

**Adopted 14 March 2025**

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**RULES RELATING TO  
CLOUDBREAK PHARMA INC.  
POST-IPO EQUITY INCENTIVE SCHEME**

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## **1. DEFINITIONS AND INTERPRETATION**

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

<b>“Actual Selling Price”</b>	an amount that is equal to the actual price at which the Award Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy and any other applicable costs) on vesting of an Award pursuant to the Scheme or in the case of a vesting when there is an event of change in control or privatisation of the Company pursuant to Rule 14.1, the consideration receivable under the related scheme or offer;
<b>“AFRC”</b>	the Accounting and Financial Reporting Council;
<b>“Articles”</b>	the articles of association of the Company, as may be amended from time to time;
<b>“associate”</b>	shall have the meaning as set out in the Listing Rules;
<b>“Award”</b>	an Option or an award granted by the Board (or a committee of the Board) to a Eligible Participant pursuant to this Plan, which may vest in the form of Award Shares and/or the Actual Selling Price of the Award Shares in cash, as the Board (or a committee of the Board) may determine in accordance with the terms of the Scheme Rules;
<b>“Award Letter”</b>	shall have the meaning as set out in Rule 8.1;
<b>“Award Period”</b>	the period of ten years commencing on the date on which the last of the conditions set out in Rule 3.1 is fulfilled;
<b>“Award Shares”</b>	the Shares issued to a Eligible Participant pursuant to the exercise of an Award;
<b>“Auditors”</b>	the auditors for the time being of the Company;
<b>“Board”</b>	the board of directors of the Company (please also refer to Rule 1.2(vi)), from time to time;
<b>“board lot”</b>	the standardised number of Shares as a trading unit from time to time as published on the website of the Stock Exchange;
<b>“Business Day”</b>	any day on which the Stock Exchange is open for the business of dealing in securities;
<b>“Chairman”</b>	the chairman of the Board of the Company, from time to time;
<b>“Company”</b>	Cloudbreak Pharma Inc., incorporated in Cayman Islands with limited liability;
<b>“connected person”</b>	shall have the meaning as set out in the Listing Rules;

<b>“Eligible Employee”</b>	any person who is an employee (whether full-time or part-time employee) or an officer or director (including any executive director, non-executive director or independent non-executive director) of any member of the Group, including persons who are granted Awards under this Plan as an inducement to enter into employment contract with any member of the Group, and for the avoidance of doubt, a Eligible Participant shall not cease to be an employee in the case of (a) any leave of absence approved by the relevant member of the Group; or (b) a transfer of employment amongst the members of the Group, and provided further that a person shall, for the avoidance of doubt, cease to be an employee with effect from (and including) the date of termination of his/her employment;
<b>“Eligible Participant”</b>	any Eligible Person approved for participation in the Scheme and who has been granted any Award pursuant to Rule 6.1;
<b>“Eligible Person”</b>	Eligible Employee and Service Provider;
<b>“Grant Date”</b>	the date on which the grant of an Award is made to a Eligible Participant, being the date of an Award Letter in respect of such Award;
<b>“Group”</b>	the Company and its Subsidiaries from time to time, and the expression member of the Group shall be construed accordingly;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Listing”</b>	the listing of the Shares on the Stock Exchange;
<b>“Listing Date”</b>	the date on which the Shares are listed and on which dealings in the Shares are first permitted to take place on the Stock Exchange;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
<b>“on-market”</b>	the acquisition 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;
<b>“Option”</b>	a right to subscribe for such number of Shares during the Option Period at the Subscription Price as the Board (or a committee of the Board) may determine in accordance with the terms of the Scheme Rules;

<b>“Option Period”</b>	the period within which a Eligible Participant may exercise an Option, to be determined and notified by the Board (or a committee of the Board) to a Eligible Participant;	
<b>“Related Income”</b>	all cash income derived from the vested Award Shares (i.e., cash dividends or other distributions declared and paid on the Award Shares) excluding any interest earned on such cash income and held on trust for the benefit of the Eligible Participant, notwithstanding whether such vested Award Shares have been transferred to the Eligible Participant;	
<b>“Returned Shares”</b>	such Award Shares that are not vested and/or are forfeited in accordance with the terms of the Scheme, or such Shares being deemed to be Returned Shares under the Scheme Rules;	
<b>“Scheme”</b>	the post-IPO equity incentive scheme adopted by the Company in accordance with these Scheme Rules;	
<b>“Scheme Limit”</b>	shall have the meaning set out in Rule 15.1, as increased, refreshed or renewed from time to time in accordance with the Scheme Rules;	
<b>“Scheme Rules”</b>	the rules set out herein relating to the Scheme as amended from time to time;	
<b>“Service Provider”</b>	any person or corporate entity (other than an employee or a director of any member of the Group) who is a consultant or adviser 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, which may include persons who work for the Group as independent contractors where the continuity and frequency of their services are akin to those of employees but shall exclude any placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions and any professional service providers who provide assurance or who are required to perform their services with impartiality and objectivity;	17.03A(1)(c) FAQ085-2022
<b>“SFC”</b>	the Securities and Futures Commission of Hong Kong;	
<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);	
<b>“Shareholders”</b>	the shareholders of the Company;	
<b>“Shares”</b>	ordinary shares with a par value of US\$0.0001 each in the share capital of the Company, or, if there has been a sub-division, consolidation, re-classification or re-construction of the share capital of the Company, shares forming part of the ordinary share capital of the Company of such other nominal amount as shall result from any such sub-division,	

<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“Subsidiary” or “Subsidiaries”</b>	any subsidiary (as the term is defined in the Listing Rules) of the Company;
<b>“Subscription Price”</b>	the price per Share at which a Eligible Participant may subscribe for Shares upon the exercise of an Option as described in Rule 8.3;
<b>“Substantial shareholder(s)”</b>	shall have the meaning as set out in the Listing Rules;
<b>“Taxes”</b>	shall have the meaning as set out in Rule 10.13;
<b>“Trust”</b>	a trust or other similar arrangement established for purposes of implementing and/or administering the Scheme;
<b>“Trust Deed”</b>	the deed constituting and/or governing a Trust or such other governing or custodian arrangements or documents entered into between the Company and a Trustee (as may be restated, supplemented and amended from time to time);
<b>“Trustee”</b>	any trustee or third party appointed by the Company for purposes of administering and/or holding Shares under a Trust; and
<b>“Vesting Date”</b>	the date or dates, as determined from time to time by the Board (or a committee of the Board) pursuant to Rule 10.1, on which the Award (or part thereof) is to vest in the relevant Eligible Participant following which the Eligible Participant may exercise the Award, unless a different Vesting Date is deemed to occur in accordance with the terms of the Scheme.

