



METASURFACE

METASURFACE TECHNOLOGIES HOLDINGS LIMITED

元续科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8637)

RULES OF THE

SHARE AWARD SCHEME

*(adopted by the shareholders of Metasurface Technologies Holdings Limited
as an ordinary resolution at the annual general meeting held on [30] June 2026)*

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1. Definition and Interpretation

1.1 Unless the context requires otherwise, each of the following words and expressions in these Rules shall have the following corresponding meanings:

“Acceptance Period”	shall have the meaning as set out in Rule 7.2;
“Administration”	the Board, remuneration committee of the Company, and/or delegate(s) of the aforementioned in charge of the operation and all other aspects of the Scheme;
“Adoption Date”	the date on which the Shareholders approved the adoption of the Scheme;
“Articles”	the articles of association of the Company from time to time;
“associate(s)”	shall have the meaning as defined under the Listing Rules;
“Award(s)”	an award, in the form of conditional vesting of Award Shares to a Selected Participant, granted by the Administration to a Selected Participant, under which Award Shares may be vested in accordance with the terms of these Rules;
“Award Share(s)”	the Shares granted to a Selected Participant in an Award;
“Board”	the board of directors of the Company from time to time;
“Business Day”	shall have the meaning ascribed to it in the Listing Rules;

“chief executive”	shall mean any person falling under the definitions of “chief executive” and/or “chief executive officer” (if any) in the Listing Rules;
“Company”	Metasurface Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Hong Kong Stock Exchange with Stock Code 8637 as at the Adoption Date;
“Company Secretary”	the company secretary of the Company;
“connected person(s)”	shall have the meaning ascribed to it in the Listing Rules;
“control”	in relation to a company, means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of such company
“controlling shareholder(s)”	shall have the meaning ascribed to it in the Listing Rules;
“core connected persons”	a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them;
“Director(s)”	director(s) of the Company;
“Eligible Participant(s)”	(i) the Employee Participants; and (ii) the Related Entity Participants; provided that he/she is not an Excluded Participant;
“Employee Participant(s)”	director(s) (including independent non-executive Directors) and employee(s) (whether full time or part time) of any member of the Group;
“Excluded Participant(s)”	an individual who is a resident in a place where the grant, acceptance or vesting of an Award pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual;

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Grant Date”	the date on which the grant of an Award is made to a Selected Participant, being the date of a Grant Instrument;
“Grant Instrument”	shall have the meaning as set out in Rule 7.1;
“Group”	the Company and its Subsidiaries from time to time, and the expression <i>member(s) of the Group</i> shall be construed accordingly;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Holding Company Participant(s)”	the director(s) and employee(s) of the holding companies or fellow subsidiaries (i.e. subsidiaries of the holding companies of the Company) of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Listing Rules”	means the rules governing the listing of securities on the stock exchange(s) on which the Shares are listed from time to time (as amended, supplemented or otherwise modified from time to time), including but not limited to the GEM Listing Rules; and for the avoidance of doubt, where the Company is listed on more than one stock exchange, references to the “Listing Rules” shall mean the respective rules governing the listing of securities on each such stock exchange as the context requires;
“on-market”	the trading of Shares through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations;

“Related Entity Participant(s)”	the Holding Company Participants and director(s) and employee(s) of associated companies of the Company (provided that the Company has control over the relevant associated company);
“Rules”	the rules set out herein relating to the Scheme as amended from time to time;
“Scheme”	the share award scheme adopted by the Company in accordance with these Rules on the Adoption Date, as amended, supplemented or otherwise modified from time to time;
“Scheme Mandate Limit”	the total number of new Shares which may be allotted and issued upon exercise of all share options and grant of share awards under the Scheme and any other share award schemes and share option schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date or as at the date of approval of the refreshment of the Scheme Mandate Limit by Shareholders in general meeting, whichever is later (subject to adjustment in the case of any consolidation or subdivision of shares of the Company thereafter);
“Scheme Period”	the period commencing on the Adoption Date, and ending on the Business Day immediately prior to the tenth (10th) anniversary of the Adoption Date;
“Selected Participant”	any Eligible Participant approved for participation in the Scheme and who has been granted any Award pursuant to Rule 5.1;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shareholders”	the shareholders of the Company from time to time;
“Shares”	ordinary shares of HK\$0.001 each in the capital of the Company (or, if there has been a consolidation, reduction, re-classification, sub-division or reconstruction of the share capital of the Company,

shares forming part of the equity share capital of the Company of such revised amount as shall result from such subdivision, consolidation, reduction, re-classification or reconstruction of such ordinary shares from time to time);

