

INTERNATIONAL ENTERTAINMENT CORPORATION

國際娛樂有限公司

(Incorporated in the Cayman Islands with limited liability)

**RULES OF THE SHARE AWARD SCHEME
ADOPTED BY THE SHAREHOLDERS OF
INTERNATIONAL ENTERTAINMENT CORPORATION**

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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:

“Actual Selling Price”	the actual price at which the Awarded Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy and any other applicable costs) on vesting of an Award pursuant to the Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company pursuant to Rule 14.1, the consideration receivable under the related scheme or offer;
“Adoption Date”	[*] 2024, being the date on which this Scheme becomes unconditional;
“AFRC”	Accounting and Financial Reporting Council of Hong Kong
“Articles”	the articles of association of the Company as amended from time to time;
“associate”	shall have the meaning as set out in the Listing Rules;
“associated company”	shall have the meaning as defined in the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants;
“Award”	an award granted by the Board, the committee of the Board or person to which the Board has delegated its authority to a Selected Participant, which may vest in the form of Awarded Shares or the Actual Selling Price of the Awarded Shares in cash, as the Board, the committee of the Board or person to which the Board has delegated its authority (as the case may be) may determine in accordance with the terms of the Scheme Rules;
“Award Letter”	shall have the meaning as set out in Rule 8.1;
“Award Period”	the period of 10 years commencing on the Adoption Date, and ending on the Business Day immediately prior to the tenth anniversary of the Adoption Date;
“Awarded Shares”	the Shares (including Treasury Shares), together with any Related Income, granted to a Selected Participant in an Award;
“Board”	the board of directors of the Company from time to time;
“board lot”	the standardized number of Shares as a trading unit from time to time as published on the website of the Stock Exchange;

“Business Day”	any day on which the Stock Exchange is open for the trading of securities;
“close associate(s)”	shall have the meaning as set out in the Listing Rules;
“Company”	International Entertainment Corporation 國際娛樂有限公司, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Stock Exchange;
“connected person”	shall have the meaning as set out in the Listing Rules;
“core connected person”	shall have the meaning as set out in the Listing Rules;
“controlling shareholder”	shall have the meaning as set out in the Listing Rules;
“Director(s)”	director(s) of the Company;
“Eligible Participant(s)”	the Employee Participant(s), provided that the Board may have absolute discretion to determine whether or not one falls within the above category;
“Employee Participant(s)”	the director(s) (including executive Directors and non-executive Directors but excluding independent non-executive Directors) and full-time employee(s) of any member of the Group;
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant, being the date of the relevant Award Letter;
“Grantee”	any Selected Participant who accepts the Award in accordance with the terms of this Scheme or (where the context so permits and as referred to in Rule 11.7) his Personal Representative(s);
“Group”	the Company and its Subsidiaries from time to time, and the expression “member of the Group” shall be construed accordingly;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, is or

are entitled to be vested with the Awarded Shares granted to such Grantee (to the extent not already vested);

“Postponed Date”	shall have the meaning set out in Rule 9.5;
“Postponement Notice”	shall have the meaning set out in Rule 9.5;
“Related Income”	in relation to a Share, all income derived from an Awarded Share held under the Trust in the form of Shares (including bonus Shares, scrip dividend), but shall not include any nil-paid rights, warrants, options and/or non-cash and non-scrip distributions which are derived from the Share or the net proceeds from any sale of such rights, warrants, options and/or non-cash distributions or Residual Cash;
“Residual Cash”	cash in the Trust Fund (including without limitation (i) any cash income or dividends derived from Awarded Shares held under the Trust; (ii) other cash income or net proceeds of sale of non-cash and non-scrip distribution derived from or in respect of the Awarded Shares held under the Trust; and (iii) all interest or income derived from deposits maintained with licensed banks in Hong Kong) which has not been applied in the purchase and/or subscription of any Shares;
“Returned Shares”	such Awarded Shares that are not vested and/or are lapsed in accordance with the terms of the Scheme, or such Shares being deemed to be so under the Scheme Rules;
“Scheme”	the share award scheme adopted by the Company in accordance with these Scheme Rules on the Adoption Date;
“Scheme Rules”	the rules set out herein relating to this Scheme as amended from time to time;
“Scheme Limit”	the total number of Shares which may be issued in respect of all Awards or options to be granted pursuant to this Scheme and any other share schemes of the Company;
“Selected Participant”	any Eligible Participant approved for participation in the Scheme and who has been granted any Award pursuant to Rule 6.1 or Rule 6.2;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Shareholders”	holders of Shares from time to time;

“Shares”	ordinary shares with a nominal value of HK\$0.01 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 any such sub-division, consolidation re- classification or re-construction;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	any subsidiary (as the term is defined in the Listing Rules) of the Company;
“Taxes”	shall have the meaning as set out in Rule 10.8;
“Treasury Shares”	shall have the meaning as set out in the Listing Rules
“Trust”	the trust constituted by the Trust Deed to service the Scheme;
“Trust Deed”	the trust deed to be entered into between the Company and the Trustee (as may be restated, supplemented and amended from time to time);
“Trustee”	the trustee appointed by the Company for the purpose of the Trust, and initially, Computershare Hong Kong Trustees Limited;
“Vesting Date”	the date or dates, as determined from time to time by the Board, the committee of the Board or person to which the Board has delegated its authority, on which the Award (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Award Letter pursuant to Rule 8.1, unless a different Vesting Date is deemed to occur in accordance with Rule 14.1;
“Vesting Notice”	shall have the meaning as set out in Rule 10.4; and
“Vesting Period”	shall have the meaning as set out in Rule 10.3.