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

- (i) references to Rules are to rules of the Scheme Rules;
- (ii) references to times of the day are to Hong Kong time;
- (iii) 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;
- (iv) a reference to “**dollars**” or to “**\$**” shall be construed as a reference to the lawful currency for the time being of Hong Kong;
- (v) 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;

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

## **2. PURPOSES OF THE SCHEME**

- 2.1 The purposes of the Scheme is to incentivize and reward the Eligible Participants for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company.

## **3. CONDITIONS**

- 3.1 The Scheme shall take effect upon (i) the passing of a resolution by the Shareholders to approve the adoption of the Scheme and to authorise the Board (or its delegates) to grant Awards under the Scheme and to allot and issue, procure the transfer of and otherwise deal with the Award Shares in connection with the Scheme; and (ii) the commencement of dealings in the Shares on the Stock Exchange.

## **4. DURATION**

- 4.1 Subject to Rule 19, the Scheme shall be valid and effective for a period of 10 years commencing on the date when the Scheme becomes unconditional, after which period no further Options or share awards will be granted by the provisions of the Scheme, but the provisions of the Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options or Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the Scheme.

## **5. ADMINISTRATION**

- 5.1 The Scheme shall be subject to the administration of the Board in accordance with the Scheme Rules and, where applicable, the Trust Deed. A decision of the Board or a committee of the Board or person(s) to which the Board has delegated its authority shall be final and binding on all persons affected thereby.
- 5.2 The authority to administer the Scheme may be delegated by the Board to a committee of the Board or any person(s) as deemed appropriate at the sole discretion of the Board, provided that nothing in this Rule 5.2 shall prejudice the Board’s power to revoke such delegation at any time or derogate from the discretion rested with the Board as contemplated in Rule 5.1.
- 5.3 Without prejudice to the Board’s general power of administration, the Board or a committee of the Board or person(s) to which the Board has delegated its authority may from time to time appoint one or more administrators, 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 Board or the Chairman at their sole discretion from time to time.

- 5.4 Without prejudice to the Board's general power of administration, to the extent not prohibited by applicable laws and regulations, the Board (or a committee of the Board) may also from time to time establish a Trust, approve the terms of any Trust Deed and appoint one or more Trustees in respect of granting, administration and/or vesting of any Award Shares. The administration and operation of the Trust shall be governed by the Trust Deed. Unless otherwise agreed between the Company and the Trustee, the Board (or a committee of the Board) shall act on behalf of the Company to give instructions to and direct the Trustee.
- 5.5 Subject to the Scheme Rules, the Listing Rules and any applicable laws and regulations, the Board and a committee of the Board shall have the power from time to time to:
- (i) construe and interpret the Scheme Rules and the terms of the Awards granted under the Scheme;
  - (ii) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the Scheme, provided that they are not inconsistent with the Scheme Rules;
  - (iii) grant Awards to those Eligible Persons whom it shall select from time to time and determine the type(s) of Awards to be granted to Eligible Persons;
  - (iv) determine the number of Awards to be granted and the number of Shares to which an Award will relate;
  - (v) determine the terms and conditions of the Awards and make any such appropriate adjustments to the terms of the Awards granted as it deems necessary or appropriate;
  - (vi) determine whether and to what extent, and circumstances pursuant to which an Award may be settled in, or the exercise price of an Award may be paid in, cash, Shares, other Awards or other property, or an Award may be cancelled, forfeited and/or surrendered;
  - (vii) determine the commencement and/or termination date of an Eligible Person's employment and/or business relationship with any member of the Group;
  - (viii) establish and administer performance targets in respect of the Scheme;
  - (ix) approve the form of an Award Letter (which does not need to be identical for every Eligible Participant);
  - (x) establish a Trust, appoint a Trustee, approve the terms of any Trust Deed and make such other arrangements for the implementation and administration of the Scheme as the Board shall see fit;
  - (xi) decide any other matters that need to be determined in connection with an Award and make any other determination and take any other actions as it deems necessary or desirable for the administration of the Scheme; and
  - (xii) take such other steps or actions to give effect to the terms and intent of the Scheme Rules and/or the Awards.

- 5.6 None of the directors of the Company or any person(s) to whom the Board has delegated its authority shall be personally liable by reason of any contract or other instrument executed by him/her, or on his/her behalf or for any mistake of judgment made in good faith, for the purposes of the Scheme, and the Company shall, to the extent not prohibited by any applicable laws, rules or regulations, indemnify and hold harmless each member of the Board and any person(s) to whom the Board has delegated its authority in relation to the administration or interpretation of the Scheme, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such person's own wilful default, fraud or bad faith.