“Stock Exchange”

means the stock exchange(s) on which the Shares are listed from time to time, including but not limited to the Hong Kong Stock Exchange; and for the avoidance of doubt, where the Company is listed on more than one stock exchange, references to the **“Stock Exchange”** shall mean the respective stock exchange as the context requires;

“Subsidiary(ies)”

any subsidiary (as the term is defined in the Listing Rules and/or any applicable laws, as the context requires) of the Company;

“substantial shareholder(s)”

has the meaning ascribed to it under the Listing Rules;

“Taxes”

shall have the meaning as set out in Rule 9.4;

“Treasury Shares”

Shares repurchased and held by the Company in treasury (if any), as authorised by the laws and regulations of the Cayman Islands and/or the Articles, or has the meaning as may be amended from time to time in accordance with the Listing Rules;

“Vesting Date”

the date or dates, as determined from time to time by the Administration, on which the Award (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Grant Instrument, unless a different Vesting Date is deemed to occur by the operation of other Rules, the Listing Rules and other applicable laws or regulations.

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

- (a) references to Rules are to these 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, 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;
- (e) unless otherwise indicated, the Board can make determinations in its absolute discretion subject to the Listing Rules and if the Board delegates its authority to administer the Scheme to a committee of the Board or other person(s), the committee of the Board or such other person(s) shall enjoy the same absolute discretion subject to the Listing Rules;
- (f) a reference to “**include**”, “**includes**” and “**including**” shall be deemed to be followed by the words “**without limitation**”;
- (g) words importing the singular include the plural and *vice versa*, and words importing a gender include every gender;
- (h) headings are included in these Rules for convenience only and do not affect its interpretation; and
- (i) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. PURPOSES AND OBJECTIVES

The purpose of this Scheme is to reward Selected Participants for their contributions to the Group, encourage Selected Participants to optimise their future contributions to the Group, as well as attract and retain or otherwise maintain on-going relationships with Selected Participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, thereby increasing the overall competitiveness of the Group, aligning the interests of the Selected Participants directly with those of the Company and Shareholders, and motivating the performance of Eligible Participants.

3. LIFE OF THE SCHEME

In order to give effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of these Rules, subject to Rule 19, the Scheme shall be valid and effective for the Scheme Period, after which no further Awards shall be granted while the provisions of this Scheme will in all other respects remain in full force and

effect and Award Shares granted but not vested before the end of the Scheme Period may still be vested in accordance with the term and conditions of the relevant Awards.

4. ADMINISTRATION

- 4.1 The Scheme shall be administered by the Administration in its absolute discretion with such powers and duties conferred on it by the Board, in accordance with these Rules and subject to the Listing Rules, provided that no member of the Administration shall participate in any deliberation or decision in respect of Awards to be granted to such member or held by such member. A decision of the Administration shall be final and binding on all persons affected thereby, subject to the power of the Board under Rule 4.2.
- 4.2 Notwithstanding any other provision in these Rules, the authority of the Administration to administer the Scheme shall not prejudice the Board's ultimate power to (i) override or modify the decisions of the Administration in its execution of the Scheme, (ii) revoke any delegation to the Administration at any time, and/ or (iii) derogate from the discretion rested with the Administration.
- 4.3 Without prejudice to the Board's general power of administration, the Administration 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, 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(s) shall be determined by the Administration at its sole discretion from time to time.
- 4.4 Subject to these Rules, the Listing Rules and any applicable laws and regulations, the Administration shall have the power, without limitation, from time to time to:
- (a) grant Awards to those Eligible Participants whom it shall select from time to time;
 - (b) determine the terms and conditions of the Awards and vesting of Award Shares;
 - (c) decide how the vesting of the Award Shares will be settled;
 - (d) construe and interpret these Rules and the terms of the Awards granted under the Scheme;
 - (e) 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 these Rules;
 - (f) determine the commencement or termination date of an Eligible Participant's employment with and the retirement date of any Selected Participant from any member of the Group;

- (g) establish and administer performance targets (if any) that must be duly fulfilled by a Selected Participant before any of the Awards may be granted and/or vested to such Selected Participant;
- (h) determinate the form and substance of and approve the Grant Instrument; and
- (i) take such other steps or actions to give effect to the terms and intent of these Rules.