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, express or implied; 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 or as their application is modified from time to time by other provisions (whether before or after the date hereof) and shall include any statutes, provisions or rules of which are re-enacted (whether with or without modification) and shall include any orders, regulations, instruments, subsidiary legislation, other subordinate legislation or practice notes under the relevant statute, provision or rule;
- (f) unless otherwise indicated, the Board can make determinations in its absolute discretion and, subject to the Articles, if the Board delegates its authority to administer the Scheme to a committee of the Board or other person, the committee of the Board or such other person 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 anybody established to replace or assume the functions of the same; and
- (k) references to new Shares include Treasury Shares and references to the issue of new Shares include the transfer of Treasury Shares.

2. PURPOSE OF THE SCHEME

2.1 The purposes of the Scheme are:

- (a) to recognise the contributions by certain employees and persons to the Group;
- (b) to provide the Eligible Participants with additional incentives in order to retain them for the continual operation and development of the Group; and
- (c) to attract suitable personnel for further development of the Group.

3. CONDITIONS

3.1 The Scheme is conditional upon:

- (a) 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 the Scheme; and

- (b) the passing of a resolution at a general meeting of the Company to approve the adoption of the Scheme and to authorise the Directors to grant Awards under the Scheme and to allot, issue, procure the transfer of and otherwise deal in the Awarded Shares in connection with the Scheme.

4. DURATION

- 4.1 Subject to Rule 19, the Scheme shall be valid and effective for the Award Period (after which no further Awards will be granted), and thereafter for so long as there are any non-vested Awarded Shares granted hereunder prior to the expiration of the Scheme, in order to give effect to the vesting of such Awarded Shares or otherwise as may be required in accordance with the provisions of the Scheme Rules.

5. ADMINISTRATION

- 5.1 The Scheme shall be subject to the administration of the Board in accordance with the Scheme Rules and where applicable, the Trust Deed. A decision of the Board or the committee of the Board or person to which the Board has delegated its authority shall (save as otherwise provided herein and in the absence of manifest error) be final and binding on all persons affected thereby.
- 5.2 The authority to administer the Scheme may be delegated by the Board to a committee of the Board, provided that nothing in this Rule 5.2 shall prejudice the Board's power to revoke such delegation at any time or derogate from the discretion rested with the Board as contemplated in Rule 5.1.
- 5.3 Subject to any restriction in the Scheme Rules, it is noted that as at the Adoption Date the Board has delegated to the Trustee the authority to administer the Scheme
- 5.4 Without prejudice to the Board's general power of administration, the Board or the committee of the Board or person(s) to which the Board has delegated its authority may from time to time appoint one or more administrators, who may be independent third party contractors or service providers, to assist in the administration of the Scheme, to whom they, at their sole discretion, 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 administrator shall be determined by the Board at their sole discretion from time to time.
- 5.5 Without prejudice to the Board's general power of administration, to the extent not prohibited by applicable laws and regulations, the Board or the committee of the Board or person(s) to which the Board has delegated its authority may also from time to time appoint one or more Trustees in respect of granting, administration or vesting of any Awarded Shares.
- 5.6 Subject to the Scheme Rules, the Listing Rules and any applicable law and regulations, the Board and the committee of the Board or person to which the Board has delegated its authority shall have the power from time to time to:

- (a) construe and interpret the Scheme Rules and the terms of the Awards granted under the Scheme;
- (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) decide how the vesting of the Awards Shares will be settled pursuant to Rule 10;
- (d) grant Awards to those Eligible Participants whom it shall select from time to time;
- (e) determine the terms and conditions of the Awards;
- (f) determine the commencement or termination date of an Eligible Participant's employment with any member of the Group or any Affiliate;
- (g) establish and administer performance targets in respect of the Scheme;
- (h) approve the form of an Award Letter; and
- (i) take such other steps or actions to give effect to the terms and intent of the Scheme Rules.

5.7 None of the directors of the Company or any person to whom the Board has delegated its authority 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 person to whom the Board has delegated its authority in relation to the administration or interpretation of the Scheme, 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 own willful default, fraud or bad faith.

6. OPERATION OF THE SCHEME

- 6.1 The Board may, from time to time, at its absolute discretion select any Eligible Participant to be a Selected Participant and, subject to Rule 6.4, grant an Award to such Selected Participant during the Award Period. Award(s) shall only be granted to Eligible Participant(s) after commencement of their employment with the Group.
- 6.2 The committee of the Board or person to which the Board has delegated its authority may, from time to time, select any Eligible Participant other than a Director or an officer of the Company to be a Selected Participant and subject to Rule 6.4, grant an Award to such Selected Participant during the Award Period.
- 6.3 In determining the Selected Participants, the Board or the committee of the Board or person to which the Board has delegated its authority may take into consideration matters including the present and expected contribution of the relevant Selected Participant to the Group.

- 6.4 The Scheme has only one class of Eligible Participants, i.e. the Employee Participants. In determining the basis of eligibility of each Eligible Participant, the Board would take into account of (i) the general working experience of the Eligible Participant; (ii) the length of service of the Eligible Participant with the Group; (iii) work performance of the Eligible Participant; (iv) responsibilities and employment conditions according to the prevailing market practice and industry standard; or where appropriate (v) the contribution or potential contribution to the revenue, profits or business developments of the Group.
- 6.5 The Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award which must be satisfied before the Awarded Shares may be vested. Save as determined by the Board and provided in the offer letter of the grant of the relevant Award there is no performance target which must be achieved before an Award can be vested under the terms of this Scheme nor any clawback mechanism for the Company to recover or withhold any Awards granted to any Eligible Participant.
- 6.6 Each grant of an Award to any Directors, chief executive of the Company or substantial Shareholder(s) (as defined in the Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors, provided that any independent non-executive director who has interest in the grant of an Award shall abstain from voting on any resolution by which the Award is proposed.
- 6.7 Notwithstanding the provision in Rule 6.1 and Rule 6.2, no grant of any Awarded Shares to any Selected Participant may be made:
- (a) in any circumstances where the requisite approval from any applicable regulatory authorities has not been granted;
 - (b) in any circumstances that any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the Scheme, unless the Board determines otherwise;
 - (c) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
 - (d) where such grant of Award would result in a breach of the Scheme Limit or would otherwise cause the Company to issue Shares in excess of the permitted amount in the mandate approved by the Shareholders; or
 - (e) where an Award is to be satisfied by way of issue of new Shares to the Trustee, in any circumstances that cause the total Shares issued or allotted to connected persons to be in excess of the amount permitted in the mandate approved by the shareholders;