## **6. OPERATION OF THE SCHEME / ELIGIBLE PERSONS**

- 6.1 The Board or a duly authorized committee thereof may in its absolute discretion specify such event, time limit or conditions (if any) as it thinks fit when making such offer to the Eligible Participants, including, without limitation, conditions as to performance criteria (such as growth rate of revenue, earnings per share and/or total shareholders' return) to be satisfied or achieved by the Eligible Participants and/or the Company and/or the Group which must be satisfied before an Option or an Award can be exercised, subject to Rule 6.3. Where Award Shares underlying an Award are not to be satisfied by way of issue and allotment of new Shares by the Company, to the extent permissible under Chapter 17 of the Listing Rules and other applicable laws, rules and regulations, the Board (or a committee of the Board) may at its discretion make a determination to waive, modify and/or vary the application of any terms of the Scheme Rules to the Award and/or the relevant Eligible Participant(s) as it may deem appropriate.
- 6.2 In determining the Eligible Participants, the Board shall determine from time to time on the basis of the Board's opinion as to, among others, the participant's individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with or actual degree of involvement in and/or cooperation with the Group and the actual or potential contribution to the development and growth of the Group, and the amount of support, assistance, guidance, advice, effort and contributions the Eligible Participants have exerted and given towards the success of the Group.
- 6.3 In assessing a Service Provider's eligibility as Selected Participant, the Board (or a committee of the Board) may also take into account a range of factors, including among others:
- (i) the scale of their business dealings with the Group (in terms of fees payable to them, where applicable);
  - (ii) the length of business relationships between them and the Group;
  - (iii) the performance of the relevant person or entity as a Service Provider, including the quality of their services previously provided to the Group;
  - (iv) their contributions to the profits and/or business development of the Group and potential contributions to be made to the Group in light of their experience, qualifications, know-how and/or network, market conditions of the services that they provide to the Group;
  - (v) the scarcity of their services which may therefore justify compensation in the long run;
  - (vi) the possibility of developing a long term business relationship with such person as a Service Provider, to secure the supply of quality services for the Group, which may avoid replacement cost and reduce transaction cost in the long run;



- (vii) the positive impact they have brought to the Group's business development; and
- (viii) such other factors as the Board (or a committee of the Board) may at its discretion considers appropriate,

and in assessing whether the Service Provider provides services to the Group on a continuing and recurring basis, the Board (or its delegates) may take into consideration the length and type of services provided and the recurrences and regularity of such services, and benchmark such metrics against the performance of the employees, officers and directors of the Group to whom the Group provides equity incentives, while also taking into account the purposes of the Scheme and the objectives in engaging the Service Provider.

6.4 Notwithstanding the provision in Rule 6.1, no grant of any Awards or Award Shares to or for the benefit of any Eligible Participant may be made:

- (i) in any circumstances where the requisite approval from any applicable regulatory authorities has not been granted, provided that to the extent permissible under applicable laws, rules and regulations, an Award may be made conditional upon such approval being obtained;
- (ii) in any circumstances that any member of the Group will be required under applicable laws, rules or regulations to issue a prospectus or other offer documents in respect of such grant or the Scheme;
- (iii) where such grant would result in a breach by any member of the Group or its directors of any applicable laws, rules or regulations in any jurisdiction;
- (iv) (save where relevant waiver(s) from the Stock Exchange and/or the required approval of the Shareholders have been obtained) where such grant of Award would result in a breach of the Scheme Limit or the Service Providers Limit as set out in Rule 15, or the minimum public float requirement as required under the Listing Rules (or the minimum percentage of public float as prescribed by the Stock Exchange), or would otherwise cause the Company to issue Shares in excess of the permitted amount in the mandate approved by the Shareholders; and/or
- (v) where an Award is to or for the benefit of a connected person and will require specific approval of the Shareholders under the Listing Rules, until such Shareholders' approval is obtained, provided that to the extent permissible under applicable laws, rules and regulations, an Award may be made conditional upon such Shareholders' approval being obtained. Any grant of Options or Awards to a director, chief executive or substantial shareholder of the Company, or any of their associates must be approved by the independent non-executive Director (excluding any independent non-executive Director who is the grantee of the Options or Awards).

and any such grant so made (or made without the necessary conditions as contemplated above) shall be null and void to the extent (and only to the extent) that it falls within any of the circumstances described above.

## **7. TIMING OF AWARDS**

7.1 No Awards shall be offered or granted, and no directions or recommendation shall be given to the Trustee with respect to a grant of an Award under the Scheme (if applicable):

- (i) to any Eligible Participant after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision, until (and including) the trading day after the relevant price sensitive or inside information has been announced in accordance with the applicable provisions of law or the Listing Rules;
- (ii) to any Eligible Participant during the period commencing one month immediately before the following (whichever is earlier):
  - a) 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 annual, quarterly (if any) or half-yearly results; and
  - b) the deadline for the Company to publish an announcement of its annual, quarterly (if any) or half-yearly results;

and ending on the date of the results announcement. No Option or Award shall be granted during any period of delay in the publication of a results announcement;
- (iii) to any Eligible Participant, who because of his/her employment in the Group, is likely to possess inside information in relation to the securities of the Company (except where the Subscription Price is to be determined by the Board or a duly authorized committee thereof at the time of exercise of the Option):
  - a) during the period of 60 days immediately preceding the publication of the annual results of the Company or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; or
  - b) during the period of 30 days immediately preceding the publication of the quarterly (if any) or half-yearly results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

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

## 8. AWARD LETTER AND NOTIFICATION OF GRANT

- 8.1 The Company shall, in respect of each Award, on the Grate Date issue a letter to each Eligible Participant in such form as the Board (or a committee of the Board) or a duly authorized committee thereof may from time to time determine, specifying the number of Shares, the vesting period, the Subscription Price, the Option Period, the date by which the grant must be accepted and further requiring the Eligible Participants to hold the Award on the terms on which it is to be granted and to be bound by the provisions of the Scheme (an "**Award Letter**").
- 8.2 An Award shall be deemed to have been granted and accepted and to have taken effect when the duplicate letter comprising acceptance of the offer of the grant of the Award duly signed by the grantee together with a payment to the Company and/or any of its subsidiaries of HK\$1 (or the equivalent of HK\$1 in the local currency of any jurisdiction where the Company and/or its subsidiaries operate, as the Board or a duly authorized committee thereof may in its absolute discretion determine) by way of consideration for the grant thereof is received by the Company within the time period specified in the offer of the grant of the Option or Award.
- 8.3 In respect of Awards to be granted in the form of Options, the Board (or a committee of the Board) shall determine and notify the Eligible Participant in the Award Letter:

- (i) the Subscription Price in respect of such Options, provided that such Subscription Price must be not less than the highest of (a) the nominal value of a Share; (b) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (c) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and
  - (ii) the Option Period for such Options, which may commence on a day falling at least 12 months after the date upon which the offer for the grant of Options is made but shall end in any event not later than 10 years from the date on which an Option is offered to a participant, subject to the provisions for early termination under the Scheme Rules. In any event, the minimum period for which an Award must be held before it can be vested and exercised (if applicable) shall be 12 months.
- 8.4 The amount payable for each Share to be subscribed for under a share award (the "**Purchase Price**") shall be determined by the Board or a duly authorized committee thereof at its absolute discretion, based on considerations such as the prevailing closing price of the Shares, the purpose of the share award and the contribution of the Eligible Participant.
- 9. ISSUE OF SHARES TO TRUSTEE AND ACQUISITION OF SHARES BY TRUSTEE**
- 9.1 Where a Trust has been established, subject to Rule 9.4 (and to the extent not prohibited by applicable laws and regulations), the Company may (a) issue and allot Shares to a Trustee; and/or (b) instruct the Trustee to acquire Shares through on-market transactions at prevailing market prices from funds provided by the Company, in either case for purposes of satisfying the Awards upon their vesting or exercise.
- 9.2 Subject to applicable laws and regulations, the Company may instruct the Trustee whether or not to apply any Returned Shares to satisfy any grant of Awards made, and, if the Returned Shares (as specified by the Company) are not sufficient to satisfy the Awards granted, the Company may, subject to Rule 9.4 (and to the extent not prohibited by applicable laws and regulations), for purposes of satisfying the Awards granted, issue and allot further Shares to the Trustee and/or transfer to the Trust the necessary funds and instruct the Trustee to acquire further Shares through on-market transactions at prevailing market prices.
- 9.3 The Trustee shall hold the Award Shares, such dividends payable to an Eligible Participant and Related Income (if any) on trust for the Eligible Participant until the transfer of the Award Shares to the Eligible Participant or the sale of the Award Shares for the benefit of Eligible Participant in accordance with Rule 10. The Trustee shall not exercise any voting rights in respect of any unvested Award Shares held by it on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such direction is given.
- 9.4 Notwithstanding the foregoing provisions, the Company shall not issue or allot Shares nor instruct the Trustee to acquire Shares through on-market transactions, where such action (as applicable) is prohibited under the Listing Rules, the SFO or other applicable laws, rules or regulations from time to time. Where such a prohibition causes the prescribed timing imposed by the Scheme Rules or the Trust Deed to be missed, such prescribed timing shall be treated as extended until as soon as reasonably practicable after the first (1<sup>st</sup>) Business Day on which the prohibition no longer prevents the relevant action.
- 10. VESTING OF AWARD / PROCEDURES AFTER VESTING**
- 10.1 The Board (or a committee of the Board) may from time to time while the Scheme is in force and subject to all applicable laws, rules and regulations, determine the applicable Vesting Dates and any other criteria and conditions for vesting of the Awards in its sole and absolute discretion.

The vesting period in respect of any Award shall be at least 12 months from the Grant Date, except that any Awards granted to an Eligible Participant may be subject to a short vesting period, including where:

- (i) grants of “make-whole” Awards to new Eligible Participant(s) to replace Awards such Eligible Participant(s) forfeited when leaving their previous employers;
- (ii) grants to an Eligible Participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of Awards which are subject to fulfilment of performance targets as determined in the conditions of his/her grant;
- (iv) grants of Awards the timing of which is determined by administrative or compliance requirements, in which case the Vesting Date may be adjusted to take account of the time from which the Awards would have been granted if not for such administrative or compliance requirements;
- (v) grants of Awards with a mixed vesting schedule such as the Awards vest evenly over a period of 12 months; and
- (vi) grants of Awards with a total vesting and holding period of more than 12 months, such as where the Awards may vest by several batches with the first batch to vest within 12 months of the Grant Date and the last batch to vest 12 months after the Grant Date.

- 10.2 The Board (or a committee of the Board) may, in respect of each Award and subject to applicable laws and regulations, determine any performance targets or other criteria as condition(s) to the vesting of Awards. Such targets may comprise performance criteria including, without limitation, growth rate of revenue, earnings per share and/or total shareholders’ return to be satisfied or achieved by the Eligible Participants and/or the Company and/or the Group before an Option or a Award can be exercised, having regard to the different roles and contributions of the Eligible Participants and the purposes of the Scheme. Robust review and evaluation procedures should be put in place for an impartial assessment of such targets, provided that a determination of the Board (or its delegates) as to whether such targets have been achieved or satisfied shall be conclusive and binding on all parties.
- 10.3 If any of the vesting conditions (including any performance targets as referred to in Rule 10.2) for the Awards are not satisfied on or prior to the relevant Vesting Date, the relevant Awards shall lapse automatically and shall not be vested in the Eligible Participant, unless the Board (or a committee of the Board) elects to postpone the Vesting Date of the relevant Awards for an appropriate period (the “**postponed Vesting Date**”) in its sole and absolute discretion. If the vesting conditions of the postponed Awards are not satisfied at the postponed Vesting Date, the relevant Awards shall automatically lapse.
- 10.4 If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the Shares, be the Business Day immediately thereafter.
- 10.5 Following the Vesting Date of a vested Award (other than an Option), subject to Rule 16, the Company may satisfy the Award by either one (or a combination) of the following ways:
- (i) allot and issue the relevant number of Award Shares to the Eligible Participant; or
  - (ii) direct the Trustee to transfer the Award Shares to the Eligible Participant.
- 10.6 Following the Vesting Date of a vested Option, subject to Rule 16, such Option may be exercised in whole or in part by the Eligible Participant giving notice in writing to the Company,

stating that the Option is thereby exercised and the number of Award Shares in respect of which the Option is exercised. Each such notice must be accompanied by a remittance for the full amount of the Subscription Price multiplied by the number of Award Shares in respect of which the notice is given to the Company. After the Company's receipt of the notice and the related remittance, the Company may satisfy the Award by either one (or a combination) of the following ways:

- (i) allot and issue to the Eligible Participant the number of Award Shares in respect of which the Option has been exercised; or
- (ii) direct the Trustee to transfer the Award Shares to the Eligible Participant.

10.7 The Shares underlying the Options and the Awards will be subject to all the provisions of the Articles of Association of the Company for the time being in force and will rank *pari passu* with the fully paid Shares in issue on the date of such transfer and accordingly will entitle the holders to participate in all dividends and other distributions paid or made on or after the date of such transfer other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor falls before the date of such transfer.

