

SMART GLOBE HOLDINGS LIMITED

RULES RELATING TO

THE 2026 SHARE AWARD SCHEME

(as adopted by the Shareholders' resolution passed on [29 May] 2026)

Table of Contents

1.	Definitions and Interpretation.....	1
2.	Purpose of the Scheme.....	6
3.	Administration	6
4.	Eligible Participants and Basis for Determining Eligibility Participants	10
5.	Grant of Awards - General.....	12
6.	Rights of a Grantee in relation an Award or Shares referable to the Award	16
7.	Vesting of Awards	16
8.	Consequences of Vesting.....	18
9.	Lapse of Awards.....	19
10.	Cancellation of Awards.....	20
11.	Scheme Limit and Maximum Number of New Shares Available for Subscription	21
12.	Reorganisation of Capital Structure	23
13.	Share Capital	24
14.	Disputes	24
15.	Withholding	24
16.	Alteration of the Scheme and Awards.....	24
17.	Termination	25
18.	Miscellaneous	25

SMART GLOBE HOLDINGS LIMITED

Rules Relating to the 2026 Share Award Scheme

1. Definitions and Interpretation

1.1 Definitions

In this Scheme the following expressions have the following meanings:

“Adoption Date”	means the date on which this Scheme is adopted by the Shareholders in a general meeting of the Company;
“Articles”	means the articles of association of the Company, as amended from time to time;
“Associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Auditors”	means the auditors for the time being of the Company;
“Award(s)”	means an award granted by the Share Scheme Committee to an Eligible Participant of a conditional right for such Eligible Participant to receive such number of Awarded Shares, subject to the satisfaction of Vesting conditions and such other terms and conditions, as the Share Scheme Committee may in its absolute discretion determine;
“Awarded Shares”	the Shares underlying the Awards granted pursuant to the terms of this Scheme;
“Board”	means the board of Directors;
“Business Day”	means a day (excluding Saturdays, Sundays, public holidays) on which licensed banks in Hong Kong are generally open for the business and the Stock Exchange is open for the business of dealing in securities;
“Chief Executive”	has the meaning ascribed to it in the Listing Rules;
“Close Associate”	has the meaning ascribed to it in the Listing Rules;
“Company”	means Smart Globe Holdings Limited (竣球控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1481);
“Connected Person(s)”	has the meaning ascribed to it in the Listing Rules;
“Core Connected Person(s)”	has the meaning ascribed to it in the Listing Rules;

“Director(s)”	means the director(s) of the Company;
“Eligible Participants”	means Employee Participants, Related Entity Participants or Service Providers;
“Employee Participant(s)”	any Director or employee of, or any person who has accepted an employment offer (whether full-time or part-time) from, or who is being granted an Award as an inducement to enter into an employment contract with any member of the Group;
“Expert”	means the Auditors or an independent financial advisor selected and appointed by the Company, and acting as expert, at the cost of the Company;
“Grant”	means, individually or collectively, a grant of Awards under the Scheme;
“Grant Date”	means in relation to any Share Award, the date on which the Share Award is granted as set out in the Grant Letter, which must be a Business Day;
“Grant Letter”	a letter to the Selected Participants in such form as the Share Scheme Committee may from time to time determine notifying them of the Grant in accordance with the terms of the Scheme;
“Grantee”	means any Eligible Participant who accepts an Offer in accordance with the terms of the Scheme;
“Group”	means the Company and its subsidiaries from time to time;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Inside Information”	has the meaning ascribed to it in the Listing Rules;
“Lapsed Awards”	means such Awards which do not vest and which lapse in accordance with the terms of this Scheme;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Offer”	means an offer for the grant of an Award made in accordance with paragraph 5;
“Other Share Scheme”	means at any time, any other share scheme (as defined in Chapter 17 of the Listing Rules) adopted

		by the Company pursuant to Chapter 17 of the Listing Rules which is then operational;
“Personal Representative(s)”		means the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, shall represent, manage or administer the estate of the deceased Grantee;
“Related Entity”		means any holding company, fellow subsidiary or associated company of the Company;
“Related Participants”	Entity	means directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company;
“Remuneration Committee”		means the remuneration committee of the Company;
“Scheme”		means this 2026 Share Award Scheme in its present form or as amended, modified or supplemented from time to time in accordance with the provisions hereof;
“Scheme Mandate Limit”		has the meaning ascribed to it in paragraph 11.1;
“Selected Participants”		any Eligible Participant selected by the Share Scheme Committee in accordance with the terms of this Scheme that has an outstanding Share Award under this Scheme;
“Senior Managers”		refers to a senior manager identified as such in the Company’s annual report as required under paragraph 12 to Appendix D2 of the Listing Rules;
“Service Provider(s)”		means any person who falls under one of the following sub categories and who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group as determined by the Share Scheme Committee pursuant to the criteria set out in this Scheme as detailed in paragraph 4.3: <ul style="list-style-type: none"> (a) suppliers, agents and service providers; (b) advisors (professional or otherwise) or consultants; and (c) independent contractors <p>excluding (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity;</p>

“Service Sublimit”	Provider	means a sublimit within the Scheme Mandate Limit on the maximum number of new Shares which may be issued in respect of all options and awards to be granted to the Service Providers under the 2026 Share Award Scheme and any other share schemes of the Company;
“Share Committee”	Scheme	the share scheme committee which the Board set up specifically for the purpose of the administration of this Scheme and any Other Share Scheme, comprising three executive Directors from time to time;
“Shareholder(s)”		means holder(s) of the Share(s);
“Share(s)”		means the ordinary share(s) of HK\$0.01 each in the share capital of the Company (or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company) (and when such defined term is used in the context of Appendix to this circular or in the context of the administration of the 2026 Share Award Scheme, shall mean fully paid share(s) in the share capital of the Company or, if there has been a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company, the share(s) forming part of the share capital of the Company as shall result from any such sub-division, reduction, consolidation, reclassification or reconstruction);
“Share Award”		means the award of Awarded Shares under the Scheme;
“Smart Globe Share Award Trust”		means the trust established and administered by the Trustee in relation to any employee trust;
“Stock Exchange”		means The Stock Exchange of Hong Kong Limited;
“Subsidiary”		has the meaning ascribed to it in the Listing Rules;
“Substantial Shareholder”		has the meaning ascribed to it in the Listing Rules;
“Treasury Share(s)”		has the meaning as defined in the Listing Rules, and for the purposes of this Scheme, new Shares include treasury shares and the issue of new Shares includes the transfer of treasury shares;
“Trust Deed”		means the trust deed of the Smart Globe Share Award Trust made between the Company and the Trustee in relation to the administration of the Scheme (as restated, supplemented and/or amended from time to time);

“Trustee”	means such persons as the Company may from time to time appoint as the trustee of any employee trust;
“Vesting”	in relation to any Award, means the time from which the Grantee of that Award becoming entitled to have the Shares transferred to him subject to the terms of the Scheme. “Unvested” , “Vest” , “Vests” and “Vested” shall be construed accordingly;
“Vesting Date”	the date or dates, as determined from time to time by the Share Scheme Committee, on which the Award (or part thereof) is to vest in the relevant Eligible Participant as set out in the relevant Grant Letter, unless a different Vesting Date is deemed to occur by the operation of the Listing Rules, other applicable laws or regulations;
“Vesting Period”	in relation to any Award, means a period commencing on the Grant Date and ending on the Vesting Date (both days inclusive); and
“%”	per cent.