4.5 None of the Administration 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 Administration 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 wilful default, fraud or bad faith.

5. GRANT AND LIMIT ON GRANT

- 5.1 The Administration may, from time to time, select any Eligible Participant to be a Selected Participant and subject to Rule 5.7, grant an Award to such Selected Participant during the Scheme Period. Participation in this Scheme is limited to Eligible Participants only. In determining the basis of eligibility of each Eligible Participant to an Award, the Administration will take into account, without limitation, (i) the experience, technical expertise and qualification, level of responsibilities of the Eligible Participant in relation to the Group's business; (ii) the length of service of the Eligible Participant with the Group; (iii) the financial condition and short-term and long-term objectives of the Group; (iv) the current remuneration packages of the Eligible Participant; and/or (v) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given to the Group and/or towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.
- 5.2 The Administration may impose any conditions (including but not limited to a mandated service period with the Group, or certain performance targets) as it deems appropriate with respect to the entitlement of a Selected Participant to an Award, and the Administration will inform the Selected Participant by way of a Grant Instrument in accordance with Rule 7.1 of the terms and conditions of the Award and the Selected Participant shall indicate the acceptance of the Award in accordance with Rule 7.2. For the avoidance of doubt, any grant of Awards to an independent non-executive Director shall not be subject to any performance targets.
- 5.3 Subject to Rule 5.7, no Award Shares shall be granted to any Eligible Participant if such grant of Award Shares to such person would result in the Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and share

options lapsed) in accordance with the terms of the Scheme and other share scheme(s) adopted by the Company to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding Treasury Shares, if any), unless:

- (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules), by resolution of the Shareholders in general meeting, at which such person and his/her close associates (as defined under the GEM Listing Rules) (or his/her associates if such person is a connected person) shall abstain from voting;
- (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules); and
- (c) the number and terms of such Award Shares are fixed before the general meeting of the Company at which the same are approved.

5.4 Subject to Rule 5.7, each grant of an Award to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of an Award). In addition:

- (a) where any grant of Award Shares 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 award shares granted (excluding any award shares lapsed) in accordance with the terms of the Scheme and other share award scheme(s) of the Company (if any) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of the Shares in issue (excluding Treasury Shares, if any) as at the date of such grant, such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules; or
- (b) where any grant of Award Shares to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and options lapsed) in accordance with the terms of the Scheme and other share scheme(s) adopted by the Company to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant,

representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding Treasury Shares, if any) as at the date of such grant such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

In the circumstances described in Rules 5.4(a) and 5.4(b) above, the Company must send a circular to the Shareholders. The Selected Participants, his/her associates and all core connected persons of the Company will be required to abstain from voting in favour at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

- 5.5 Subject to Rule 5.7, if required by the applicable Listing Rules from time to time, any grant of Award Shares (including the number and terms of the Awards to be granted) to Controlling Shareholders or any of their respective associates must be approved by independent Shareholders as a separate resolution in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules. The Selected Participant(s) and their respective associates will be required to abstain from voting at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.
- 5.6 Subject to Rule 5.7, if required by the applicable Listing Rules from time to time, where any grant of Award Shares to a Holding Company Participant, together with all Award Shares granted to such person in accordance with the terms of this Scheme up to and including the date of such grant, would represent in aggregate 5% or more of the total number of Awards available to Holding Company Participant, such grant of Award Shares to each Holding Company Participant must be approved by independent Shareholders as a separate resolution in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules, and a separate resolution must also be passed to approve the aggregate number of Awards to be made available for grant to Holding Company Participant. The Selected Participant(s) and their respective associates will be required to abstain from voting at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.
- 5.7 Notwithstanding the provision in Rule 5.1 to Rule 5.6, no grant of any Award 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 Administration 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 Mandate Limit or would otherwise cause the Company to issue Shares in excess of the permitted amount 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. In addition, for so long as the Company's Shares are listed on any Stock Exchange, all grants of Award Shares to any Selected Participant shall be subject to and conditional upon the Company's compliance with the applicable Listing Rules when determining the Award Shares to be granted to an Eligible Participant (or certain categories of Eligible Participants) under the Scheme from time to time, including seeking the relevant approvals from independent Shareholders as required.