and any such grant so made shall be null and void to the extent (and only to the extent) that it falls within the circumstances above.

7. TIMING OF AWARDS

7.1 No Award shall be granted to Selected Participants pursuant to Rule 6 after inside information has come to the knowledge of the Company until (and including) the trading day after it has been announced pursuant to the requirements of the Listing Rules. In particular, during the period commencing thirty (30) days immediately preceding the earlier of:

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

and ending on the date of the results announcement, and for the avoidance of doubt, no Awards may be made during any period of delay in publishing a results announcement; and in any circumstances which are prohibited under the Listing Rules or where the requisite approval from any applicable regulatory authorities has not been granted.

7.2 In respect of the administration of the Scheme, the Company shall comply with all applicable laws, rules and regulations including the disclosure and other regulations imposed by the Listing Rules.

8. AWARD LETTER AND NOTIFICATION OF GRANT OF AWARDS

8.1 The Company shall issue a letter to each Selected Participant in such form as the Board or the committee of the Board or person to which the Board has delegated its authority may from time to time determine, specifying the Grant Date, the number of Awarded Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details as they may consider necessary (an "Award Letter").

8.2 As soon as practicable after the grant of an Award to a Selected Participant, the Company shall notify the Trustee of:

- (a) the name, address, identity card/passport number and position of the relevant Selected Participant, and whether the Selected Participant is a connected person as defined in the Listing Rules;
- (b) the number of Awarded Shares to which such Award relates;
- (c) the date and conditions (if any) of vesting of such Award;
- (d) the performance targets (if any) that must be achieved before any of the Awarded Shares may be vested in the Selected Participant under such Award;
- (e) such other terms and conditions relating to such Award which are in the opinion of the Company fair and reasonable and are not inconsistent with the Scheme Rules; and
- (f) the manner and number of the Awarded Shares to be obtained by the Trustee

pursuant to Rule 9.

9. ISSUE OR TRANSFER OF SHARES TO THE TRUSTEE

- 9.1 Subject to Rule 9.5, the Company shall, as soon as reasonably practicable and no later than 30 Business Days from the Grant Date, for the purposes of satisfying the grant of Awards, allot and issue new Shares to the Trustee. The Company may use Treasury Shares, if any, for the Scheme. The Company shall bear all duties, taxes, fees, penalties, costs, disbursements and expenses arising out of the foregoing.
- 9.2 Subject to Rule 16, the Company shall instruct the Trustee whether or not to apply any Returned Shares to satisfy any grant of Awards made, and if the Returned Shares, as specified by the Company, are not sufficient to satisfy the Awards granted, the Company shall, subject to Rule 9.5, as soon as reasonably practicable and no later than 30 Business Days from the Grant Date, for purposes of satisfying the Awards granted, allot and issue further Shares to the Trustee. The Company shall bear all duties, taxes, fees, penalties, costs, disbursements and expenses arising out of the foregoing.
- 9.3 For the avoidance of doubt, the Company shall not allot or issue Shares in excess of the amount permitted in the mandate approved by the Shareholders.
- 9.4 The Trustee shall only be obliged to transfer Awarded Shares to Selected Participants on vesting to the extent that Awarded Shares are comprised in the Trust.
- 9.5 The Company shall not allot and issue new Shares where such action (as the case may be) is prohibited under the Listing Rules, the SFO or other applicable laws from time to time. Where such a prohibition causes the prescribed timing imposed by the Scheme Rules or the Trust Deed to be missed, such prescribed timing shall be postponed to such date (the “**Postponed Date**”) as shall be notified by the Company to the Trustee in writing (the “**Postponement Notice**”) provided that the Postponed Date shall be a date falling at least 2 Business Days after the Postponement Notice and a date on which Shares are traded on the Stock Exchange and the prohibition no longer prevents the relevant action.

10. VESTING OF AWARD

- 10.1 The Board or the committee of the Board or person to which the Board has delegated its authority may from time to time while the Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested hereunder.
- 10.2 If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the Shares, be the Business Day immediately thereafter.
- 10.3 Save for the circumstances prescribed in Rule 10.9, an Award must be held by the Grantee for at least twelve (12) months (the “**Vesting Period**”) before the Awarded Shares can be vested. For the purposes of vesting of the Awarded Shares, the Board or the committee of the Board or person to which the Board has delegated its authority may either:

- (a) direct and procure the Trustee to release from the Trust the Awarded Shares to the Selected Participants by transferring the number of Awarded Shares to the Selected Participants in such manner as determined by them from time to time; or
 - (b) to the extent that, at the determination of the Board or the committee of the Board or person to which the Board has delegated its authority, it is not practicable for the Selected Participant to receive the Award in Shares solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or the committee of the Board or person to which the Board has delegated its authority will direct and procure the Trustee to sell, on-market at the prevailing market price, the number of Awarded Shares so vested in respect of the Selected Participant and pay the Selected Participant in cash arising from such sale based on the Actual Selling Price of such Awarded Shares as set out in the Vesting Notice in cash.
- 10.4 Except in the circumstances as set out in Rule 10.8, barring any unforeseen circumstances, within a reasonable time as agreed between the Trustee and the Board from time to time prior to any Vesting Date, the Board or the committee of the Board or person to which the Board has delegated its authority shall send to the relevant Selected Participant a vesting notice (the "**Vesting Notice**") and if required, procure the Trustee to send such prescribed transfer documents which require the Selected Participant to execute to effect the vesting and transfer of the Awarded Shares. The Board or the committee of the Board or person to which the Board has delegated its authority shall forward a copy of the Vesting Notice to the Trustee and instruct the Trustee the extent to which the Awarded Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant in the manner as determined by the Board or the committee of the Board or person to which the Board has delegated its authority, or be sold so as to pay the Selected Participant the Actual Selling Price of such Awarded Shares pursuant to Rule 10.3(b).
- 10.5 Except in the circumstances as set out in Rule 10.8, subject to the receipt of the Vesting Notice and the instructions from the Board or the committee of the Board or person to which the Board has delegated its authority, the Trustee shall transfer and release the relevant Awarded Shares to the relevant Selected Participant in the manner as determined by the Board or the committee of the Board or person to which the Board has delegated its authority or sell the relevant Awarded Shares and pay the Actual Selling Price to the Selected Participant within a reasonable time period in satisfaction of the Award.
- 10.6 Any stamp duty or other direct costs and expenses arising on vesting and transfer of the Awarded Shares to or for the benefit of the Selected Participants shall be borne by the Company. Any duty or other direct costs and expenses arising on the sale of the Awarded Shares due to the vesting shall be borne by the Selected Participant.
- 10.7 All costs and expenses in relation to all dealings with the Awarded Shares after vesting and transferring of the Awarded Shares to the Selected Participant shall be borne by the Selected Participant and neither the Company nor the Trustee shall be liable for any such costs and expenses thereafter.
- 10.8 Other than the stamp duty to be borne by the Company in accordance with Rule 10.6, all

other taxes (including personal income taxes, professional taxes, salary taxes and similar taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Selected Participant's participation in the Scheme or in relation to the Awarded Shares or cash amount of equivalent value of the Awarded Shares or the Actual Selling Price (the “**Taxes**”) shall be borne by the Selected Participant and neither the Company nor the Trustee shall be liable for any Taxes. The Selected Participant will indemnify the Trustee and all members of the Group and all Affiliates against any liability each of them may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this, the Trustee or any member of the Group or any Affiliate (as the case may be) may, notwithstanding anything else in these Scheme Rules (but subject to applicable law):

- (a) reduce or withhold the number of the Selected Participant's Awarded Shares underlying the Award (the number of Awarded Shares underlying the Award that may be reduced or withheld shall be limited to the number of Awarded Shares that have a fair market value on the date of withholding that, in the reasonable opinion of the Company is sufficient to cover any such liability);
- (b) sell, on the Selected Participant’s behalf, such number of Shares to which the Selected Participant becomes entitled under the Scheme and retain the proceeds and/or pay them to the relevant authorities or government agency;
- (c) deduct or withhold, without notice to the Selected Participant, the amount of any such liability from any payment to the Selected Participant made under the Scheme or from any payments due from a member of the Group or an Affiliate to the Selected Participant, including from the salary payable to the Selected Participant by any member of the Group or any Affiliate; and/or
- (d) require the Selected Participant to remit to any member of the Group or any Affiliate, in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to- such authority by any member of the Group or any Affiliate on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

The Trustee shall not be obliged to transfer any Awarded Shares (or pay the Actual Selling Price of such Awarded Shares in cash) to a Selected Participant unless and until the Selected Participant satisfies the Trustee and the Company that such Selected Participant's obligations under this Rule 10.8 have been met.

10.9 The Board (or the remuneration committee of the Company where it relates to grants of Awards to an Employee Participant who is a Director and/or senior manager of the Company) may at its discretion grant a shorter Vesting Period to an Employee Participant in the following circumstances:

- (a) grants of “make-whole” Award(s) to new joiners to replace the share awards they forfeited when leaving the previous employers;

- (b) grants to an Employee Participant whose employment is terminated due to death or occurrence of any out of control event;
- (c) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the Vesting Period may be shorter to reflect the time from which the Award would have been granted;
- (d) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (e) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

11. CESSATION OF EMPLOYMENT AND OTHER EVENTS; LAPSE OR CANCELLATION OF AWARDS

- 11.1 If a Selected Participant ceases to be an Eligible Participant by reason of retirement of the Selected Participant, any outstanding Awarded Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.
- 11.2 If a Selected Participant ceases to be an Eligible Participant by reason of (i) his/her employer terminating the contract of employment without notice or payment in lieu of notice, or the Selected Participant having been convicted of any criminal offence involving his/her integrity or honesty; (ii) termination of the Selected Participant's employment or contractual engagement with the Group by reason of his/her permanent physical or mental disablement; or (iii) termination of the Selected Participant's employment or contractual engagement with the Group by reason of redundancy, any outstanding Awarded Shares not yet vested shall be immediately cancelled, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.
- 11.3 In the event of death of a Selected Participant, the Board or the committee of the Board or person to which the Board has delegated its authority shall promptly notify the Trustee in writing as to whether the outstanding Awarded Shares to the deceased Selected Participant or any part thereof shall be deemed to have been vested immediately prior to his death. All outstanding Awarded Shares not deemed to have been so vested shall be deemed lapsed upon the death of the Selected Participant.
- 11.4 In the event that a Selected Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his or her creditors generally, has committed any serious misconduct, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute), any outstanding Awarded Shares not yet vested shall be immediately cancelled, unless the Board or the committee of the Board or person to which the Board has delegated

its authority determines otherwise at their absolute discretion.