1.2 Construction of References

In this Scheme:

- (a) unless otherwise specified, any reference to a paragraph or section is a reference to a paragraph or section of this Scheme; and
- (b) any reference to a person includes an individual, a body corporate, a partnership, any other unincorporated body or association of persons and any state or state agency.

1.3 Interpretation

In this Scheme:

- (a) words importing the plural include the singular and vice versa;
- (b) words importing a gender include every gender; and
- (c) references to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended, consolidated or re-enacted, or as its operation is modified by any other statute or statutory provision (whether with or without modification), and shall include any subsidiary legislation enacted under the relevant statute.

1.4 Headings and Contents

The headings and contents in this Scheme do not affect its interpretation.

2. Purpose of the Scheme

The purposes of the Scheme are to enable the Company to grant share incentive awards to selected Eligible Participants as retention incentives or rewards for their contributions to the Group, to attract suitable personnel to enhance the development of the Group and to align the interests of the Grantees with those of the Shareholders for the benefit of the medium- to long-term development of the Group.

3. Administration

3.1 Administration by the Share Scheme Committee

The Scheme shall be subject to the administration of the Share Scheme Committee whose decision shall be final and binding, save as otherwise provided in this Scheme. The Share Scheme Committee shall meet at such time as it considers appropriate, and meetings of the Share Scheme Committee shall make decisions by passing resolutions. The quorum at a meeting of the Share Scheme Committee shall be two (2) members of the Share Scheme Committee and no business shall be conducted unless a quorum is present at the beginning and throughout the meeting. Each member of the Share Scheme Committee present at the meeting (whether in person or by telephone conference or other similar communications equipment by means of which all members participating shall be capable of hearing each other) shall have one vote, provided that if the proposed Grantee(s) in question is/are the member(s) of the Share Scheme Committee, such member(s) shall abstain from voting on the relevant resolution in relation to the grant of Awards to him/herself and shall not determine on any matters in relation to grant of Awards to such member(s). A resolution is passed if more votes are cast for than against it. Anything which may be done by a meeting of the Share Scheme Committee may, without a meeting, be done by resolution in writing signed by all members of the Share Scheme Committee and in as many counterparts as may be necessary.

3.2 Determination of Terms and Conditions of Awards

Subject to the provisions of the Listing Rules (including the approval requirements under the Listing Rules), applicable laws and other regulations and the Articles and without prejudice to the generality of the foregoing, the Share Scheme Committee may from time to time, in its absolute discretion and based on such factors as it shall consider relevant, subject always to the approval of the Remuneration Committee, and where applicable, the independent non-executive Directors and/or the Shareholders under paragraphs 11.2 and/or 16, grant Awards on such terms and subject to such conditions as it thinks fit and may specify those circumstances, if any, in which such terms and conditions shall be waived or treated as waived. Without prejudice to the generality of the foregoing, the Share Scheme Committee may:

- (a) grant Awards to those Eligible Participants whom it shall select from time to time, which shall be based on, amongst other things, the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of employment with the Group and the individual contribution or potential contribution to the development and growth of the Group of the Eligible Participant;
- (b) determine the date of the grant of the Award;
- (c) determine the number of Shares to be subject to the Award;

- (d) determine whether the Shares to be subject to the Award shall be acquired by subscription on terms permitted by the Stock Exchange, or by purchase from the market or otherwise or reallocated from any Shares then held by the Trustee that were referrable to any Award that has lapsed or otherwise not capable of Vesting or any combination of the foregoing;
- (e) determine (subject to compliance with paragraph 5.8) the terms and conditions of the Award, including:
 - i. Vesting Date upon which the Award may be vested in that Eligible Participant in respect of all or a proportion of the Awarded Shares. The vesting Period in respect of any Award shall be not less than twelve (12) months (or such other period as the Listing Rules may prescribe or permit), and in any event the Vesting Period shall not be less than twelve (12) months unless paragraph 7.1 applies or where the Eligible Participant is an Employee Participant, the Board or the Remuneration Committee shall have the authority to determine a shorter Vesting Period in its absolute discretion under the following specific circumstances:
 - a. grants of “make-whole” Awards to any Employee Participants who are new joiners to replace the share awards or options they forfeited when leaving their previous employers;
 - b. grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event;
 - c. grants that are made in batches during a year for administrative or compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for a 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 with a mixed or accelerated Vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months or where the Awards may vest by several batches with the first batch to vest within twelve (12) months of the date of grant and the last batch to vest twelve (12) months after the date of grant;
 - e. grants with performance-based Vesting conditions provided in the Share Award Scheme or as specified in the Grant Notice in lieu of time-based Vesting criteria; or
 - f. grants with a total vesting and holding period of more than twelve (12) months. Any grant of Awards to any Director or senior manager of the Company which is made on terms with a Vesting Period of less than twelve (12) months or without a performance target or without a clawback mechanism shall be reviewed by the Remuneration Committee as to why the Vesting Period is appropriate and how the grant aligns with the purposes of the Scheme,
 - ii. the Vesting schedule, the performance, operating and financial targets and other Vesting conditions, if any, to be satisfied before the Award can Vest (which may be imposed in addition to a Vesting schedule),

subject to the minimum Vesting Period requirements set out in this Scheme and the Listing Rules. Such performance targets shall include but not limited to the Company's business, financial, or operational performance, or any performance assessment criteria deemed reasonable and applicable to the Eligible Participant as determined by the Share Scheme Committee and/or its authorised persons in their absolute discretion, based on, among other considerations:

- a. for Directors and members of senior management of the Company: business or financial milestones, performance appraisal within a specified period reaching a desirable level, or the Grantee's anticipated future contribution to the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific targets);
 - b. for other Employee Participants (except a Director or member of senior management of the Company): performance appraisal within a specified period reaching a desirable level, or the Grantee's anticipated future contribution to the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific targets); and
 - c. for Related Entity Participant and Service Provider Participant: the Grantee's anticipated future contribution to the long-term development of the Group (including with respect to their experience, expertise, insight, participation in specific projects, or achievement of specific targets or business collaboration targets).
- iii. the amount, if any, payable on acceptance of the Award and the period within which payments or calls must or may be made or loans for such purposes must be repaid;
 - iv. the period, if any, during which Shares allotted and issued or transferred upon Vesting of the Award shall be subject to restrictions on dealings, and the terms of such restrictions;
 - v. the notification period, if any, to be given to the Company of any intended sale of Shares allotted and issued or transferred upon Vesting of the Award;
- (f) approve the form of Grant Letter;
 - (g) construe and interpret the terms and conditions of this Scheme and Awards made under it, which absent manifest error, shall be binding to all the Grantees;
 - (h) to adopt and implement such administrative procedures as may be appropriate in respect of or to facilitate the grant of the Awards and the implementation of the Scheme;
 - (i) prescribe, amend and rescind rules and regulations relating to this Scheme; and

- (j) subject to the other provisions of this Scheme, vary the terms and conditions of any Grant Letter, including waiving or amending (in whole or in part) any conditions to which Awards are subject.