10.8 In satisfying the issuance or transfer of Award Shares pursuant to Rule 10.5 and/or Rule 10.6, to the extent, at the determination of the Board (or a committee of the Board), it may not be practicable for a Eligible Participant to receive Award Shares due to any legal and/or regulatory restrictions, the Board (or a committee of the Board) may arrange to sell on-market at prevailing market prices, such number of Award Shares so vested in the Eligible Participant and pay the Actual Selling Price arising from such sale of Award Shares to the Eligible Participant.

10.9 Where a Trust has been established for the purposes of administering this Plan, the Board (or a committee of the Board) may at its discretion and in lieu of Rule 10.5 and/or Rule 10.6, direct the Trustee pursuant to the Trust Deed to hold the relevant number of Award Shares and Related Income on trust for a Eligible Participant until such time as the Board (or a committee of the Board) directs the Trustee to:

- (i) transfer the relevant Award Shares to the Eligible Participant or sell the relevant Award Shares on-market at prevailing market prices and remit the Actual Selling Price to the Eligible Participant; and
- (ii) remit to the Eligible Participant the Related Income (if any) which has accrued in respect of the relevant Award Shares from the relevant Vesting Date through to the date on which the Board (or a committee of the Board) gives a direction to the Trustee pursuant to this Rule.

10.10 Notwithstanding the foregoing provisions:

- (i) regardless of whether an Award has otherwise become exercisable, the Award may not be exercised if the Board (or a committee of the Board) determines that an exercise could violate any applicable laws, rules or regulations (including the Listing Rules) or any applicable policies of the Company; and
- (ii) Shares shall not be issued pursuant to an Award unless the exercise of such Award and the issuance and/or delivery of such Shares pursuant thereto shall comply with all applicable laws, rules and regulations, and further subject to the advice of counsel for the Company with respect to such compliance.

10.11 Any direct costs and expenses arising on vesting, issue or transfer (as the case may be) of the Award Shares to or for the benefit of the Eligible Participants shall be borne by the Company. Any stamp duty, levies, fees or other costs and expenses arising on the sale of the Award Shares

due to the vesting or exercise of Awards and payment of the Actual Selling Price shall be borne by the Eligible Participant and deducted from any amounts payable to the Eligible Participant.

- 10.12 All costs and expenses in relation to all dealings with the Award Shares after vesting and transfer of the Award Shares to the Eligible Participant (as the case may be) shall be borne by the Eligible Participant and neither the Company nor the Trustee shall be liable for any such costs and expenses thereafter.
- 10.13 All taxes (including personal income taxes, professional taxes, salary taxes and similar taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Eligible Participant's participation in the Scheme or in relation to the Award Shares, Actual Selling Price, Related Income or cash amount of equivalent value of the Award Shares (the "**Taxes**") received by a Eligible Participant shall be borne by the Eligible Participant and neither the Company nor the Trustee shall be liable for any Taxes. Each Eligible Participant by acceptance of any grant of Awards agrees to and shall indemnify the Trustee and all members of the Group and any designated third parties against any liability each of them may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this, the Trustee (or any designated third parties) or any member of the Group may, notwithstanding anything else in these Scheme Rules (but subject to applicable laws and regulations):
- (i) reduce or withhold the number of the Eligible Participant's Award Shares underlying the Award or the amount of the Related Income or Actual Selling Price (the number of Award Shares underlying the Award that may be reduced or withheld shall be limited to the number of Award Shares that have a fair market value on the date of withholding that, in the reasonable opinion of the Company is sufficient to cover any such liability);
  - (ii) sell, on the Eligible Participant's behalf, such number of Shares to which the Eligible Participant becomes entitled under the Scheme and retain the proceeds and/or pay them to the relevant authorities or government agency;
  - (iii) deduct or withhold, without notice to the Eligible Participant, the amount of any such liability from any payment to the Eligible Participant made under the Scheme or from any payments due from a member of the Group to the Eligible Participant, including from the salary payable to the Eligible Participant by any member of the Group; and/or
  - (iv) require the Eligible Participant to remit to any member of the Group or Trustee, in the form of cash or a certified bank cashier's check, an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by any member of the Group or Trustee on account of the Eligible Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

The Trustee and the Company shall not be obliged to issue or transfer any Award Shares or pay the Actual Selling Price of such Award Shares or Related Income to a Eligible Participant unless and until the Eligible Participant satisfies the Trustee and the Company that such Eligible Participant's obligations under this Rule 10 have been met.

## **11. LAPSE OR CANCELLATION OF AWARDS, CLAWBACK**

- 11.1 Without prejudice to other circumstances where an Award shall lapse pursuant to the terms in an Award Letter as determined by the Board (or a committee of the Board) at its discretion, an Award shall lapse automatically (to the extent not already vested in the Eligible Participant and, where relevant, exercised) on the earliest of:

- (i) the expiry of the applicable Option Period or other applicable exercisable periods under the Scheme;
- (ii) the expiry of any of the periods or the occurrence of the relevant event referred to in Rule 16 or other circumstances as set out in Rule 16;
- (iii) subject as provided in the Scheme, the date of the commencement of the winding-up of the Company;
- (iv) the date on which the grantee commits a breach of relevant clauses that rights are personal to the grantee; or;
- (v) the occurrence or non-occurrence of any event, expiry of any period, or non-satisfaction of any condition, as specified in the letter containing the offer or grant of the relevant Option or Award.

provided that a determination of the Board (or its delegate(s)) to the effect that the Award shall lapse and not be vested or exercisable on one or more of the grounds as specified above shall be conclusive and binding on the Eligible Participant and that in each case above the Board (or its delegate(s)) in its absolute discretion may decide that such Award shall not so lapse or determine subject to such conditions or limitations as it may decide; and that any of such decision shall be conclusive and binding on the Eligible Participant. The Company shall not owe any liability to any Eligible Participant for the lapse of any Award under this Rule 11. Any Awards lapsed in accordance with the terms of the Scheme will not be regarded as utilized for the purpose of calculating the Scheme Limit or the Service Providers Limit.

