, provided that to the extent permissible in accordance with applicable laws, rules and regulations an Award may be made conditional upon such specific shareholder approval being obtained,

and any such grant or vesting so made (or made without being subject to the necessary conditions contemplated by this Rule) shall be null and void to the extent (and only to the extent) that it falls within the circumstances described above.

10. AWARD LETTER

- 10.1 The Company shall, in respect of each Award, on the Grant Date issue a letter to each Grantee in such form as the Scheme Administrator may from time to time determine setting out the terms and conditions of the Award (an "**Award Letter**"), which may include the number of Shares in respect of which the Award relates (either by specifying (i) the number of Shares the Grantee will receive upon vesting; or (ii) a cash amount which would entitle the Grantee to receive a corresponding number of Shares upon vesting based on the Market Price of the Shares on the Vesting Date (as

adjusted by any Discount), subject always to a Cap to be determined by Scheme Administrator to ensure that regardless of Market Price fluctuations, no Scheme limits would be exceeded as a result of the grant of Award and vesting thereof) or the Issue Price (as applicable), the vesting criteria and conditions, the Vesting Date, any minimum performance targets that must be achieved and any such other details as the Scheme Administrator may consider necessary, and requiring the Grantee to undertake to hold the Award on the terms of the Award Letter and be bound by the provisions of the Scheme Rules.

10.2 To the extent that Awards shall be satisfied by way of issue and allotment of new Shares, the grant of such Awards shall be conditional upon the Listing Committee of the Stock Exchange having granted approval for the listing of, and permission to deal in, such Shares and the satisfaction of any other conditions as may be considered necessary or appropriate by the Scheme Administrator.

10.3 Unless otherwise specified in the Award Letter:

- (a) a Grantee shall have 10 Business Days from the Grant Date to accept the Award. A Grantee may accept an Award by giving written notice of their acceptance to the Company or the Scheme Administrator, together with remittance in favour of the Company of any consideration payable upon grant of the Award;
- (b) any Award may be accepted in whole or in part provided that it must be accepted in respect of a board lot for dealing in Shares or a multiple thereof; and
- (c) to the extent that an Award is not accepted within the time and in the manner indicated in this Rule, it shall be deemed to have been irrevocably declined and shall automatically lapse, unless the Scheme Administrator determines otherwise at its absolute discretion.

11. VESTING OF AWARDS

11.1 The Scheme Administrator may in respect of each Award and subject to all applicable laws, rules and regulations determine the applicable Vesting Dates and/or any other criteria and conditions for vesting of the Awards in its sole and absolute discretion. The relevant Vesting Date of any Award and any other criteria or conditions for vesting shall be set out in the Award Letter.

11.2 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 Rule 12;
- (d) grants of Awards that are made in batches during a year for administrative and compliance reasons, in which case the vesting period may be shortened to take into account 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 vesting schedule such that the Awards vest evenly over a period of 12 months; or
 - (f) grants of Awards with a total vesting and holding period of more than 12 months.
- 11.3 If a Vesting Date is not a Business Day, such Vesting Date shall, subject to any trading halt or suspension of dealings in the Shares on the Stock Exchange, be deemed to be the next Business Day immediately thereafter.

12. PERFORMANCE TARGETS

- 12.1 The Scheme Administrator 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 on a case-by-case basis. Any such performance targets, criteria or conditions shall be set out in the Award Letter.
- 12.2 The performance targets refer to any performance measures, or derivations of such performance measures that may be related to the individual Grantee or the Group as a whole, or to a subsidiary, division, department, region, function or business unit of the Company. The Scheme Administrator shall take into account the following general factors in making such determination, including but not limited to (i) the financial results, operation performance, business growth or other indicators of the Group (or any of its segments); and (ii) the contribution, work performance as well as other specific personal factors of the individual Grantee that the Scheme Administrator may consider relevant. The Scheme Administrator shall also establish robust mechanisms to ensure impartial evaluation of such indicators. For the avoidance of doubt, an Award shall not be subject to any performance targets, criteria or conditions if none are set out in the relevant Award Letter.
- 12.3 The performance targets will be assessed periodically, on an absolute basis or a relative basis (such as relative to a pre-established target, to previous year's results or to a designated comparison group), in each case as specified by the Scheme Administrator in its sole discretion.
- 12.4 Where a Grantee is an independent non-executive Director, the vesting of Awards shall not be subject to performance target, unless the Scheme Administrator is satisfied that the existence of such target will not lead to any bias in the decision-making or compromise the objectivity and independence of such Grantee in the course of performance by him of his duties as an independent non-executive Director.