For the avoidance of doubt, unless otherwise be specifically determined by the Share Scheme Committee or be specified in the Grant Letter, Vesting of Awards is not subject to any universal performance target that needs to be achieved by a Selected Participant.

3.3 Conditions of this Scheme and Application for Listing

The adoption of the Scheme is conditional upon:

- (i) the passing of the ordinary resolutions by the Shareholders at the general meeting to approve and adopt the Scheme and to authorise the Directors to grant Awards thereunder and to allot, issue or otherwise deal with Shares which may fall to be issued pursuant to the vesting of Awards and the Service Provider Sublimit; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any new Shares to be issued and allotted pursuant to the vesting of Awards under the 2026 Share Award Scheme.

3.4 Clawback

There is clawback mechanism to recover or withhold any Unvested Award (or any portion thereof) in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances, except as specified in paragraph 9(a).

The Share Scheme Committee may, in specified circumstances such as of material misstatement of the Company's financial statements or serious misconduct by a Grantee, in its sole discretion determine (and such determination shall be binding on the Grantee) that all or part of Vested or Unvested Award should be cancelled. As a result, the Company shall have the right to (i) repurchase some or all of the Awards at no consideration; (ii) direct the Grantee to return, transfer or cause to be transferred such Vested Award that are subject to repurchase to the Trustee at no consideration; or (iii) require such Grantee to pay the Company any and all payment in cash or other property in lieu of the Vested Award which such Grantee has received from the Company pursuant to the Award. Provided always that the Share Scheme Committee in its absolute discretion may decide not to impose or exercise the rights granted under the clawback mechanism to recover or withhold any Award (or any portion thereof) pursuant to this paragraph in the event of a serious misconduct committed by the Grantee.

For the avoidance of doubt, no tax or charge paid by the Grantee (if any) in connection with (i) the grant or Vesting of the Award; (ii) the issuance or delivery of the Award or payment in lieu of the Award; or (iii) the sale or transfer of the Award, shall be refunded to such Grantee in the event of cancellation of the Award pursuant to this paragraph, repurchase of the Award, or payment by such Grantee to the Company of any and all payment in cash or other property in lieu of the Award the Grantee has received from the Company, upon his/her commission of a serious misconduct.

4. Eligible Participants and Basis for Determining Eligibility Participants

4.1 Employee Participants

In assessing the eligibility of Employee Participants, the Share Scheme Committee will consider, in its sole discretion, on a case-by-case basis, all relevant factors as appropriate from time to time, including but not limited to (i) the experience and level of responsibilities of the Employee Participants on the Group's business; (ii) the current remuneration packages of the Employee Participants; (iii) the length of service of the Employee Participants with the Group; and (iv) contribution the Employee Participants has made or is likely to make towards the development and growth of the Group.

4.2 Related Entity Participants

In assessing the eligibility of Related Entity Participants, the Share Scheme Committee will consider, in its sole discretion, on a case-by-case basis, all relevant factors as appropriate from time to time, including but not limited to (i) the experience and level of responsibilities of the Related Entity Participant on the Group's business; (ii) the current remuneration packages of the Related Entity Participant in the Group; (iii) the length of service of the Related Entity Participant with the Related Entity; (iv) the amount of contribution the Related Entity Participant has made or is likely to make towards the success of the Group through his/her involvement and participation at the Related Entity; (v) the benefits and synergies provided by the Related Entity Participant to the Group; and (vi) such other factors as the Board may at its discretion consider appropriate.

4.3 Service Providers

The table below sets out each category of Service Providers, their scope of services, and the additional criteria the Share Scheme Committee will take into consideration when assessing their eligibility: -

Category	Contribution of the Service Providers	Eligibility criteria for Service Providers
a) suppliers, agents and service providers of any member of the Group	The scope of services of the Service Providers includes, the supply of transportation, freight forwarding, warehousing, distribution, customs brokerage, packaging, inventory management, supply chain optimisation, or related operational/logistics services to any member of the Group on a continuing or recurring basis in the ordinary and usual course of the Group's business. This includes but is not limited to carriers, freight agents, warehouse operators, customs clearance agents, packaging and labelling	Those that (i) operate in the supply chain, logistics, transportation, warehousing, or related industries in which the Group operates from time to time; (ii) engage with the Group on a regular or recurring basis under long-term or framework arrangements; and (iii) provide significant and reliable contribution to the Group's business, such as enhancing operational efficiency, reducing logistics costs, expanding network coverage, improving delivery reliability, or supporting revenue growth through

	service providers, and providers of ancillary logistics support.	seamless supply chain solutions.
b) advisors (professional or otherwise) or consultants to any member of the Group	The scope of services of advisors or consultants includes the provision of advisory, consultancy, or specialist professional services in key areas that support the Group's supply chain and logistics operations, including but not limited to supply chain strategy and optimisation, logistics technology and digital transformation (e.g., AI route optimisation, IoT tracking, or ERP systems), regulatory compliance and trade policy, sustainability and green logistics initiatives, market research and expansion strategies, or risk management in international freight and customs.	Those with specialised expertise or knowledge in areas that supplement or are strategically important to the Group's supply chain and logistics business, with whom the Group would consider it beneficial to maintain a close, ongoing collaborative relationship that brings long-term strategic value, such as innovation in logistics processes, cost savings, regulatory navigation, or enhanced competitiveness in the industry.
c) independent contractors	The scope of services of the independent contractors includes provision of project-based, on-demand, or specialist services on a self-employed or contract basis where the continuity and frequency of services are akin to those of employees, including but not limited to contract logistics operators, freelance supply chain or route planners, temporary technical specialists for warehouse automation or fleet management projects, independent drivers/operators for specific routes or peak periods, or consultants engaged for discrete but recurring logistics projects. Their services are akin to employees as they: (i) manage the Group's proprietary assets; and/or (ii) work on-site at the Group's land/facilities; and/or (iii)	Those that (i) provide services on a continuing or recurring basis in the ordinary course of the Group's logistics and supply chain operations; (ii) demonstrate a level of involvement, reliability, and quality of service comparable to internal resources; and (iii) make (or are likely to make) material contributions to the Group's operational performance, efficiency, or growth that justify alignment of their interests with those of the Group through this Scheme.

	execute critical daily operational oversight usually reserved for internal staff, on a recurring and long-term basis.	
--	---	--

5. **Grant of Awards - General**

5.1 **Awards to be Offered within ten (10) Years**

Subject to paragraphs 3.3 and 17, this Scheme will be valid and effective for a term of ten (10) years commencing on the Adoption Date and ending on the 10th anniversary of the Adoption Date.