11.2 Any cancelation of Options or Awards granted may be effected on such terms as may be agreed with the relevant grantee, as the Board may in its absolute discretion sees fit and in a manner that complies with all applicable legal requirements for such cancelation. Where the Company cancels Options and/or Awards granted to a participant and makes a new grant to the same participant, such new grant may only be made under the Scheme with available Scheme Limit or the Service Providers Limit approved by the Shareholders. The Options or Awards canceled will be regarded as utilized for the purpose of calculating the Scheme Limit or the Service Providers Limit.

11.3 In the event that:

- (i) the Eligible Participant ceases to be an Eligible Person by reason of the termination of his/her/its employment or contractual engagement with any member of the Group for cause or without notice or with payment in lieu of notice;
- (ii) the Eligible Participant has contravened the relevant laws and regulations of the People's Republic of China (the "PRC") and/or Hong Kong involving his/her/its integrity or honesty;
- (iii) the Eligible Participant has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of any trade or technical secrets, or conducted any connected transactions or other unlawful acts or misconduct which, in the reasonable opinion of the Board (or a committee of the Board), prejudiced the interest of or caused significant negative impact to the Company;
- (iv) in the reasonable opinion of the Board (or a committee of the Board), the Eligible Participant has failed to discharge, or failed to discharge properly, his/her/its duties and thereby resulting in serious and adverse consequences to the Company; or
- (v) in the reasonable opinion of the Board (or a committee of the Board), the Eligible Participant has engaged in any serious misconduct or breach of the terms of the Scheme or any terms or conditions attached to the grant of the Award in any material respect,

the Board may, at its absolute discretion, determine such malus and/or clawback provisions to be applied to an Option and an Award or an offer of grant so as to provide, upon the occurrence of the applicable malus and/or clawback event(s) such as serious misconduct, a material misstatement in the Company's financial statements and fraud. If the Board exercises its discretion under this paragraph, it will give the relevant grantee written notice of such determination and the Board's interpretation of and determination pursuant to this paragraph shall be final, conclusive and binding.

## **12. TRANSFERABILITY**

- 12.1 An Award shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any third party over or in relation to any Award.
- 12.2 Any actual or purported breach of Rule 12.1 shall entitle the Company to cancel any outstanding entitlement of such grantee. For this purpose, a determination by the Board (or its delegates) to the effect that the Eligible Participant has or has not breached Rule 12.1 shall be final and conclusive.

## **13. INTEREST IN THE TRUST / RETURNED SHARES**

- 13.1 For the avoidance of doubt,
- (i) no grantee shall enjoy any of the rights of a Shareholder (including but not limited to voting, dividend, transfer rights or any other rights attached to a Share) by virtue of the grant of an Award pursuant to the Scheme, unless and until the registration of the grantee (or such other person as may succeed to the grantee's title by operation of applicable laws and in compliance with the terms of the Scheme) as the holder thereof;
  - (ii) the trustee holding unvested Shares under the Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
  - (iii) an Eligible 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 Returned Shares for the purposes of the Scheme; and
  - (iv) in the event a Eligible Participant ceases to be an Eligible Person on or prior to the relevant Vesting Date and any Awards and Related Income (if any) in respect of the relevant Vesting Date shall lapse or be forfeited pursuant to the terms of the Scheme and/or the Award Letter, such Awards and Related Income (if any) shall not vest on the relevant Vesting Date and the Eligible Participant shall have no claims against the Company, any member of the Group or the Trustee, unless the Board determines otherwise at its discretion.
- 13.2 The Trustee shall hold Returned Shares to be applied towards future Awards in accordance with the provisions hereof for the purpose of the Scheme. When Shares have been deemed to be Returned Shares under the Scheme Rules, the Trustee shall notify the Company accordingly.

## **14. ALTERATION IN THE CAPITAL STRUCTURE**

- 14.1 In the event of a capitalization issue, rights issue, subdivision or consolidation of Shares or reduction of capital of the Company whilst an Option or an Award remains outstanding, such



corresponding adjustment (if any) certified by the Auditors or an independent financial advisor to the Company as fair and reasonable will be made to:

- (i) the number of Shares to which the Option or the Award relates, so far as outstanding, and/or
- (ii) the Subscription Price of any unexercised Option and the Purchase Price of any outstanding share awards, provided that (a) any such alteration shall give a grantee the same proportion of the issued share capital (rounded to the nearest whole Share) to which the grantee was entitled prior to such alteration; (b) any such adjustments shall be made on the basis that the aggregate Subscription Price and Purchase Price payable by a grantee on the full exercise of any Option or Award shall remain as nearly as possible the same as it was before such event; and (c) no adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. In addition, in respect of any such adjustments, other than any adjustment made on a capitalization issue, such auditors or independent financial advisor must confirm to the Board in writing that the adjustments comply with the relevant provisions of the Listing Rules (or any guideline or supplementary guideline as may be issued by the Stock Exchange from time to time).

- 14.2 The capacity of the Auditors or financial advisor (as the case may be) in this Rule is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Eligible Participants. All fractional shares (if any) arising out of any such alterations in respect of the Award Shares of a Eligible Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Eligible Participant on the relevant Vesting Date.

## 15. PLAN AND GRANT LIMITS

- 15.1 Subject to Rules 15.2 and 15.3, the total number of new Shares which may be issued pursuant to the Awards granted and to be granted under the Scheme shall not in aggregate exceed 10% of the relevant class of Shares in issue as at the Listing Date, being 83,889,287 Shares (the “**Scheme Limit**”) (excluding the Shares which may be issued pursuant to the Equity Incentive Arrangements and the Post-IPO Equity Incentive Scheme, except for those RSUs that immediately become vested upon the Listing pursuant to the Equity Incentive Arrangements). Furthermore, the total number of new Shares which may be issued pursuant to Awards granted and to be granted to Service Providers under this Scheme shall not exceed 1.0 % of the Shares in issue as at the Listing Date, being 8,388,928 Shares (the “**Service Providers Limit**”) (excluding the Shares which may be issued pursuant to the Equity Incentive Arrangements and the Post-IPO Equity Incentive Scheme, except for those RSUs that immediately become vested upon the Listing pursuant to the Equity Incentive Arrangements). For the avoidance of doubt, the Service Providers Limit is within and is subject to the Scheme Limit and that any Shares which would have been issued pursuant to Awards and have lapsed in accordance with the terms of the Scheme Rules will not be regarded as utilized for the purpose of calculating the Scheme Limit or the Service Providers Limit. The Scheme Limit or the Service Providers Limit may be subject to refreshment in accordance with Rule 15.2.