13. EVENTS AFTER VESTING DATE

- 13.1 After the applicable Vesting Date for any Award, within 10 Business Days following the Vesting Date, subject to receipt in full of the Issue Price payable (if any) multiplied by the number of Award Shares to be issued pursuant to the relevant Award, the Company shall allot and issue to the Grantee the relevant number of Award Shares constituting the Award, credited as fully paid and instruct the Share Registrar to issue to the Grantee a share certificate in respect of the Award Shares so allotted and issued, subject to the Grantee executing and delivering all such forms and instruments and providing such instructions in the manner as shall be required by the Scheme Administrator or any designated third party.
- 13.2 The Award Shares to be allotted and issued pursuant to Rule 13.1 shall be identical to all existing issued Shares and shall be allotted and issued subject to all the provisions of the Bye-laws 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 Grantee is registered on the register of members of the Company. For the avoidance of doubt, a Grantee 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.

- 13.3 For the purposes of satisfying the issuance of Shares pursuant to Rule 13.1, to the extent that, at the determination of the Scheme Administrator, it is not practicable for the Grantee to receive Award Shares due to applicable legal or regulatory restrictions, the Scheme Administrator may (whether or not through a trustee or other third party) sell on-market through the facilities of the Stock Exchange at prevailing market prices the number of Shares to be issued pursuant to Rule 13.1 and pay to the Grantee the Actual Selling Price of such Shares by remittance to the bank account of the Grantee, details of which the Grantee shall provide to the Scheme Administrator upon request.
- 13.4 In the event that a Trust has been established to implement and administer the Scheme, for the purposes and in lieu of satisfying the requirement to allot and issue Award Shares pursuant to Rule 13.1, the Scheme Administrator may at its discretion direct the Trustee, pursuant to the Trust Deed, to:
- (a) transfer the relevant Award Shares to the Grantee; or
 - (b) hold the relevant number of Award Shares on trust for the Grantee until such time as the Scheme Administrator directs the Trustee to:
 - (i) (A) transfer the relevant Award Shares to the Grantee or (B) sell the Award Shares on-market through the facilities of the Stock Exchange at prevailing market prices and remit the Actual Selling Price to the Grantee; and
 - (ii) remit to the Grantee any Related Income which has accrued in respect of the Award Shares from the relevant Vesting Date through to the date the Scheme Administrator gives a direction to the Trustee pursuant to this Rule.
- 13.5 Any direct costs and expenses arising on the issue of the Award Shares to or for the benefit of a Grantee as contemplated by Rule 13.1 shall be borne by the Company. Any stamp duty, fees, levies, brokerage or other direct costs and expenses arising on the transfer or sale of the Award Shares and payment of the Actual Selling Price as contemplated by Rules 13.3 and 13.4 shall be borne by the Grantee and deducted by the Scheme Administrator from any amounts payable to the Grantee.
- 13.6 At the discretion of the Scheme Administrator and to the extent permitted by the Listing Rules, any obligation to issue or transfer Award Shares to a Grantee pursuant to these Scheme Rules may be satisfied by allotting, issuing or transferring the relevant Award Shares to the Grantee's nominee or depositing the relevant Award Shares in the Grantee's designated securities account held with the Central Clearing and Settlement System operated by The Hong Kong Securities Clearing Company Limited, the details of which the Grantee shall provide to the Scheme Administrator upon request.

14. TAXATION

- 14.1 All taxes (including personal income taxes, capital gains taxes, salary taxes and similar taxes), duties, social security contributions, impositions, charges and other levies arising out of or in

connection with the Grantee's participation in the Scheme or in relation to the Award Shares, Actual Selling Price or Related Income (the "Taxes") received by a Grantee shall be borne by such Grantee and neither the Company nor any designated third party shall be liable for any Taxes. Each Grantee by its acceptance of any grant of Awards agrees to and will indemnify each member of the Group, the Trustee and any designated third party against any liability they may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this, the Company, Trustee or other designated third party may:

- (a) reduce or withhold such number of the Award Shares to be issued or transferred, or Actual Selling Price or Related Income paid, to the Grantee as may be necessary to settle any Taxes (the number of Award Shares 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 Scheme Administrator is sufficient to cover any such liability);
- (b) sell, on the Grantee's behalf, such number of Award Shares as may be necessary to settle any Taxes and retain the proceeds and/or pay them to the relevant authorities or government agency;
- (c) deduct or withhold, without notice to the Grantee, the amount of any such liability from any payment to the Grantee made under the Scheme or from any payments due from a member of the Group to the Grantee, including from the salary payable to the Grantee by any member of the Group; and/or
- (d) require the Grantee to remit to any member of the Group or the Trustee 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 any member of the Group or Trustee on account of the Grantee or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

The Company and Trustee shall not be obliged to issue or transfer any Award Shares or pay any Actual Selling Price or Related Income to a Grantee unless and until the Grantee satisfies the Company (in the opinion of the Scheme Administrator) that such Grantee's obligations for Taxes under this Rule have been met.