On and subject to the terms of the Scheme, the Listing Rules, applicable laws and other regulations and Articles, the Share Scheme Committee may at any time within ten (10) years commencing on the Adoption Date make proposals for Offers to be made to such Eligible Participants as the Share Scheme Committee may in its sole and absolute discretion select. Any such proposals shall be reviewed and, if considered fit, approved by the Remuneration Committee.

5.2 **Offer of an Award**

Subject to approval by the Remuneration Committee, an Offer shall be made by the Share Scheme Committee in writing in a Grant Letter. A Grant Letter shall be in such form as the Share Scheme Committee may from time to time determine and shall specify:

- (a) the number of Shares in respect of which the Offer is made;
- (b) the date of Vesting or Vesting schedule, which shall not be more than ten (10) years from the Grant Date;
- (c) such other terms and conditions to which the Award shall be subject, including any of the matters referred to in paragraph 3.2, to the extent applicable; and
- (d) that the Grantee is to undertake to hold the Award on the terms upon which it is being granted and to be bound by the provisions of this Scheme.

5.3 **Acceptance**

An Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including his Personal Representatives) for a period of 21 days from the date on which the Offer is made or such other period as the Share Scheme Committee may specify in writing. An Offer shall be deemed to have been accepted when the counterpart of the Grant Letter duly signed by the Grantee is received by the Company at the place specified in the Grant Letter. Unless otherwise determined by the Board and specified in the Grant Letter, a Selected Participant is not required to pay any purchase price or make any other payment on acceptance or Vesting of the Awards.

5.4 Offer No Longer Available for Acceptance

An Offer may not be accepted by a person who has ceased to be an Eligible Participant after the Offer has been made and prior to acceptance of the Offer. To the extent that the Offer is not accepted within the period and in the manner indicated in the Grant Letter it shall be deemed to have been irrevocably declined.

5.5 Partial Acceptance

An Offer may be accepted in respect of less than the number of Shares which are offered provided that it is accepted in respect of a number of Shares (which is clearly stated in the acceptance of the Offer) equal to a board lot for the purposes of trading of the Shares on the Stock Exchange from time to time or an integral multiple thereof.

5.6 Timing of Offer

An Offer may be made only on a Business Day. No Offer may however be made, no payment shall be made to the Trustee pursuant to paragraph 5.9(b), no Shares shall be acquired by or on behalf of the Company and no instructions to acquire Shares shall be given to the Trustee under the Scheme:

- (a) when the Company and/or any Director is in possession of Inside Information until (and including) the trading day after the Company has announced the Inside Information or until the time when such information otherwise ceases to constitute Inside Information of the Company; and
- (b) during the period commencing one month immediately before the earlier of:
 - i. the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year or any other interim period (whether or not required under the Listing Rules); and
 - ii. the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

Without prejudice to the above, no Offer may be made to any Director in any period during which Directors are prohibited from dealing in the securities of the Company pending the publication of results of the Company under the Listing Rules.

5.7 Grant Date

An Award in respect of the number of Shares offered and validly accepted by a Grantee in accordance with paragraphs 5.3 or 5.5 is deemed to have been granted by the Company to such Grantee on, and the Grant Date of such Award shall be, the date of the Offer (unless otherwise specified in the terms of the Grant Letter).

5.8 Grants to Directors, Chief Executives and Substantial Shareholders and their respective Associates

Any Offer made to any Eligible Participant who is a Director or a Senior Manager where the Award:

- (a) has a Vesting Period of less than twelve (12) months; and/or
- (b) does not include any performance target or clawback mechanism to recover or withhold any Unvested Award (or any portion thereof) in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances,

shall be subject to considered explanation of the Remuneration Committee.

5.9 Employee trust

- (a) This Scheme will be implemented together with a trust arrangement. The Company will establish the Smart Globe Share Award Trust pursuant to the Trust Deed to be entered into between the Company and the Trustee. The Trustee will hold all moneys received from the Company or any Group Company, the Shares issued to or purchased by it (including any Shares that were referable to any Award that has lapsed or is otherwise not capable of Vesting), the income derived therefrom (including any dividends) and other trust property in accordance with paragraphs 5.9(e) to (i) and the terms of the Trust Deed. The Trustee will, upon receiving instructions from the Share Scheme Committee, transfer or procure the transfer of Vested Shares to the relevant Grantees. Pursuant to this Scheme, the Trustee holding unvested Awards, whether directly or indirectly, shall abstain from voting or exercising any voting rights in respect of any Shares held, whether directly or indirectly, under the trust or as nominee on matters that require approval of the Shareholders under the Listing Rules, unless otherwise required by applicable laws or regulations to vote in accordance with the beneficial owner's direction and such a direction is given. None of the Directors will act as the Trustee or have any direct or indirect interest in any Trustee of this Scheme. For the avoidance of doubt, any Awards that have Vested and Shares which are transferred or to be transferred to the Grantee (or other persons entitled thereto) in accordance with the instructions of the Company or the Share Scheme Committee do not form part of the assets to be held upon trust by the Trustee according to the Trust Deed.
- (b) Subject to compliance with the Listing Rules, applicable laws and regulations and the Articles, the Company and/or other members of the Group may provide funds to the Trustee (either by way of contribution or loan) to subscribe for new Shares or to purchase existing Shares on the market or otherwise for the purposes of this Scheme. For the purposes of this Scheme, new Shares include Treasury Shares and the issue of new Shares includes the transfer of Treasury Shares. The Company may use Treasury Shares, if any and to the extent permitted by the Articles of the Company, to satisfy the Awards under the Scheme.
- (c) The Share Scheme Committee will, when an Offer is made to and accepted by an Eligible Participant, inform the Trustee of:
 - a. the name of the Grantee and whether that person is a Connected Person;
 - b. the number of Shares referable to that Award (and their nominal value);