6. RESTRICTION ON THE TIME OF GRANT

6.1 No Award shall be made to Selected Participants:

- (a) after inside information (having the meaning as defined in the SFO) has come to the Company's knowledge until (and including) the trading day after such inside information has been announced in accordance with the relevant requirements of the Listing Rules;
- (b) the period commencing thirty (30) days immediately before the earlier of:
 - (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules);

and ending on the date of results announcement, no Awards may be granted;

- (c) during any other periods of time stipulated by the Listing Rules from time to time in relation to any restriction on the time of grant of awards; or
- (d) in any other circumstances where dealings by a Selected Participant (including a Director) are prohibited under the Listing Rules, the SFO or other applicable laws or regulations or where the requisite approval from applicable regulatory authorities has not been granted.

7. GRANT INSTRUMENT

- 7.1 The Company shall issue a letter agreement to each Selected Participant in such form as the Administration may from time to time determine, specifying the (i) Grant Date, (ii) the number of Award Shares underlying the Award, (iii) the granting and/or vesting criteria and conditions (including but not limited to performance targets (if any)), (iv) the purchase price of Award Shares (if any), (v) the Vesting Date and (vi) such other details as they may consider necessary (the “**Grant Instrument**”).
- 7.2 Upon receipt of the Grant Instrument, the Selected Participants are required to confirm their acceptance of the Award by returning to the Company a notice of acceptance duly executed by them together with all information and documents as requested by the Company in the Grant Instrument within 10 Business Days after the Grant Date (the “**Acceptance Period**”) together with a payment together with a payment of HK\$1.00 or such other nominal amount (if any) in favour of the Company as consideration for the grant thereof as the Administration may determine. The Award may be accepted by the Selected Participant in respect of less than the number of the Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the notice of acceptance. If any Selected Participant fails to return the notice of acceptance or to provide any requested information and documents upon the expiration of the Acceptance Period to the Company, the Award automatically lapses forthwith.

8. SATISFYING THE VESTING OF AWARD SHARES

- 8.1 The Company may satisfy the vesting of Award Shares by issuing and allotting Shares, transferring Treasury Shares and/or making a cash payment to the Selected Participant in accordance with these Rules, the Listing Rules and any other applicable laws and regulations. Any stamp duty, levy, trading fee, and other, if any, direct cost and expense arising on the vesting of Award Shares to Selected Participants shall be borne by the Company.
- 8.2 To the extent that, (i) a Selected Participant chooses to receive cash instead of Award Shares upon vesting of Award Shares, and such choice is approved by the Administration at its absolute discretion subject to the Listing Rules, or (ii) at the determination of the Administration, it is not practicable for the Selected Participant to receive Award Shares upon vesting due to legal or regulatory restrictions, the Administration may satisfy the vesting of Award Shares by making a cash payment to the Selected Participant. The amount of such payment shall be calculated by reference to the number of Award Shares to be vested in respect of the Selected Participant on the Vesting Date and valuing the same at the closing price of the Shares as stated in the daily quotations sheet published by the Stock Exchange on the Vesting Date and deducting therefrom any stamp duty, levy, trading fee and other, if any, direct costs and expenses which would have been payable if the Award Shares were sold on-market on the Vesting Date at the said closing price.

8.3 The Administration may require any Selected Participant to return duly executed transfer documents or other documents for the purpose of vesting and transferring the relevant Award Shares within a stipulated period. The Award shall automatically lapse if a Selected Participant fails to do so, unless the Administration determines otherwise at their absolute discretion subject to the Listing Rules.