- 11.5 If a Selected Participant ceases to be an Eligible Participant for reasons other than those set out in Rule 11.1, 11.2, 11.3 or 11.4, any outstanding Awarded Shares not yet vested shall immediately lapse, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.
- 11.6 A Selected Participant shall be taken to have retired on the date that he or she retires upon or after reaching the age of retirement specified in his service agreement or pursuant to any retirement policy of the relevant member of the Group or Affiliate applicable to him from time to time or, in case there is no such terms or retirement applicable to the Selected Participant, with the approval of the Board or the board of the applicable member of the Group or Affiliate.
- 11.7 In the event that an Award or any part thereof to a Selected Participant vests by reason of the death of such Selected Participant, the Trustee shall hold such number of Awards Shares as are equal to the Vested Awarded Shares or the Actual Selling Price (hereinafter referred to as “**Benefits**”) on trust and to transfer the same to the Personal Representatives of the Selected Participant upon receipt of the following from the said Personal Representatives within two years of the death of the Selected Participant (or such longer period as the Trustee and the Company shall agree from time to time):
- (a) a copy of the death certificate of such deceased Selected Participant and/or such other documentary evidence of death of such deceased Selected Participant;
 - (b) a copy of the documentary evidence proving the authority of such Personal Representative; and
 - (c) such other documents as reasonably required by the Trustee to confirm the entitlement of such Personal Representative to the Award,

or, if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and shall be held by the Trustee as Returned Shares or funds of the Trust for the purposes of the Scheme. Notwithstanding the foregoing, the Benefits held upon the trust hereof shall until transfer is made in accordance herewith be retained and may be invested and otherwise dealt with by the Trustee in every way as if they had remained part of the Trust.

- 11.8 The Company shall, from time to time, inform the Trustee in writing, the date in which such Selected Participant ceased to be an Eligible Participant and any amendments to the terms and conditions of the Award in respect to such Selected Participant (including the number of Awarded Shares entitled).
- 11.9 Subject to this Rule 11 and Rule 12, any Award granted but not cancelled may not be cancelled or lapsed except with the written consent of the relevant Grantee and the prior approval of the Directors. Where the Company cancels and/or lapses Awards and makes a new grant to the same Grantee, such new grant may only be made under this Scheme with available limit approved by Shareholders as set out in Rules 15.1 to 15.4. The Awards cancelled and/or lapsed will be regarded as utilised for the purpose of calculating the

Scheme Limit.

12. TRANSFERABILITY AND OTHER RIGHTS TO AWARDED SHARES

12.1 Any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made and shall not be assignable or transferable, and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to any Award, or enter into any agreement to do so.

The Stock Exchange may consider granting a waiver to allow a transfer to a vehicle (such as a trust or a private company) for the benefit of the participant and any family members of such participant (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the Share Award Scheme and comply with Chapter 17 of the Listing Rules. Where such waiver is granted, the Stock Exchange shall require the Company to disclose the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle. All transfers shall comply with the Trustee's internal administrative procedures.

12.2 Any actual or purported breach of Rule 12.1 shall entitle the Company to cancel any outstanding Award or part thereof granted to such Selected Participant. For this purpose, a determination from the legal department of the Company or such other person delegated with this function by the Board, to the effect that the Selected Participant has or has not breached any of the foregoing shall be final and conclusive as to such Selected Participant.

12.3 For the avoidance of doubt, the Awards do not carry any right to vote at general meetings of the Company, or any cash dividend, transfer or other rights (including those arising on a liquidation of the Company). No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award under this Scheme, unless and until the Shares underlying the Award are actually allotted and issued or transferred (as the case may be) to the Grantee pursuant to the vesting or exercise of such Award.

Subject to the foregoing, the Shares to be allotted and issued or transferred upon the vesting or exercise of the Awards shall be subject to all the provisions of the Articles of Association for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a liquidation of the Company) as the existing fully paid Shares in issue on the date on which those Shares are allotted and issued or transferred pursuant to the vesting or exercise of the Awards and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which Shares are allotted and issued, or transferred, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Shares are allotted and issued or transferred.

13. INTEREST IN THE ASSETS OF THE TRUST

13.1 For the avoidance of doubt:

- (a) a Selected Participant shall have only a contingent interest in the Award subject to

the vesting of such Award in accordance with Rules 10 and 14;

- (b) no instructions may be given by a Selected Participant to the Trustee in respect of the Award or any other property of the Trust and the Trustee shall not follow instructions given by a Selected Participant to the Trustee in respect of the Award or any other property of the Trust;
- (c) neither the Selected Participant nor the Trustee may exercise any voting rights in respect of any Awarded Shares that have not yet vested;
- (d) a Selected Participant shall have no right to Residual Cash or any cash dividend or any of the Returned Shares or any dividend of the Returned Shares, all of which shall be retained by the Trustee for the benefit of the Scheme;
- (e) a Selected Participant shall have no rights in the balance of the fractional shares resulting from any allocation of bonus Shares or scrip dividend in respect of Awarded Shares or adjustment to the Awarded Shares resulting from consolidation of Shares (if any) and such Shares shall be deemed Returned Shares for the purposes of the Scheme;
- (f) in the case of the death of a Selected Participant, the Benefits shall be forfeited if no transfer of the Benefits to the Personal Representatives of the Selected Participant is made within the period prescribed in Rule 11.7 and the Personal Representatives of the Selected Participant shall have no claims against the Company or the Trustee; and
- (g) in the event a Selected Participant ceases to be an Eligible Participant on or prior to the relevant Vesting Date and the Award in respect of the relevant Vesting Date shall lapse or be cancelled pursuant to the Scheme, such Award shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company or the Trustee, unless the Board determines otherwise at its absolute discretion.

14. TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME, ETC.

Change in control

- 14.1 If there is an event of change in control of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, the Board or the committee of the Board or person to which the Board has delegated its authority shall at their sole discretion determine whether the Vesting Date of any Awards will be accelerated. If the Vesting Dates of any Awards are accelerated, the procedures as set out in Rule 10.4 shall apply except that the Vesting Notice will be sent to such Selected Participant affected by this Rule 14.1 as soon as practicable once the proposed Vesting Date is known. The Trustee shall act on the Vesting Notice in accordance with Rule 10.

For the purpose of Rule 14.1, “control” shall have the meaning as specified in The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC from time to time.

Open offer and rights issue

- 14.2 There will be no adjustment to the number of outstanding Awarded Shares that have been granted under the Share Award Scheme in the event of an open offer or rights issue. In the event the Company undertakes an open offer of new securities in respect of any Shares which are held by the Trustee under this Scheme, the Trustee shall not subscribe for any new Shares. In the event of a rights issue, the nil-paid rights allotted to the Trustee, the Trustee shall arrange for selling the nil-paid rights to the market and the sale proceeds shall be treated as trust fund unless the Company and the Trustee has agreed for the other arrangement.

Bonus warrants

- 14.3 In the event the Company issues bonus warrants in respect of any Shares which are held by the Trustee, the Trustee shall not, unless otherwise instructed by the Company, subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants, and shall sell the bonus warrants (provided that there is an open market for such rights) created and granted to it, and the net proceeds of sale of such bonus warrants shall be held as funds of the Trust.

Scrip Dividend

- 14.4 In the event the Company undertakes a scrip dividend scheme, the Trustee shall elect to receive the scrip Shares in respect of the Shares held by the Trustee under this Scheme and such scrip Shares will be treated as Related Income in respect of the underlying Awarded Shares.

Consolidation, Sub-division, Bonus issue and other distribution

- 14.5 In the event the Company undertakes a sub-division or consolidation of the Shares, or a reduction of capital, corresponding changes will be made to the number of outstanding Awarded Shares that have been granted provided that the adjustments shall be made on the basis that the Selected Participant must be given the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled, and in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for the Selected Participants. All fractional shares (if any) arising out of such consolidation or sub-division in respect of the Awarded Shares of a Selected Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date. Save for the case of capitalisation issue, the auditors or independent financial advisers for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.
- 14.6 In the event of an issue of Shares by the Company credited as fully paid to the holders of the Shares by way of capitalisation of profits or reserves (including share premium account), the Shares attributable to any Awarded Shares held by the Trustee shall be deemed to be

an accretion to such Awarded Shares and shall be held by the Trustee as if they were Awarded Shares purchased by the Trustee hereunder and all the provisions hereof in relation to the original Awarded Shares shall apply to such additional Shares.

- 14.7 In the event of other non-cash and non-scrip distributions made by the Company not otherwise referred to in the Scheme Rules in respect of the Shares held upon Trust, the Trustee shall sell such distribution and the net sale proceeds thereof shall be deemed as cash income of the Trust.
- 14.8 Notwithstanding the foregoing provisions, the Board may at its absolute discretion give written directions to the Trustee to deal with such distribution, dividends or other benefits and rights in respect of or in connection with the Awarded Shares.

15. SCHEME LIMIT

- 15.1 Subject to the Listing Rules, the Company shall not make any further grant of Award which will result in the aggregate number of new Shares underlying all grants made pursuant to the Scheme together with options and awards which may be granted under the Scheme and any other share schemes for the time being of the Company to exceed such number of Shares as equals ten (10) per cent. of the entire issued share capital of the Company (excluding any Treasury Shares) as at the Adoption Date (the “**Scheme Limit**”). The Awarded Shares lapsed in accordance with the terms of this Scheme will not be regarded as utilised for the purpose of calculating the Scheme Limit.
- 15.2 The Company may seek approval by the Shareholders in general meeting to refresh the Scheme Limit under this Scheme after three (3) years from the Adoption Date (or the date of Shareholders’ approval for the last refreshment). However, the total number of Shares which may be issued upon exercise of all options and 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 (excluding any Treasury Shares) as at the date of approval of the refreshed Scheme Limit. For the purpose of seeking approval of Shareholders under this Rule 15.2, the Company must send a circular to its Shareholders containing the information required under the Listing Rules. Any refreshment of the Scheme Limit to be made within three (3) years from the Adoption Date (or the date of Shareholders’ approval for the last refreshment) shall be subject to independent Shareholders’ approval pursuant to Rule 17.03C(1) of the Listing Rules.
- 15.3 The Company may seek separate approval by the Shareholders in general meeting for granting Awards beyond the Scheme Limit provided that the Awarded Shares in excess of the Scheme Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. For the purpose of seeking approval of Shareholders under this Rule 15.3, the Company must send a circular to the Shareholders containing the name of the specified Eligible Participants who may be granted such Awards, the number and terms of the Awarded Shares to be granted, the purpose of granting Awards to the specified Eligible Participants with an explanation as to how the terms of the Awards serve such purpose, the information required under the Listing Rules. The number and terms of the Awards to be granted to such Eligible Participant must be fixed before Shareholders’ approval.