- 15.2 The Scheme Limit or the Service Providers Limit may be refreshed at any time after three years from the date of Shareholders’ approval for the last refreshment (or the date on which the Scheme is adopted, as the case may be) by approval of its Shareholders in general meeting provided that

- (i) any controlling shareholders and their associates (or if there is no controlling shareholder, directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates) must abstain from voting in favor of the relevant resolution at the general meeting;

- (ii) the Company must comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the Listing Rules. The requirements under (i) and (ii) of this paragraph do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme mandate (as a percentage of the relevant class of Shares in issue) upon refreshment is the same as the unused part of the Scheme mandate immediately before the issue of securities, rounded to the nearest whole Share; and
  - (iii) the total number of Shares which may be issued upon exercise of all Awards to be granted under the Scheme and any other plans of the Company under the Scheme mandate as refreshed must not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed plan mandate.
- 15.3 Without prejudice to Rule 15.2 above, the Company may seek separate Shareholders' approval in a general meeting to grant Options and/or Awards beyond the Scheme Limit or the Service Providers Limit to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to its Shareholders containing a general description of the specified participants, the number and terms of Options and/or Awards to be granted, the purpose of granting Options and/or Awards to the specified participants with an explanation as to how the terms of the Options and/or Awards will serve such purpose and all other information required under the Listing Rules.
- 15.4 Where any grant of Options or Awards to a participant would result in the Shares issued and to be issued upon exercise of all Options and/or Awards granted and to be granted to such participant (excluding any Options and Awards lapsed in accordance with the terms of the Scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of Shares in issue, such grant must be separately approved by the Shareholders in general meeting with such participant and his/her close associates (or his/her associates if the participant is a connected person) abstaining from voting. The number and terms (including the exercise price) of Options and/or Awards to be granted to such participant must be fixed before Shareholders' approval.
- 15.5 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 of the Company (excluding any independent non-executive director who is a proposed recipient of the grant of Awards). Furthermore, where:
- (i) where any grant of share awards (excluding grant of Options) to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their associates would result in the shares issued and to be issued in respect of all share awards granted (excluding any share awards lapsed in accordance with the terms of the Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue, such further grant of share awards must be approved by the Shareholders at a general meeting of the Company, with voting to be taken by way of poll; or
  - (ii) where any grant of Options or Awards to an independent non-executive Director or a substantial shareholder of the Company or any of their respective associates would result in the Shares issued and to be issued in respect of all Options and Awards granted (excluding any Options lapsed in accordance with the terms of the Scheme) under the Scheme and any other plans of the Company to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of Options or Awards must be approved by the Shareholders at a general meeting of the Company, with voting to be taken by way of poll.

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

- 15.6 In respect of Awards granted to connected persons in Rule 15.5, the Company shall send a circular to the Shareholders containing all information as required under the Listing Rules in this regard. The grantee, his/her associates and all core connected persons of the Company shall abstain from voting (except where any core connected person intends to vote against the proposed grant and his/her intention to do so has been stated in the aforesaid circular). Any change in the terms of an Option or an Award granted to a Director, a chief executive, a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates is also required to be approved by Shareholders in the aforesaid manner if the initial grant of the Options or Awards requires such approval.

## **16. ELIGIBLE PARTICIPANT CEASING TO BE AN ELIGIBLE PERSON**

- 16.1 If the grantee of an Option or an Award is an employee and ceases to be an employee for any reason other than death, or for serious misconduct or other grounds referred to in paragraph 16.3 below before exercising his/her Option or Award in full, the Option or Award (to the extent not already exercised) will lapse automatically on the date of cessation of his/her employment or engagement with the Group.
- 16.2 If the grantee of an Option or an Award is an employee and ceases to be an employee by reason of his/her death, before exercising the Option or Award in full, his/her legal personal representative(s), or, as appropriate, the grantee may exercise the Option or Award (to the extent not already exercised) in whole or in part within a period of 12 months following the date of death of the grantee.
- 16.3 If the grantee of an Option or an Award is an employee and ceases to be an employee by reason that he has been guilty of serious misconduct or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offense involving his/her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his/her employment summarily, his/her Option or Award will lapse automatically on the date of cessation of his/her employment with the Group.

## **17. INTERPRETATION / DISPUTES**

- 17.1 Any decision to be made under the Scheme, including matters of interpretation with respect to the Scheme Rules, shall be made by the Board or a committee of the Board. The decision by the Board shall be final and binding on all parties.
- 17.2 Disputes arising in connection with this Plan shall be referred to the decision of the Board in the first instance, which decision shall be final and binding. Should the Board decide, any dispute referred to it may be subsequently referred to the decision of the Auditors, who shall then act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final and binding on all parties. In such cases, the costs of the Auditors shall be shared equally between the Company and the relevant Eligible Participants.

## **18. ALTERATION OF THE SCHEME**

- 18.1 The Board may subject to the rules of the Scheme amend any of the provisions of the Scheme at any time (but not so as to affect adversely any rights which have accrued to any grantee at that date).
- 18.2 Any alterations to the terms and conditions of the Scheme which are of a material nature, and any change to the terms of any Options or Awards granted to the advantage of Eligible Participants, shall be subject to the approval of the Shareholders in general meeting and, where required under the Listing Rules, the Stock Exchange.
- 18.3 Any change to the terms of Options or Awards granted to a Eligible Participant must be approved

by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options or Awards was approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be). Such requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme.

## **19. TERMINATION**

- 19.1 The Company by resolution in general meeting or the Board may at any time terminate the operation of the Scheme and in such event no further Options or Awards will be offered but the provisions of the Scheme shall remain in full force in all other respects. All Options and Awards granted prior to such termination shall continue to be valid and exercisable in accordance with the terms of the Scheme.