15. VOTING, DIVIDEND, TRANSFER AND OTHER RIGHTS

- 15.1 Awards do not carry any right to vote at general meetings of the Company, nor any right to dividends, transfer or other rights. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Award Shares are issued or transferred to the Grantee pursuant to the vesting of such Awards. Subject to the foregoing, the Shares to be delivered to the Grantee upon the vesting of the Award shall be subject to all the provisions of the Bye-laws and shall rank *pari passu* in all respects with, and shall have the same dividends, transfer or other rights as the existing fully paid Shares in issue on the date on which those Shares are delivered pursuant to the vesting of the Award.

16. CANCELLATION OF AWARDS

- 16.1 Any Awards granted but not vested may be cancelled by the Scheme Administrator at any time with the prior consent of the Grantee.

16.2 Issuance of new Awards to the same Grantee whose Awards have been cancelled pursuant to Rule 16.1 may only be made if there are unissued Awards available under the Scheme Mandate Limit (excluding the Awards of the relevant Grantee cancelled pursuant to Rule 16.1) and in compliance with the terms of the Scheme.

17. CLAWBACK

17.1 In the event that:

- (a) a Grantee ceases to be an Eligible Participant by reason of the termination of his/her employment or contractual engagement with the Group for cause or without notice, or as a result of being charged/penalised/convicted of an offence involving the Grantee's integrity or honesty;
- (b) a Grantee has engaged in serious misconduct or breaches the terms, including with respect to a policy or code of or other agreement with the Group, which is considered to be material; or
- (c) the Award to the Grantee will no longer be appropriate and aligned with the purpose of the Scheme,

then the Scheme Administrator may make a determination at its absolute discretion that: (A) any Awards issued to that Grantee but not yet vested shall immediately lapse, regardless of whether such Awards have vested or not, (B) with respect to any Award Shares issued or transferred to that Grantee, the Grantee shall be required to transfer back to the Company or its nominee (1) the equivalent number of Shares, (2) an amount in cash equal to the market value of such Shares, or (3) a combination of (1) and (2), and/or (C) with respect to any Award Shares held by the Trustee for the benefit of the Grantee, those Award Shares shall no longer be held on trust for nor inure to the benefit of the Grantee.

18. TRANSFERABILITY

18.1 Awards shall be personal to the Grantee to whom they are made and shall not be assignable or transferable, except in circumstances where the written consent of the Company has been obtained and a waiver has been granted by the Stock Exchange for such transfer in compliance with the requirements of the Listing Rules and provided that any such transferee agrees to be bound by these Scheme Rules and the relevant Award Letter as if the transferee were the Grantee.

18.2 Any breach of Rule 18.1 shall render the applicable Awards to be deemed lapsed in accordance with Rule 20.1(d). For this purpose, a determination by the Scheme Administrator to the effect that a breach of Rule 18.1 has occurred shall be final and conclusive.

19. LAPSE OF AWARDS

19.1 Without prejudice to the authority of the Scheme Administrator to provide additional situations when an Award shall lapse in the terms of any Award Letter, an Award shall lapse automatically (to the extent not already vested) on the earliest of:

- (a) the clawback mechanism set out in Rule 17 being triggered;
- (b) the expiry of any of the periods for accepting such Award;

- (c) in respect of Awards which are subject to performance target(s) or other vesting condition(s), the Grantee fails to satisfy any performance target(s) or such other condition(s) as set out in the Award Letter;
- (d) the date on which the Grantee commits a breach of Rule 18; and
- (e) the date on which the Grantee forfeits the Award.

19.2 The Scheme Administrator shall have the power to decide whether an Award shall lapse and its decision shall be binding and conclusive on all parties. The Company shall not owe any liability to any Grantee for the lapse of any Award under this Rule 19.

20. ALTERATIONS IN SHARE CAPITAL

20.1 In the event of any alteration in the capital structure of the Company by way of capitalization 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 Scheme Administrator shall make such corresponding adjustments, if any, as the Scheme Administrator in its discretion may deem appropriate to reflect such change with respect to:

- (a) 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;
- (b) the number of Shares in each Award to the extent any Award has not vested;
- (c) the Issue Price of any Award,

or any combination thereof, as the Auditors or a financial adviser 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 Grantee, provided always that (i) any such adjustments should give each Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as that to which that Grantee 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. The capacity of the Auditors or financial adviser (as the case may be) in this Rule 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 Grantees.