- c. the amount of funds to be made available for subscription or purchase of the relevant number of Shares;
 - d. whether the Shares referable to that Award are to be acquired by subscription or purchased from the market by or on behalf of the Trustee (for the benefit of the Scheme) or allocated from any Shares then held by the Trustee that were referable to any other Award that has lapsed or is otherwise not capable of Vesting; and
 - e. the date of Vesting or the Vesting schedule and such other terms and conditions to which that Award shall be subject, including any matters referred to in paragraph 3.2.
- (d) The Trustee holding unvested Awards, whether directly or indirectly, shall abstain from voting or exercising any voting rights in respect of any Shares held, whether directly or indirectly, under the trust or as nominee on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by applicable laws or regulations to vote in accordance with the beneficial owner's direction and such a direction is given.
 - (e) In the event the Company undertakes an open offer of new securities in respect of any Shares which are held by the Trustee under the Scheme, the Trustee shall not subscribe for any new Shares unless otherwise determined by the Share Scheme Committee in its sole and absolute discretion. In the event of a rights issue, the Trustee shall sell such amount of the nil-paid rights allotted to it and the net proceeds of sale of such rights shall be held as income of the trust fund unless otherwise determined by the Share Scheme Committee in its sole and absolute discretion.
 - (f) In the event the Company issues bonus warrants in respect of any Shares which are held by the Trustee, the Trustee shall not subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants unless otherwise determined by the Share Scheme Committee in its sole and absolute discretion, and shall sell the bonus warrants, the net proceeds of sale of such bonus warrants shall be held as income of the trust fund unless otherwise determined by the Share Scheme Committee in its sole and absolute discretion.
 - (g) In the event the Company undertakes a scrip dividend scheme with cash option, the Trustee shall elect to receive cash instead of scrip Shares and the cash shall be held as income of the trust fund unless otherwise determined by the Share Scheme Committee in its sole and absolute discretion. In the event the Company undertakes a scrip dividend scheme without cash option, such scrip Share(s) shall be held by the Trustee as Shares for the purpose of the Scheme and be administered in accordance with the terms of the Scheme.
 - (h) In the event of other non-cash and non-scrip distribution (which are not Shares) made by the Company in respect of Shares held upon the trust established under the Trust Deed, the Trustee shall dispose of such distribution and the net sale proceeds thereof shall be held as income of the trust fund unless otherwise determined by the Share Scheme Committee in its sole and absolute discretion.

- (i) In the event of any other entitlements of the Shares held by the Trustee, the Trustee shall deal with such entitlements as the Share Scheme Committee determines in its sole and absolute discretion.
- (j) All the matters stated in paragraphs 5.9(e) to (i) above are subject to decisions made by the Share Scheme Committee in its sole and absolute discretion.

6. Rights of a Grantee in relation an Award or Shares referable to the Award

6.1 Rights Pending Vesting

Unless otherwise approved and authorised by the Board or the Share Scheme Committee, the Selected Participant shall not exercise any of the voting rights in respect of any Awarded Shares and shall not have any right whatsoever in any dividends and other distributions declared and made in respect of any Awarded Shares or otherwise ("**Other Distributions**") unless and until the relevant Awarded Shares have been allotted and issued or transferred (as the case may be) to the Selected Participant in accordance with this Scheme and the applicable laws, rules and regulations. For the avoidance of doubt:

- (a) a Selected Participant does not have legal and beneficial ownership of any Awarded Shares unless and until such Awarded Shares have been allotted and issued or transferred (as the case may be) to the Selected Participant in accordance with this Scheme and the applicable laws, rules and regulations; and
- (b) where a Trustee is appointed, no instruction may be given by a Selected Participant to the Trustee in respect of the Awarded Shares and/or the Other Distributions and/or such other properties or assets of the trust constituted by the Trust Deed.

Subject to sub-paragraph (a) above, the Awarded Shares to be allotted and issued or transferred (as the case may be) to the Selected Participant after the vesting of the Award in the Selected Participant shall be subject to all the provisions of the Articles 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 arising on liquidation of the Company, as existing fully paid Shares in issue on the date on which the Awarded Shares are allotted and issued or transferred (as the case may be) to the Selected Participant after the vesting of the Award and, without prejudice to the generality of the foregoing, shall entitle the holders of such Awarded Shares to participate in all Other Distributions paid or made on or after the date on which the Awarded Shares are so allotted and issued or transferred (as the case may be), other than any Other 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 Awarded Shares are so allotted and issued or transferred (as the case may be).

6.2 No Disposal of Award

Awards are personal to the Grantee and may not be transferred, assigned, charged, mortgaged, or otherwise dealt with and any attempt by a Grantee to do the foregoing will result in the automatic lapse of the relevant Awards.

7. Vesting of Awards

7.1 Vesting Date

Subject as hereinafter provided and to due compliance with the Listing Rules, applicable laws and other regulations and the Articles and with its terms and conditions, an Award will Vest on the date or dates specified in the Grant Letter, provided that:

- (a) no Award will Vest unless all relevant conditions to which it is subject have been satisfied, waived or, by the terms of grant, treated as having been waived;
- (b) if the Share Scheme Committee considers that, due to the separate listing or sale of a member of the Group or disposal of the business of a member of the Group, a Grantee should cease to be treated as an Eligible Participant, or if the Company or another member of the Group is reorganised or merged or consolidated with another entity (and paragraphs 7.1(d) and 7.1(e) below do not apply), the Share Scheme Committee may, subject to compliance with the Listing Rules, in its sole and absolute discretion:
 - i. make such arrangements as it considers appropriate for the grant of substitute Awards of equivalent fair value to an Award (to the extent not already Vested) in the purchasing, surviving or newly-listed company;
 - ii. reach such accommodation with the Grantee as it considers appropriate, including the payment of cash compensation to the Grantee equivalent to the fair value of an Award (to the extent not already Vested);
 - iii. waive any conditions to Vesting of an Award (to the extent not already Vested); or
 - iv. permit the continuation of an Award (to the extent not already Vested) in accordance with its original terms;
- (c) if a general offer by way of takeover (other than by way of scheme of arrangement) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert (as defined in the Code on Takeovers and Mergers and Share Buy-backs, as amended from time to time) with the offeror), an Award (to the extent not already Vested) shall Vest on the date the offer becomes or is declared unconditional in all respects;
- (d) if an offer by way of scheme of arrangement is made to all holders of Shares pursuant to the Companies Laws of the Cayman Islands (as amended from time to time) and has been approved by the necessary number of Shareholders at the requisite meetings, the Award (to the extent not already Vested) shall Vest on the date such scheme of arrangement takes effect (or such other date as may be determined by the Share Scheme Committee and notified to the Grantees generally such that the Grantees may participate in the scheme of arrangement *pari passu* with the holders of the Shares as at the date of the relevant meetings);
- (e) if a compromise or arrangement (other than by way of a scheme of arrangement) between the Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of or the amalgamation of the Company with any other company or companies, the Company shall give notice to the Grantees on the same date as it despatches the notice to each Shareholder or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and

the Award shall immediately Vest conditional only upon such compromise or arrangement being sanctioned by the court and becoming effective (or such other date as may be determined by the Share Scheme Committee and notified to the Grantees generally). The Company may require the Grantee (or his Personal Representatives) to transfer or otherwise deal with the Shares issued or transferred as a result of the Vesting of an Award in these circumstances so as to place the Grantee in the same position, as nearly as possible, as would have been the case had such Shares been subject to such compromise or arrangement;

- (f) if the Company gives a notice to its Shareholders to convene a meeting to consider and, if thought fit, pass a resolution to voluntarily wind up the Company, the Company shall give notice to the Grantees on the same date as it despatches the notice to each Shareholder of such meeting and the Award will immediately Vest conditional only upon the resolution being passed (or such other date as may be determined by the Share Scheme Committee and notified to the Grantees generally) such that the Grantees shall accordingly be entitled to receive out of the assets available in the liquidation *pari passu* with the holders of the Shares as at the date of that meeting.