9. VESTING CONDITIONS AND PERIOD OF AWARD

9.1 Subject to the Listing Rules, the Administration may from time to time while the Scheme is in force, and subject to all applicable laws, determine such vesting criteria and conditions (including but not limited to performance targets) or periods for the Award to be vested hereunder. The Award shall automatically lapse if a Selected Participant fails to meet any such vesting criteria or condition, unless the Administration determines otherwise at their absolute discretion subject to the Listing Rules.

9.2 The Vesting Date in respect of any Award shall not be a date within 12 months from the Grant Date.

9.3 If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the Shares or book closure period of the Company, be the Business Day immediately thereafter.

9.4 Other than the stamp duty or other direct costs and expenses to be borne by the Company in accordance with Rule 8.1, all other taxes (including personal income taxes, professional taxes, salary taxes, withholding taxes and other 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 Award Shares or cash amount of equivalent value of the Award Shares (the "**Taxes**") shall be borne by the Selected Participant and neither the Company nor any other member of the Group shall be liable for any Taxes. The Selected Participant will indemnify all members of the Group 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, any member of the Group may, notwithstanding anything else in these Rules (but subject to applicable laws):

- (a) reduce or withhold the number of the Selected Participant's Award Shares underlying the Award by the number of Award Shares having 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 as necessary for an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority 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 to the Selected Participant, including from the salary and/or fees payable to the Selected Participant by any member of the Group; and/or
- (d) require the Selected Participant to remit to any member of the Group, 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 on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

For the avoidance of doubt, the Administration or the Company shall not be obliged to transfer any Award Shares to a Selected Participant unless and until the Selected Participant satisfies the Administration and the Company that such Selected Participant's obligations under this Rule have been met.

9.5 The Selected Participant must remain an Eligible Participant under the Scheme on the Vesting Date. Specifically, the Selected Participant must remain in employment or contractual engagement with the Group and in good standing, and not be under termination notice or garden leave, and must be in continued compliance with all relevant terms of these Rules and his/its employment or contractual engagement on each relevant Vesting Date, unless the Administration determines otherwise at their absolute discretion subject to the Listing Rules.

10. LAPSE OF AWARD

10.1 If there is a change in position(s) or duty(ies) of the Selected Participant's employment or contractual engagement with the Group and such Selected Participant is still regarded as an Eligible Participant, any outstanding Award Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Grant Instrument, unless the Administration determines otherwise at their absolute discretion subject to the Listing Rules.

10.2 If a Selected Participant ceases to be an Eligible Participant by reason of:

- (a) retirement of the Selected Participant at his/her normal retirement age as specified in his/her terms of employment or contractual engagement with the Group or as prescribed by any applicable laws or regulations; or
- (b) his job-related permanent physical or mental disablement or job-related death,

any outstanding Award Shares not yet vested shall be vested in accordance with the Vesting Dates set out in the Grant Instrument, unless the Administration determines

otherwise at their absolute discretion subject to the Listing Rules. For the purpose of this Rule 10.2, a Selected Participant shall be taken to have retired on the date that he retires upon or after reaching the age of retirement specified in his service agreement or pursuant to any retirement policy of the Group or the statutory age of retirement as prescribed by the laws and/or regulations applicable to him from time to time or, in case there is no such terms of retirement applicable to the Selected Participant, with the approval of the Administration. In the event of vesting by reason of job-related death of a Selected Participant, the legal personal representatives of the Selected Participant shall have two years from the date of the death of the Selected Participant to provide the necessary documents (including but not limited to a legal opinion) to the satisfaction of the Administration as to the entitlement of the estate of the dead Selected Participant. After the said two years, or if the Award or Award Shares unvested would have become bona vacantia at the time of death, the Award shall lapse automatically and the underlying Award Shares shall not vest and will cease to be transferable. The successor of the estate shall have no claims or restitution against any member of the Group.