15.4 Where any grant of Awards to an Eligible Participant would result in the Awarded Shares transferred and to be transferred or allotted and issued and to be allotted and issued in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (excluding any Treasury Shares), 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. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Awards to be granted (and awards and options previously granted to such Eligible Participant in such twelve (12)-month period), the purpose of granting Awards to the Eligible Participant, an explanation as to how the terms of the Awards serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms of Awards to be granted to such Eligible Participant must be fixed before Shareholders' approval.

15.5 Any grant of Awards to any of the Directors, chief executive of the Company or substantial Shareholder (as defined in the Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of the Award (if any)).

15.6 Where:

- (a) any grant of Awards (excluding grant of options under other share schemes of the Company) 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 the Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares); or
- (b) any grant of Awards to an independent non-executive Director or a substantial Shareholder (as defined in the Listing Rules) or any of their respective associates would result in the Shares transferred and to be transferred or allotted and issued and to be allotted and issued in respect of all options and awards granted under the Scheme and other share scheme(s) of the Company (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding any Treasury Shares),

such further grant of Awards must be approved by the Shareholders in a general meeting of the Company in the manner set out in Rule 15.7 below.

15.7 The Company must send a circular to the Shareholders in the circumstances described in Rule 15.6 above. The Grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting. Parties that are required to abstain from voting in favour at the general meeting pursuant to Rule 17.04(4) of the Listing Rules may vote against the resolution at the general meeting

of the Company, provided that their intention to do so has been stated in the relevant circular to the Shareholders. Any vote taken at the general meeting to approve the grant of such Awards must be taken on a poll and comply with the requirements under the Listing Rules. The circular must contain:

- (a) details of the number and terms of the Awards to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting;
- (b) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting;
- (c) information relating to any Directors who are Trustees of the Scheme or have a direct or indirect interest in the Trustees; and
- (d) the information as may be required by the Stock Exchange from time to time.

Shareholders' approval as required under Rule 15.6 is also required for any change in the terms of Awards granted to an Eligible Participant who is a substantial Shareholder (as defined in the Listing Rules) or an independent non-executive Director, or any of their respective associates, if the initial grant of the Awards require such approval (except where the changes take effect automatically under the existing terms of the Scheme).

16. RETURNED SHARES

- 16.1 Where Awarded Shares are not vested, are lapsed or are deemed and become Returned Shares pursuant to the Scheme Rules, the Trustee shall hold Returned Shares to be applied towards future Awards in accordance with the provisions hereof for the purpose of the Scheme. When Shares have been deemed to be Returned Shares under the Scheme Rules, the Trustee shall notify the Company accordingly.

17. INTERPRETATION

- 17.1 Any decision to be made under the Scheme, including matters of interpretation with respect to or any dispute arising in connection with the Scheme Rules, shall be made by the Board or the committee of the Board or person to which the Board has delegated its authority. The aforesaid decision shall be final and binding.

18. ALTERATION OF THE SCHEME

- 18.1 Subject to the Scheme Limit and compliance with Rule 20.1 (if applicable), the Scheme may be altered in any respect by a resolution of the Board or administrator of the Scheme except:

- (a) any alteration to the advantage of the Eligible Participants in relation to any matter contained in Rule 17.03 of the Listing Rules;
- (b) any alterations to the terms and conditions of this Scheme which are of a material nature or any change to the terms of Award granted to an Eligible Participant must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Award was approved by the Board, the remuneration committee of the Company, the independent nonexecutive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of this Scheme;
- (c) any change to the authority of the Directors or the administrator of this Scheme to alter the terms of this Scheme;
- (d) the provisions of this Scheme as to the definitions of “Eligible Participant”, “Grantee”, “Award Period” and “Termination Date” in Rule 1.1; and
- (e) the provisions of Rules 2.1 and 4.1 and Rules 7, 9, 10, 11, 12, 14, 15 and 19 and this Rule 18,

which shall only be altered with the approval of Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Award granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the memorandum of association of the Company and Articles for the time being for a variation of the rights attached to Shares. Any change to the terms of the Award granted to a Grantee must be approved by the Board, the remuneration committee of the Company, 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 of the Company, the independent non- executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of this Scheme. Any alteration to the terms and conditions of this Scheme shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

18.2 For the avoidance of doubt, the change in the subsisting rights of a Selected Participant in Rule 18.1 refers solely to any change in the rights in respect of the Awarded Shares already granted to a Selected Participant.

18.3 For any such meeting of Selected Participants referred to in Rule 18.1, all the provisions of the Articles as to general meetings of the Company shall apply mutatis mutandis as though the Shares then held by the Trustee on behalf of Selected Participants were a separate class of shares forming part of the share capital of the Company except that:

- (a) not less than 7 days' notice of such meeting shall be given;
- (b) a quorum at any such meeting shall be two Selected Participants present in person or by proxy;

- (c) every Selected Participant present in person or by proxy at any such meeting shall be entitled on a show of hands to one vote, and on a poll, to one vote for each Award Share awarded to him or her and held by the Trustee (but, for the avoidance of doubt, excluding for this purpose any Returned Shares);
- (d) any Selected Participant present in person or by proxy may demand a poll; and
- (e) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, being not less than 7 nor more than 14 days thereafter, and to such place as may be appointed by the chairman of the meeting (as appointed by the Board). At any adjourned meeting those Selected Participants who are then present in person or by proxy shall form a quorum provided that Rule 18.3(b) shall be complied with in the event of any such adjournment. At least 7 days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Selected Participants who are then present in person or by proxy shall form a quorum provided that Rule 18.3(b) shall be complied with.