7.2 Different Vesting Date

The Share Scheme Committee may determine in its sole and absolute discretion in relation to any of the events described in paragraphs 7.1(b) to 7.1(f) a different (including earlier) Vesting date, subject to applicable legal and regulatory requirements, in order to enable the Grantee to participate in each of those events in respect of Shares referable to his relevant Awards as generally contemplated under those paragraphs.

8. Consequences of Vesting

8.1 Transfer of Shares following Vesting

The Share Scheme Committee shall promptly notify the Trustee of the Vesting of any Award and the number of Shares that shall be transferred to Grantee (other than any Shares that the Company may issue direct to the Grantee) subject to paragraph 8.2. Under normal circumstances, the Trustee shall, within five (5) Business Days, transfer the relevant Shares, or (where the Shares are available in certificated format, and if the Grantee requires delivery in physical scrip) within ten (10) Business Days, deliver the share certificates for the Shares, against receipt by the Trustee of the notice from the Share Scheme Committee, particulars of the transferee necessary for the delivery of the Shares and such transfer documents duly executed by the Grantee (or its nominee in the case of Shares being transferred electronically) as the Trustee may require. None of the Grantees shall be required to pay any amount upon the vesting of any Awards and transfer of Shares *provided that*, the Grantee shall bear all costs associated with the delivery of Shares in physical scrip (where the Shares are available in certificated format) unless the Company otherwise agrees, which shall be paid as a condition precedent to the transfer being effected.

8.2 No Allotment and Issue or Transfer of Shares in Breach of Law or upon Clawback

The Company shall not be obliged to allot and issue, or arrange for the transfer of, any Shares on Vesting of an Award, if doing so would breach any applicable law or regulation or otherwise would require the Company and/or the Directors to comply with additional requirements which, in the reasonable opinion of the Directors, are unduly

onerous or burdensome or costly and the Directors may (subject to the Listing Rules, applicable laws and other regulations and the Articles) determine an alternative method to provide the Grantee of such Award a similar economic benefit as if such Shares were duly allotted, issued or transferred. No Shares shall be transferred or (if applicable) allotted and issued to a Grantee notwithstanding the Vesting of an Award in the circumstances described in paragraph 9.1(a).

8.3 Ranking of Shares

Shares being transferred or (if applicable) allotted and issued to a Grantee (or its nominee if the Shares are to be transferred electronically) upon the Vesting of an Award will be subject to all the provisions of the Articles and shall rank *pari passu* in all respects with the fully paid Shares then in issue and accordingly will entitle the holders to participate in all dividends or other distributions paid or made after the date of transfer or (if applicable) allotment and issue, except the Grantee shall not be entitled to receive any entitlements the record date or ex-entitlement date for which falls before the date of transfer of such Shares. For the avoidance of doubt, Grantees shall have no right to receive any dividend (or any amount equal in value to any dividends) paid or which may be payable by reference to a record date falling prior to Vesting of an Award.

9. Lapse of Awards

Unless the Board or the Share Scheme Committee determines otherwise, unvested Awards shall lapse automatically on the earliest of:

- (a) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his employment or office on grounds entitling the employer to effect such termination without notice (including, but not limited to, if he has been guilty of serious misconduct, or has committed any act of bankruptcy, has become insolvent or has made any arrangements or composition with his creditors generally or has been convicted of any criminal offence involving his integrity or honesty or has done something which brings any member of the Group into disrepute or in the event of a material misstatement in the Company's financial statements) whether pursuant to the terms of the contract of employment of the Grantee or otherwise, or the date on which a notice terminating the employment of such Eligible Participant for such reason is in fact given, whichever is the earlier. In the circumstances described above, where an Award has Vested but the Shares referable to the Vested Awards have not yet been transferred to the relevant Grantee, such Awards shall be deemed not to have Vested and shall lapse immediately, and no Shares shall be transferred. A resolution of the Board to the effect that the employment or directorship of the Grantee has or has not been terminated on one or more of the grounds specified in this paragraph 9(a) shall be conclusive and binding on the Grantee;
- (b) the date on which the Grantee attempting to transfer, assign, charge, mortgage or otherwise dispose of any unvested Award, in breach of paragraph 6.2;
- (c) when the Grantee ceases to be an Eligible Participant, by reason of:
 - a. his death (in which case the lapse shall occur on the date of death);
 - b. retirement in accordance with his or her contract of employment or service with a member of the Group or early retirement (which refers

to any retirement before attaining the age of 65 unless the Share Scheme Committee otherwise determines) with the approval of the member of the Group which employs the Grantee (in which case the lapse shall occur on the date of retirement);

- c. termination of employment by redundancy (in which case the lapse shall occur on the effective date of termination of employment); or,
 - d. termination or cessation of employment or directorship for any other reason other than in circumstances contemplated under paragraphs 9.1(a) and 9.1(c)(i) to (iv) (in which case the lapse shall occur on the date of termination or cessation of such employment (which date shall be the last actual working day with the Company or the relevant member of the Group whether salary is paid in lieu of notice or not) or directorship (which date shall, in the case of resignation, be the effective date of the resignation as a director of the Company or the relevant member of the Group, and in all other cases, the date as determined by the Share Scheme Committee at its absolute discretion), in each case unless the Share Scheme Committee has, in its sole and absolute discretion, determined otherwise or if the Grantee ceases to be an Eligible Participant in one capacity but is immediately thereafter an Eligible Participant in the same or different capacity (such as, but not limited to, where the Grantee retires and is re-elected as a director of a member of the Group);
- (d) the failure of the Grantee to satisfy any performance, operating and financial targets and other criteria on or before the Vesting date specified in the Award;
 - (e) the failure of the Grantee to complete Vesting or transfer formalities within prescribed time limits in accordance with and/or provide such information as may be required under the terms of the Grant Letter;
 - (f) the winding-up of the Company; or
 - (g) the date on which the Award is cancelled by the Share Scheme Committee as provided for in paragraph 10.1.

Any Award which has lapsed will be treated as a Lapsed Award and will not thereafter entitle the Grantee to any rights in respect of the underlying Shares.

The Shares underlying such Lapsed Awards (to the extent held by the Trustee) may be used to satisfy future Grants to Eligible Participants, subject always to the Scheme Mandate Limit, any applicable service provider sub-limit and the Listing Rules.