21. CHANGE OF CONTROL

21.1 If there is a change in control of the Company as a result of a merger, scheme of arrangement or general offer, the Scheme Administrator shall at its sole discretion determine whether the Vesting Dates of any Awards will be accelerated and/or the vesting conditions or criteria of any Awards will be amended or waived, and notify Grantees accordingly.

21.2 For the purpose of Rule 21.1, “**control**” shall have the meaning given to it in The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC.

22. AMENDMENT OF SCHEME OR AWARDS

- 22.1 Subject to the provisions of this Rule 22, the Scheme Administrator may amend any of the provisions of the Scheme or any Awards granted under the Scheme at any time and in any respect, provided that the terms of the Scheme or Awards so altered must comply with the relevant requirements of Chapter 17 of the Listing Rules.
- 22.2 No amendment or alteration shall be made to any provisions of the Scheme or any Awards granted under the Scheme to the extent that such amendment or alteration has a material adverse effect on any subsisting rights of any Grantee at that date in respect of Awards already granted to that Grantee and to the extent that such Awards have not vested or lapsed, without such Grantee's consent, provided that no such consent shall be required if the Scheme Administrator determines in its sole discretion that such amendment or alteration either:
- (a) is necessary or advisable in order for the Company, the Scheme or the Award to satisfy any applicable law or Listing Rules or to meet the requirements of, or avoid adverse consequences under, any accounting standard; or
 - (b) is not reasonably likely to diminish materially the benefits provided under such Award, or that any such diminishment has been adequately compensated.
- 22.3 The approval of the Shareholders in general meeting is required for any amendment or alteration to the terms of the Scheme which are of a material nature or to those provisions of
- 22.4 Any amendment or alteration to the terms of any Award the grant of which was subject to the approval of a particular body (such as the Board or any committee thereof, the independent non-executive Directors, or the Shareholders in general meeting) shall be subject to approval by that same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of the Scheme. Without limiting the generality of the foregoing, any change in the terms of Awards granted to any Grantee who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in general meeting in the manner required in the Listing Rules if the initial grant of the Awards requires such approval (except where the changes take effect automatically under the rules of the Scheme).
- 22.5 Any change to the authority of the Scheme Administrator, including under this Rule 22, to alter the terms of the Scheme shall be subject to the approval of the Shareholders in general meeting.

23. TERMINATION

- 23.1 Subject to Rule 23.2, the Scheme shall terminate on the earlier of:
- (a) the expiry of the Scheme Period; and
 - (b) such date of early termination as determined by the Board, following which no further Awards will be offered or granted under the Scheme, provided that notwithstanding such termination, the Scheme and the Scheme Rules shall continue to be valid and effective to the extent necessary to give effect to the vesting of any Awards granted prior to the termination of the Scheme and such termination shall not affect any subsisting rights already granted to any Grantee hereunder.

23.2 Awards complying with the provisions of Chapter 17 of the Listing Rules which are granted during the life of the Scheme and remaining unvested and unexpired immediately prior to the termination of the operation of the Scheme in accordance with Rule 23.1 shall continue to be valid in accordance with their terms of issue after the termination of the Scheme.

24. MISCELLANEOUS

24.1 The Scheme shall not form part of any contract of employment or other contract between the Group and any Eligible Participant or Grantee, and the rights and obligations of any Eligible Participant or Grantee under the terms of his/her office or employment or engagement shall not be affected by his/her participation in the Scheme or any right which he/she may have to participate in it, and the Scheme shall afford such Eligible Participant or Grantee no additional rights to compensation or damages in consequence of the termination of such office or employment or engagement for any reason.

24.2 The Company shall not be responsible to (i) any Eligible Participant or Grantee for any failure by the Company or any person involved in the management or administration of the Scheme or (ii) any person (including any Eligible Participant and Grantee) to obtain any consent or approval required for such person to participate in the Scheme or (iii) any Eligible Participant or Grantee for any Taxes, expenses, fees or any other liability to which such Eligible Participant or Grantee may become subject as a result of participation in the Scheme.

24.3 Save as specifically provided herein, the Scheme shall not confer on any person any legal or equitable rights against any member of the Group directly or indirectly or give rise to any cause of action at law or in equity against the any member of the Group. No person shall, under any circumstances, hold the Board, Scheme Administrator, the Company or any other member of the Group, any administrator or any Trustee or designated third Party liable for any costs, losses, expenses and/or damages whatsoever arising from or in connection with the Scheme or the administration thereof.