19. TERMINATION

19.1 Subject to Rule 4, the Scheme shall terminate on the earlier of:

- (a) the end of the Award Period except in respect of any non-vested Awarded Shares granted hereunder prior to the expiration of the Scheme, for the purpose of giving effect to the vesting of such Awarded Shares or otherwise as may be required in accordance with the provisions of the Scheme; or
- (b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder; provided further that for the avoidance of doubt, the change in the subsisting rights of a Selected Participant in this Rule 19.1(b) refers solely to any change in the rights in respect of the Awarded Shares already granted to a Selected Participant.

19.2 On the Business Day following the vesting, lapsing or cancellation (as the case may be) of the last outstanding Award made under the Scheme, the Trustee shall sell all the Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receiving notice of the vesting, forfeiture or cancellation (as the case may be) of such last outstanding Award (or such longer period as the Company may otherwise determine), and remit all cash and net proceeds of such sale referred to in this Rule 19.2 and other funds remaining in the Trust (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed) to the Company. For the avoidance of doubt, the Trustee shall not transfer any Shares to the Company nor may the Company otherwise hold any interest in Shares whatsoever (other than its interest in the proceeds of the sale of such Shares pursuant to this Rule 19.2).

20. SHAREHOLDERS' MANDATE

- 20.1 To the extent that the Scheme Limit set out in Rule 15.1 is subsequently increased by way of alteration of the Scheme pursuant to Rule 18.1 and the Company is required to allot and issue new shares to satisfy any Awards in excess of any amount previously approved by the Shareholders, the Company shall at a general meeting propose, and the Shareholders shall consider and, if thought fit, pass an ordinary resolution approving a mandate specifying:
- (a) the maximum number of new Shares that may be issued for this purpose; and
 - (b) that the Board has the power to allot and issue, procure the transfer of and otherwise deal with the Shares in connection with the Scheme.
- 20.2 The mandate referred to in Rule 20.1 will remain in effect only during the period from the passing of the ordinary resolution granting the mandate until the variation or revocation of such mandate by an ordinary resolution of the Shareholders in a general meeting.

21. MISCELLANEOUS

- 21.1 The Scheme shall not form part of any contract of employment between the Company or any Subsidiary and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his/her office or employment 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 no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 21.2 The Company shall bear the costs of establishing and administering the Scheme, including, for the avoidance of doubt, costs arising from communication as referred to in Rule 21.3, costs of third party contractor or service provider and professional advisers rendering services for the proper establishment, administration, management, operation, reporting, compliance and monitoring of the Scheme, expenses incurred in the purchase of Shares by the Trustee and stamp duty and normal registration fee (i.e. not being fee chargeable by the share registrar of any express service of registration) in respect of the transfer of Shares to Selected Participants on the relevant Vesting Date. For the avoidance of doubt, the Company shall not be liable for any Tax or expenses of such other nature payable on the part of any Eligible Participant in respect of any sale, purchase, vesting or transfer of Shares (or cash amount of equivalent value being paid), other than for any withholding tax liability of the Company or any member of the Group under applicable laws.
- 21.3 Any notice or other communication between the Company 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 Hong Kong or such other address as notified to the Eligible Participant from time to time and in the case of an Eligible Participant, his/her address as notified to the Company from time to time or by hand delivery. In addition, any notice (including the Vesting Notice) or other communication from the Company to any Eligible Participant or Selected Participant may be given by any electronic means through

the Trustee, as the Board considers appropriate.

- 21.4 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.
- 21.5 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 the Scheme as a Selected Participant or for any Tax, expenses, fees or any other liability to which an Eligible Participant may become subject as a result of participation in the Scheme.
- 21.6 Each and every 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 are unenforceable they shall be deemed to be deleted from these Scheme Rules, and any such deletion shall not affect the enforceability of the Scheme Rules as remain not so deleted.
- 21.7 The Scheme is subject to the provisions of Chapter 17 of the Listing Rules.
- 21.8 Save as specifically provided herein, the Scheme shall not confer on any person any legal or equitable rights (other than those constituting and attaching to the Awarded Shares themselves) against the Group directly or indirectly or give rise to any cause of action at law or in equity against the Group. No person shall, under any circumstances, hold the Board, its delegate and/or the Company liable for any costs, losses, expenses and/or damages whatsoever arising from or in connection with the Scheme or the administration thereof.
- 21.9 In the event that an Award is not vested or is lapsed in accordance with the Scheme Rules, no Selected Participants shall be entitled to any compensation for any loss or any right or benefit or prospective right or benefit under the Scheme which he or she might otherwise have enjoyed.
- 21.10 The Scheme shall operate subject to the Articles and to any restrictions under any applicable laws, rules and regulations, including the Listing Rules.
- 21.11 By participating in the Scheme, the Selected Participant consents to the holding, processing, storage and use of personal data or information concerning him or her by any member of the Group, any Affiliate, the Trustee or any other third party contractor or service provider, in Hong Kong or elsewhere, for the purpose of the establishment, administration, management, operation, reporting, compliance and monitoring of the Scheme. Such consent permits, but is not limited to, the following:
- (a) the administration and maintenance of records of the Selected Participant;
 - (b) the provision of data or information to members of the Group, the Trustee, 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, the Selected Participant's employing company, or the business in which the Selected Participant works;

- (d) the transfer of data or information about the Selected Participant to a country or territory outside the Selected Participant's home country which may not provide the same statutory protection for the information as his home country; and
- (e) in the case where an announcement is required to be made pursuant to the Listing Rules for the purposes of granting an Award, the disclosure of the identity of such Selected Participant, the number of Awarded Shares and the terms of the Award granted and/or to be granted and all other information as required under the Listing Rules.

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

22. GOVERNING LAW

- 22.1 The Scheme shall be governed by and construed in accordance with the laws of Hong Kong.