10. Cancellation of Awards

10.1 Cancellation

The Share Scheme Committee may, with the consent of the relevant Grantee or otherwise in the circumstances permitted under the Listing Rules, cancel any Award which has not yet vested.

10.2 Regrant of Award

When a new Award is granted to the same Grantee to replace a cancelled Award, such new Award must be granted from within the Scheme Mandate Limit (and any applicable service provider sublimit pursuant to paragraph 11.1) and must comply in all respects with the terms of this Scheme and the Listing Rules, and the cancelled Award will be regarded as having been granted for the purpose of calculating the Scheme Mandate Limit.

11. Scheme Limit and Maximum Number of New Shares Available for Subscription

11.1 Scheme Mandate Limit and Service Provider Sublimit

The total number of Shares which may be issued in respect of all Awards to be granted under this Scheme and any awards and/or options to be granted under any Other Share Scheme of the Company shall not exceed 10% of the Shares in issue (excluding Treasury Shares) as at the Adoption Date (the “**Scheme Mandate Limit**”), unless:

- (a) such Scheme Mandate Limit shall have been “refreshed” in accordance with the requirements of the Listing Rules; or
- (b) such Awards are made to Eligible Participants and on terms specifically identified with the separate approval by Shareholders in general meeting and otherwise in accordance with the requirements of the Listing Rules,

and for the purpose of calculating the Scheme Mandate Limit, any Awards lapsed in accordance with the terms of the Scheme will not be regarded as utilised. For the record, the number of Shares in issue as at the Adoption Date was 1,020,000,000 Shares, and thus the Scheme Mandate Limit as at the Adoption Date was 102,000,000 Shares.

Within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Awards to be granted under this Scheme together with the number of Shares which may be issued in respect of all options and awards granted under any Other Share Schemes of the Company to an Eligible Participant who is a Service Provider must not exceed 5,100,000 Shares, representing 0.5% of the Shares in issue (excluding Treasury Shares) as at the Adoption Date (i.e. the “**Service Provider Sublimit**”).

11.2 Grant to Directors, the Chief Executive, substantial Shareholders or their respective Associates

Any grant of Awards to any Director, Chief Executive or Substantial Shareholder of the Company, or any of their respective Associates, shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of the Award). In addition:

- (a) where any grant of Awards to any Director (other than an independent non-executive Director) or the Chief Executive of the Company, or any of their respective Associates, would result in the Shares issued and to be issued in respect of all Awards granted under this Scheme and (if any) the share awards granted under any Other Share Scheme (excluding any Awards lapsed in accordance with the terms of the Scheme and any Awards lapsed in accordance with the terms of the relevant Other Share Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as the Listing Rules

may prescribe or permit) of the total number of issued Shares (excluding Treasury Shares, if any) as at the Grant Date; or

- (b) where any grant of Awards to an independent non-executive Director or a Substantial Shareholder of the Company, or any of their respective Associates, would result in the total number of Shares issued and to be issued in respect of all the Awards granted under this Scheme and (if any) the share options and other share awards granted under any Other Share Scheme (excluding any Awards lapsed in accordance with the terms of the Scheme and any share options and other share awards lapsed in accordance with the terms of the relevant Other Share Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as the Listing Rules may prescribe or permit) of the total number of issued Shares (excluding Treasury Shares, if any) as at the Grant Date,

such further grant of Awards must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules. In particular, the Company must send a circular to the Shareholders, containing the following information:

- (A) the details of the number and terms of the Awards to be granted to each Selected Participant which must be fixed before the Shareholders' meeting. In respect of any Awards to be granted, the date of the Board meeting for proposing such further grant is to be taken as the date of grant;
- (B) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the relevant 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 its Shareholders as a whole, and their recommendation to the independent Shareholders as to whether to vote for or against the resolution relating to the grant of the Awards;
- (C) the information required under Rule 17.02(2)(c) of the Listing Rules;
- (D) the information required under Rule 2.17 of the Listing Rules; and
- (E) any other information as may be required under the Listing Rules or by the Stock Exchange from time to time.

The Grantee, his Associates and all Core Connected Persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the relevant requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

11.3 Limit for each Eligible Participant

Without prejudice to paragraphs 11.2, no Award shall be granted to an Eligible Participant if it would result in the total number of Shares issued and to be issued in respect of all Awards granted under this Scheme, and, if any, the share options and other share awards granted under any Other Share Scheme (excluding any Award lapsed in accordance with the terms of the Scheme and any share options and Other Share Awards lapsed in accordance with the terms of the relevant Other Share Scheme) to such person in the 12-month period up to and including the Grant Date in aggregate exceeding 1% (or such other higher percentage as the Listing Rules may

prescribe or permit) of the total number of issued Shares (excluding Treasury Shares, if any) as at the Grant Date, unless:

- (a) such grant has been separately approved by the Shareholders in general meeting, with such Eligible Participant and his close Associates (or Associates if such Eligible Participant is a Connected Person) abstaining from voting;
- (b) the Company must despatch a circular to the Shareholders containing such relevant information as required by the Listing Rules in relation to any such proposed grant to such Eligible Participant; and
- (c) the number and terms of the Awards to be granted to such Eligible Participant are fixed before the Shareholders' approval.

11.4 Adjustment to Maximum Number

The number of Shares referred to in this section 11 shall be adjusted in such manner as the Expert shall certify in writing to be appropriate in accordance with paragraph 11.1 in the event of any alteration in the capital structure of the Company.

11.5 Determination of limits

The Company shall be responsible for determining and monitoring the limits and thresholds prescribed under this section 11 and for keeping the Trustee informed of such limits and thresholds for purpose of administering the Scheme and the Rules, and the Trustee shall not incur any liability for relying on such information provided by the Company.

12. Reorganisation of Capital Structure

12.1 Adjustment of Awards on Alteration of Capital Structure

If the Company conducts a share consolidation, sub-division, capitalisation issue, rights issue, open offer with a price dilutive element while any Award remains Unvested, appropriate and fair adjustments to the number of Shares and/or the class of Shares underlying such Awards may be made in accordance with the requirements of the Listing Rules and any applicable guidance issued by the Stock Exchange, provided that no adjustment may result in any Share being issued at less than its nominal value (if any).

12.2 Adjustment of Awards on Other Alterations

If there is any alteration in the capital structure of the Company while any Award remains outstanding other than by methods specified in paragraph 12.1 above, the Share Scheme Committee may determine, in its sole and absolute discretion and based on such factors as it shall consider relevant, whether any adjustment shall properly be made and how such adjustment may be determined consistent with the other requirements contained in that paragraph.

12.3 No Adjustments

For the avoidance of doubt, no adjustments shall be made pursuant to paragraph 12.1 in respect of (i) any issue of Shares or securities convertible into Shares for cash other than by way of rights to Shareholders generally then existing (subject to any exclusions permitted under the Listing Rules) or (ii) by way of consideration pursuant to any

transaction or (iii) any purchase or repurchase of Shares by the Company or any of its subsidiaries.