- 10.3 If a Selected Participant ceases to be an Eligible Participant for reasons other than those stated above (such as non-job-related permanent physical or mental disablement or non-job-related death, resignation, termination for cause or for other reasons, winding up of the member of the Group employing or engaging the Selected Participant), the Award granted to the Selected Participant shall lapse automatically, unless the Administration determines otherwise at their absolute discretion subject to the Listing Rules.
- 10.4 In the event of an order for the winding-up of the Company being made or a resolution being passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) on or prior to any Vesting Date, the Award granted to the Selected Participant shall lapse automatically.
- 10.5 If a Selected Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his/her creditors generally, the Award granted to the Selected Participant shall lapse automatically, unless the Administration determines otherwise at their absolute discretion subject to the Listing Rules.
- 10.6 Without prejudice to the interpretation and operation of other Rules, an Award of a Selected Participant shall lapse automatically on the earliest of:
- (a) the Selected Participant is found to be an Excluded Participant;
 - (b) the Selected Participant fails to meet the requirements under Rule 7.2 (on accepting the Grant), Rule 8.3 (on providing vesting documents) and/or Rule 9.1 (on fulfilling vesting conditions); or
 - (c) the cancellation of the Award under Rule 16.1, unless the Administration determines otherwise at their absolute discretion subject to the Listing Rules.

- 10.7 For the avoidance of doubt, when an Award lapses under this Scheme, the Award or all relevant parts of the Award granted to the Selected Participant concerned shall lapse automatically and the Award Shares or the relevant Award Shares underlying the Award or parts of the Award so lapsed shall not vest on the relevant Vesting Date and shall cease to be transferable. The affected Selected Participant in this case shall have no claims or restitution against any member of the Group.

11. TRANSFERABILITY AND OTHER RIGHTS TO DEAL WITH AWARD SHARES

- 11.1 Any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made. Unless a waiver is granted by the Stock Exchange or otherwise permitted or required under the applicable laws and regulations, any Award shall not be assignable or transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.
- 11.2 Any actual or purported breach of Rule 11.1 shall entitle the Company to cancel any outstanding Award or part thereof granted to such Selected Participant. For this purpose, a determination from the Company Secretary, or the Administration, 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, subject to the power of the Board under Rule 4.2.

12. PRE-VESTING INTEREST IN THE AWARDED SHARES

- 12.1 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 these Rules;
 - (b) no instructions may be given by a Selected Participant in respect of the Award or Awarded Shares except for informing the Company the account of the Selected Participant to which the Company shall transfer the Awarded Shares to on the Vesting Date;
 - (c) the Selected Participant does not have any right to voting, dividend, or transfer, including those arising on a liquidation of the Company, in relation to any Shares granted but unvested under the Scheme; and
 - (d) a Selected Participant shall have no rights in the balance of the fractional shares arising out of consolidation of Shares (if any) and such Shares shall be deemed forfeited for the purposes of the Scheme.

12.2 The Award Shares vested pursuant to this Scheme will be subject to all the provisions of the Articles for the time being in force and will rank *pari passu* in all respects with other Shares in issue on the date they are transferred to the Selected Participant and accordingly, will entitle the holders to the same voting, dividend, transfer and other rights (including those arising on liquidation of the Company) as the existing fully paid Shares in issue on the date on which they are transferred upon vesting of an Award. Without prejudice to the generality of the foregoing, Award Shares vested pursuant to the Scheme shall entitle their holders to participate in all dividends or other distributions paid or made on or after the date on which the Shares are transferred to the Selected Participant.

13. CHANGE IN CONTROL AND CAPITAL STRUCTURE

13.1 If there is an event of change in control of the Company by way of a takeover, merger, scheme of arrangement, general offer, or the Company shall otherwise be privatized, the Administration shall at their sole discretion determine whether the Vesting Date of any Awards will be accelerated to an earlier date, whereby the Vesting Date may be less than 12 months from the Grant Date (including on the Grant Date), subject to the compliance with the Listing Rules and these Rules. For the purpose of this Rule 13.1, “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.

13.2 In the event of any alteration in the capital structure of the Company following the commencement of the Scheme due to any capitalization/bonus issue, rights issue, subdivision or consolidation of shares or reduction of capital, the Administration shall adjust (if any) the purchase price and/or the number of outstanding Award Shares that have been granted but unvested in accordance with Rule 13.3. All fractional Shares (if any) arising out of such alteration in the capital structure of the Company in respect of the Award Shares of a Selected Participant shall be deemed forfeited and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.