24.4 In the event that an Award lapses in accordance with the Scheme Rules, no Grantees shall be entitled to any compensation for any loss or any right or benefit or prospective right or benefit under the Scheme which he/she might otherwise have enjoyed.

24.5 The Company shall bear the costs of establishing and administering the Scheme.

24.6 All allotments and issuances of Shares pursuant to the Scheme will be subject to all necessary consents under any relevant legislation and Listing Rules for the time being in force in Hong Kong and in Bermuda. A Grantee shall be responsible for obtaining any governmental or other official consent or approval that may be required by any country or jurisdiction in order to permit the grant or holding of any Award. By accepting a grant of an Award, the Grantee thereof is deemed to have represented to the Company that the Grantee has obtained all such consents and approvals. Compliance with this Rule shall be a condition precedent to an acceptance of an Award by a Grantee. Each Grantee by their acceptance of any Award thereby agrees to indemnify each member of the Group fully against all claims, demands, liabilities, actions, proceedings, fees, costs and expenses which they may suffer or incur (whether alone or jointly with other party or parties) for or in respect of any failure on the part of the Grantee to obtain any necessary consent or approval or to pay tax or other liabilities referred therein. No member of the Group shall be responsible for any failure by a Grantee to obtain any such consent or approval or for any tax or other liability to which a Grantee may become subject as a result of the Grantee's participation in the Scheme.

- 24.7 Each provision hereof shall be treated as a separate provision and shall be severally enforceable as such in the event of any provision or provisions being or becoming unenforceable in whole or in part. To the extent that any provision or provisions hereof are unenforceable they shall be deemed to be deleted from the Scheme Rules, and any such deletion shall not affect the enforceability of the Scheme Rules as remain not so deleted.
- 24.8 The Scheme shall operate subject to the Bye-laws and to any restrictions under any applicable laws, rules and regulations (including the Listing Rules).
- 24.9 By accepting any Award and participating in the Scheme, each Grantee consents to the holding, processing, storage and use of personal data or information concerning him/her by any member of the Group, the Trustee or other third party service provider, in Hong Kong or elsewhere, for the purpose of the administration, management or operation of the Scheme. Such consent permits, but is not limited to, the following:
- (a) the administration and maintenance of records of the Grantee;
 - (b) the provision of data or information to without limitation members of the Group, Related Entities, trustees, registrars, brokers or third party administrators or managers of the Scheme, in Hong Kong or elsewhere;
 - (c) the provision of data or information to future purchasers or merger partners of the Company or any other member of the Group, any Related Entity, the Grantee's employing company, or the business in which the Grantee works;
 - (d) the transfer of data or information about the Grantee to a country or territory outside China, Hong Kong or the Grantee's country or region of residence which may not provide the same statutory protection for the information about the Grantee as in China, Hong Kong or the Grantee's country or region of residence; and
 - (e) in the case where an announcement or other disclosure document is required to be made pursuant to the Listing Rules for the purposes of granting an Award, the disclosure of the identity of such Grantee, the number of Shares subject to the Award and the terms of the Award granted and/or to be granted and all other information as required under the Listing Rules.

The Grantee is entitled, on payment of a reasonable fee, to a copy of the personal data held about him/her, and if such personal data is inaccurate, the Grantee has the right to have it corrected.

- 24.10 Any notice or other communication between the Company and any Eligible Participant or 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 or such other address as notified to the Eligible Participant or Grantee from time to time and in the case of an Eligible Participant or Grantee, his/her address as notified to the Company from time to time or by hand delivery. In addition, any notice, disclosure or other communication from the Company to any Eligible Participant or Grantee may be given, and any mechanism for soliciting responses or notices from any Eligible Participant or Grantee to the Company may be effected, by any electronic means as the Scheme Administrator considers appropriate.
- 24.11 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. Any notice or other communication served by electronic means

shall be deemed to have been received on the day following that on which it was sent. Any notice or other communication served by personal delivery shall be deemed to have been received when delivered. Any notice or other communication if sent by the Grantee shall be irrevocable and shall not be effective until actually received by the Company.

25. GOVERNING LAW AND THIRD PARTY RIGHTS

25.1 The Scheme Rules and all Awards granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

25.2 Save as otherwise expressly provided in the Scheme Rules, no third party (which for the purposes of this Rule 25.2 means any person other than the Company and Grantees) shall have the right to enforce any of the terms of the Scheme or the Scheme Rules or otherwise enjoy any benefits under the Scheme pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) or otherwise. Alteration of the Scheme or the Scheme Rules may be effected in accordance with Rule 22 without requiring the consent of any third party.