12.4 Certification of Adjustments

No adjustment (other than any adjustment made on a capitalisation of profits or reserves) shall take effect unless the Expert (being the Auditors or an independent financial adviser) certifies to the Share Scheme Committee in writing that such adjustment is made in accordance with this Scheme and the Listing Rules. The Company shall promptly engage an Expert to provide certification, where required pursuant to this paragraph, and the adjustment so certified shall take effect on the date of the event giving rise to the certificate, subject to receipt of the certificate from the Expert and notwithstanding the date of certification may be at a later date. Any such certificate shall be finding and binding on the Company and the Grantees, in the absence of manifest error.

12.5 Trustee to be Informed of Adjustments

The Company shall promptly inform the Trustee and Grantees of any adjustments made pursuant to this section 12.

13. Share Capital

The Company shall ensure that there is sufficient authorised but unissued share capital to satisfy the Vesting of all Awards from time to time outstanding (except to the extent any Awards are to be satisfied by the transfer of existing Shares) and the Share Scheme Committee shall make available sufficient of such authorised but unissued share capital of the Company for such purpose.

14. Disputes

Any dispute arising in connection with the Scheme (whether as to the number of Shares, the subject of an Award, or otherwise) shall be referred to the decision of the Share Scheme Committee whose decision shall be final and binding.

15. Withholding

The Company, any employing company or the trustee of any employee benefit trust may withhold such amount and make such arrangements as it considers necessary to meet any liability to taxation or social security contributions in respect of Awards. These arrangements may include the sale or reduction in number of any Shares unless the Grantee discharges the liability himself.

16. Alteration of the Scheme and Awards

16.1 Alterations of the Scheme Subject to Grantee Consent

Subject to paragraphs 16.3 and 16.4, the Scheme may be altered in any respect by a resolution of the Board, save and except that (i) any alteration to the terms and conditions of the Scheme which are of a material nature; or (ii) any alteration to the provisions of this Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the extent that such alteration operates to the advantage of the Selected Participants or Grantees must be approved by the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of any Awards granted which have not vested or lapsed or been cancelled prior to such

alteration except with the consent or sanction of such majority of Grantees as would be required of the holders of the Shares under the Articles for a variation of the rights attached to the Shares (the “**Alteration Approval**”).

16.2 Approval for Changes to Awards Granted

Subject to paragraph 16.4, any change to the terms of the Awards granted to a Grantee shall be approved by the Board, the Share Scheme Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the Share Scheme Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alteration takes effect automatically under the existing terms of the Scheme.

16.3 Alterations of the Authority Subject to Shareholder Approval

Any change to the authority of the Directors or administrators of the Scheme (including, where applicable, the Trustee) in relation to any alteration to these rules of the Scheme shall be approved by the Shareholders in general meeting.

16.4 Changes to be Compliant with Laws, Regulations and Listing Rules

The amended terms of the Scheme must comply with all applicable laws, rules and regulations (including Chapter 17 of the Listing Rules).

17. Termination

The Scheme may be terminated by a resolution of the Board at any time before the expiry of its 10-year term commencing on the Adoption Date.

Upon such termination, no further Awards will be granted under the Scheme, but the provisions of the Scheme will remain in full force and effect to the extent necessary to give effect to the vesting, transfer, adjustment, clawback or other operation of Awards already granted in accordance with the Scheme and the Listing Rules. All Awards granted prior to such termination and not Vested at the date of termination shall remain valid, subject to the terms of this Scheme.

18. Miscellaneous

18.1 Costs of Establishment and Administration

The Company shall bear all associated costs of establishing and administering the Scheme, including any costs of the Trustee, any licensed securities dealers, the Expert in relation to the preparation of any certificate by them or providing any other service in relation to this Scheme or any other third party service provider.

18.2 Not a Contract of Employment

This Scheme shall not constitute part of any contract of employment or for services between any member of the Group and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his office or employment or provision of service shall not be affected by his participation in this Scheme or any right he 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 or provision of service for any reason.

18.3 Offers on a Case-by-Case Basis and not to form part of Remuneration

The grant of an Award on a particular basis in any year does not create any right to or expectation of the grant of Awards on the same basis, or at all, in any future year. Participation in the Scheme does not imply any right to participate, or to be considered for participation in any later operation of the Scheme. Subject to any applicable legislative requirement, any Award will not be regarded as remuneration for pension purposes or for the purposes of calculating payments on termination of employment.

18.4 Waiver of Loss of Rights or Benefit

By accepting an Offer, a Grantee shall be deemed irrevocably to have waived any entitlement to any sum or other benefit to compensate him, by way of compensation for loss of office or otherwise, for or in respect of any loss of any rights or benefits under any Award then held by him or otherwise in connection with the Scheme.

18.5 No Rights against the Company

The Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Awards themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.

18.6 Summary of Terms

The Company will provide a summary of the terms of the Scheme to all Eligible Participants on joining the Scheme (and a copy of this document to any Eligible Participant who requests such a copy). The Company will provide to all Eligible Participants all details relating to changes in the terms of the Scheme during the life of the Scheme as soon as reasonably practicable upon such changes taking effect.

18.7 Personal Data

By participating in the Scheme the Grantee consents to the holding and processing of personal data provided by the Grantee to the Company for all purposes relating to the operation of the Scheme. These include, but are not limited to:

- (a) administering and maintaining Grantee records;
- (b) providing information to Trustees of any employee trust, registrars, brokers or third party administrators of the Scheme;
- (c) providing information to future purchasers of the Company or the business in which the Grantee works; and
- (d) transferring information about the Grantee to a country or territory outside Hong Kong for all purposes relating to the operation of the Scheme.

18.8 Notices Sent to Shareholders

A Grantee shall be entitled to receive electronic copies of all notices and other documents sent by the Company to Shareholders at the same time or within a reasonable time of any such notices or documents being sent to Shareholders.

18.9 Notices between Company and Grantee

Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong and, in the case of the Grantee, his address in Hong Kong as notified to the Company from time to time.

Any notice or other communication served by post:

- (a) by the Company shall be deemed to have been served 24 hours after the same was put in the post; and
- (b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.

18.10 Grantee to Obtain Own Professional Advice

A Grantee shall be responsible for obtaining his own legal, accounting and tax advice, together with any governmental or other official consent that may be required by any country or jurisdiction in order to permit the acceptance of a Grant and/or the Vesting of his Awards. By accepting an Offer, the Grantee thereof is deemed to have represented to the Company that he has obtained the relevant advice appropriate for the Grantee and has also obtained all such consents. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in the Scheme or the exercise or Vesting of any Award.

18.11 Governing Law

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

This Scheme has been duly adopted by the Shareholders on the day and year first above written.