13.3 Any adjustments made under Rule 13.2 must give a Selected Participant the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value (if any). The issue of securities as consideration in a transaction (including any acquisition) may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalization/bonus issue, the auditors of the Company must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules. Such adjustment must also be made in such a way that a Selected Participant will not receive a benefit that a Shareholder does not receive.

14. SCHEME MANDATE LIMIT

- 14.1 The total number of Shares which may be issued in respect of all options and awards to be granted under the Scheme and other share schemes of the Company must not in aggregate exceed the Scheme Mandate Limit (or such other percentage which may be specified by the Stock Exchange from time to time).
- 14.2 For the purposes of calculating the Scheme Mandate Limit under Rule 14.1, Shares which are the subject matter of any options or awards that have already lapsed in accordance with the terms of the relevant share scheme(s) of the Company will not be regarded as utilised.
- 14.3 The Scheme Mandate Limit may be refreshed and the Company may award beyond such limits by seeking separate approval from its Shareholders in general meeting(s) in accordance with the Listing Rules.
- 14.4 If the Company conducts any share consolidation or sub-division after the Scheme Mandate Limit has been approved in the general meeting, the maximum number of Shares that may be issued by the Company pursuant to the Scheme and all other share schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares (excluding Treasury Shares, if any) at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole Share.

15. CLAWBACK MECHANISM

- 15.1 Unless determined otherwise by the Board, the Award Shares, granted but not yet vested, will be automatically and immediately cancelled when the grantee ceases to be an Eligible Participant as defined in the Share Award Scheme in the following circumstances:
- (a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement or service to any member of the Group and whether or not it has resulted in his employment or engagement or service being terminated by the relevant member of the Group;
 - (b) where such a person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
 - (c) where such person has been convicted of any criminal offence;
 - (d) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time; or

- (e) where such person commits a material breach of contract(s) between any member of the Group and the Eligible Participant(s); or
- (f) where the granting of any Award was based on material misstatement in the financial statements of the Company or any other materially inaccurate performance metric criteria.

16. CANCELLATION OF AWARDS GRANTED

- 16.1 The Administration may cancel an Award granted but which remains unvested in certain circumstances, including where it is necessary to comply with the laws in the jurisdictions in which the Eligible Participants and the Company are subject to, or in order to comply with the requirements of any securities exchange.
- 16.2 Award Shares may be granted to an Eligible Participant in place of his/her cancelled Award Shares, provided that there remains available Shares under the Scheme Mandate Limit approved by the Shareholders as referred to in the Listing Rules. The cancelled Award Shares will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

17. ADMINISTRATION DECISION AND DISPUTE

- 17.1 Any decision to be made under the Scheme, including matters of interpretation with respect to these Rules, shall be made by the Administration. Any dispute arising in connection with this Scheme shall be referred to the decision of the Administration and whose decision is final and binding, subject to the power of the Board under Rule 4.2.

18. ALTERATION OF THE SCHEME

- 18.1 The Board may alter, from time to time:

- (a) the authority of the Administration to alter the terms of the Scheme;
- (b) terms and conditions of the Scheme which are of a material nature; or
- (c) provisions relating to the matters set out in rule 23.03 of the GEM Listing Rules to the advantage of Selected Participants or prospective Selected Participants,

provided that approval from the Shareholders in general meeting (with the Selected Participants and their associates abstaining from voting) has been obtained.

- 18.2 Other than alterations set out in Rule 18.1 and any other alterations required to be approved by Shareholders by any applicable Listing Rules, the Administration may alter the terms of the Scheme without the approval of the Shareholders in a general meeting,

provided that no such alteration shall operate to affect adversely the terms of issue of any Award Shares granted or agreed to be granted prior to such alteration except with the consent of all affected Selected Participant(s) or the sanction in writing of such majority of Selected Participants as would be required of the Shareholders under the constitutional documents for the time being of the Company for a variation of entire rights attached to the Shares.

18.3 Any change to the terms of any Awards granted to a Selected Participant must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme.

18.4 The amended terms of the Scheme and/or the Award pursuant to this Rule 18 must comply with the relevant requirements of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules).

19. TERMINATION

19.1 The Scheme shall terminate on the earlier of:

- (a) the 10th anniversary date of the Adoption Date; and
- (b) such date of early termination as determined by the Board provided that such termination does not affect any subsisting rights of any Selected Participant.

In such event, no further Awards may be offered or granted but Awards granted prior to the termination of the Scheme shall in all other respects remain in full force and effect.

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

20. ABSTENTION FROM VOTING

20.1 Shareholders who are eligible to participate in the Scheme must abstain from voting on any resolution relating to the Scheme (other than a resolution relating to the participation of, or grant of Awards to, Holding Company Participant).

20.2 The following categories of persons shall abstain from voting on any resolution relating to the participation of, or grant of Awards to Holding Company Participant:

- (a) the Company's holding company of the Company and its associates; and

- (b) the Holding Company Participants, who are also Shareholders and are Eligible Participants.

21. DISCLOSURE

- 21.1 The Company shall comply with all applicable disclosure obligations required under the Listing Rules from time to time relating to the Scheme.

22. MISCELLANEOUS

- 22.1 This Scheme shall not form part of any contract of employment, appointment or engagement between the Company or any of its Subsidiaries and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his office or employment or engagement shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such Eligible Participant no additional rights to compensation or damages in consequence of the termination of such office or employment or engagement for any reason. Furthermore, an Eligible Participant shall not be entitled to any right to compensation or damages or any other benefit whatsoever for the loss of any rights under this Scheme due to the termination of such office or employment or engagement for any reason.
- 22.2 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 22.3, expenses incurred in the issuance and/or purchase of Shares 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.
- 22.3 Any notice or other communication between the Company and any Eligible Participant shall be in writing (in either English language or Chinese language) and may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its prevailing principal place of business in Hong Kong of the Company, 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. In addition, any notice or other communication from the Company to any Eligible Participant or Selected Participant may also be given by any electronic means as the Administration considers appropriate.
- 22.4 Any notice or other communication shall be deemed to have been served, if served by personal delivery, at the time of delivery; and if by pre-paid post:

- (a) by the Company shall be deemed to have been served 24 hours after the same was posted if to an address in Hong Kong and on the seventh day after posting if to an address outside Hong Kong;
- (b) by the Eligible Participant to the Company to its principal place of business in Hong Kong (and marked for the attention of the Company Secretary) shall not be deemed to have been served until the same shall have been received by the Company.

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.

- 22.5 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.
- 22.6 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 Rules, and any such deletion shall not affect the enforceability of the Rules as remain not so deleted.
- 22.7 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 Award Shares themselves) 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 Administration and/or any member of the Group liable for any costs.
- 22.8 In the event that an Award lapses in accordance with these 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 it might otherwise have enjoyed.
- 22.9 The Scheme shall operate subject to the Articles and to any restrictions under any applicable laws, rules and regulations.
- 22.10 By participating in the Scheme, the Selected Participant consents to the holding, processing, storage and use of personal data or information concerning it by any member of the Group, 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 Selected Participant;

- (b) the provision of data or information to members of the Group, 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/her home country; and
- (e) in the case where an announcement or disclosure otherwise is required to be made pursuant to the Listing Rules or any other laws or regulations, the disclosure of the identity of such Selected Participant, the number of Award Shares and the terms of the Award granted and/or to be granted and all other information as required under the Listing Rules or any other laws or regulations.

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

22.11 In this Scheme, where applicable, references to Shares to satisfy the grant of Award Shares shall include Treasury Shares, and references to the issue and purchase of Shares shall include the transfer of Treasury Shares (as the case may be, and to the extent permissible by the Listing Rules, applicable laws and regulations).

22.12 In case where an Award is funded by existing Shares (rather than the issue and allotment of new Shares) then to the extent permissible under the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules) and other applicable laws and regulations, the Administration may make a determination to waive, modify and/or vary the application of any terms or provisions of these Rules to the Award and/or the Selected Participants as the Administration may at its discretion consider appropriate.

23. GOVERNING LAW

23.1 The Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Selected Participants, by accepting grants of Awards in accordance with the Scheme, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.