## **20. RIGHTS ON TAKEOVER AND VOLUNTARY WINDING-UP**

- 20.1 If a general or partial offer (whether by way of take-over offer, share repurchase offer or otherwise in like manner other than by way of a plan 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 association or in concert with the offeror) the Company shall use its best endeavors to procure that such offer is extended to all the grantees (on the same terms *mutatis mutandis*, and assuming that they will become, by the exercise in full of the Options and/or Awards granted to them, Shareholders of the Company). If such offer becomes or is declared unconditional, the grantee (or his/her legal personal representative(s)) shall be entitled to exercise the grantee's outstanding entitlement in full at any time within 14 days after the date on which such general offer becomes or is declared unconditional.
- 20.2 In the event of an effective resolution being passed for the voluntary winding-up of the Company or an order of the court being made for the winding-up of the Company, notice thereof shall be given by the Company to grantees with Options and/or Awards outstanding in full or in part at such date. If a grantee immediately prior to such event had any outstanding entitlement, the grantee (or his legal personal representative(s)) may by notice in writing to the Company within 21 days after the date of such resolution elect to be treated as if the entitlement had been exercised immediately before the passing of such resolution either to its full extent or to the extent specified in the notice, such notice to be accompanied by a remittance for the full amount of the aggregate Subscription Price or Purchase Price for the Shares in respect of which the notice is given, whereupon the grantee shall be duly transferred with the relevant Shares (or treated as such by the Company) and entitled to receive out of the assets available in the liquidation *pari passu* with the holders of Shares such sum as would have been received in respect of the Shares that are the subject of such election.

## **21. MISCELLANEOUS**

- 21.1 The Scheme shall not form part of any contract of employment or other contract between the Company (or any Subsidiary) and any Eligible Person or Eligible Participant, and the rights and obligations of any Eligible Person or Eligible Participant under the terms of his/her/its office or employment or engagement shall not be affected by his/her/its participation in the Scheme or any right which he/she/it may have to participate in it and the Scheme shall afford such Eligible Person or Eligible Participant no additional rights to compensation or damages in consequence of the termination of such office or employment or engagement for any reason.
- 21.2 The Company shall not be responsible to (i) any Eligible Person or Eligible Participant for any failure by the Company or any person involved in the management or administration of the Scheme; or (ii) any person (including any Eligible Person and Eligible Participant) to obtain any consent or approval required for such person to participate in the Scheme; or (iii) any Eligible Person or Eligible Participant for any Taxes, expenses, fees or any other liability to which such Eligible Person or Eligible Participant may become subject as a result of participation in the

Scheme.

- 21.3 The Company shall bear the costs of establishing and administering the Scheme.
- 21.4 Any notice or other communication between the Company and any Eligible Person or Eligible Participant may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its registered office in Hong Kong or such other address as notified to the Eligible Person or Eligible Participant from time to time and in the case of an Eligible Person or Eligible Participant, his/her/its address as notified to the Company from time to time or by hand delivery. In addition, any notice or other communication from the Company to any Eligible Person or Eligible Participant may be given by any electronic means or through the Trustee, as the Board considers appropriate.
- 21.5 Any notice or other communication served by post shall be deemed to have been served 24 hours after the same was put in the post. Any notice or other communication served by electronic means shall be deemed to have been received on the day following that on which it was sent. Any notice or other communication served by personal delivery shall be deemed to have been received when delivered. Any notice or other communication if sent by the Eligible Participant shall be irrevocable and shall not be effective until actually received by the Company.
- 21.6 Each Eligible Participant shall be responsible for obtaining any governmental or other official consent or approval that may be required by any jurisdiction in order to permit the grant, holding or exercise of any Award. By accepting a grant of an Award or exercising an Award, the Eligible Participant thereof is deemed to have represented to the Company that the Eligible Participant has obtained all such consents and approvals. Compliance with this Rule shall be a condition precedent to an acceptance of an Award by an Eligible Participant and an exercise by an Eligible Participant of their Awards.
- 21.7 No member of the Group shall be responsible for any failure by any Eligible Person to obtain any consent or approval required for such Eligible Person to participate in the Scheme as a Eligible Participant or for any Taxes, expenses, fees or any other liability to which an Eligible Person may become subject as a result of participation in the Scheme. Each Eligible Participant by their acceptance of any Award thereby agrees to indemnify each member of the Group fully against all claims, demands, liabilities, actions, proceedings, fees, costs and expenses which they may suffer or incur (whether alone or jointly with other party or parties) for or in respect of any failure on the part of the Eligible Participant to obtain any necessary consent or approval or to pay tax or other liabilities referred therein.
- 21.8 Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such in the event of any provision or provisions being or becoming unenforceable in whole or in part. To the extent that any provision or provisions are unenforceable they shall be deemed to be deleted from these Scheme Rules, and any such deletions shall not affect the enforceability of the Scheme Rules as remain not so deleted.
- 21.9 Save as specifically provided herein, the Scheme shall not confer on any person any legal or equitable rights against any member of the Group directly or indirectly or give rise to any cause of action at law or in equity against any member of the Group. No person shall, under any circumstances, hold the Board, its delegates and/or the Company or any other member of the Group, any administrator of the Scheme or any Trustee or designated third party liable for any costs, losses, expenses and/or damages whatsoever arising from or in connection with the Scheme or the administration thereof.
- 21.10 In the event that an Award lapses or is cancelled or forfeited in accordance with the Scheme Rules, no Eligible Participants shall be entitled to any compensation for any loss or any right or benefit or prospective right or benefit under the Scheme which he / she or it might otherwise have enjoyed.

- 21.11 The Scheme shall operate subject to the Articles and to any restrictions under any applicable laws, rules and regulations (including the Listing Rules). To the extent any rules herein are inconsistent with the Listing Rules, the provisions of the Listing Rules shall prevail.
- 21.12 By participating in the Scheme, the Eligible Participant consents to the holding, processing, storage and use of personal data or information concerning him or her by any member of the Group, the Trustee or other third party service provider, in Hong Kong or elsewhere, for the purpose of the administration, management or operation of the Scheme. Such consent permits, but is not limited to, the following:
- (a) the administration and maintenance of records of the Eligible Participant;
  - (b) the provision of data or information to without limitation members of the Group, the Related Entities, any Trustee, registrars, brokers or third party administrators or managers of the Scheme, in Hong Kong or elsewhere;
  - (c) the provision of data or information to future purchasers or merger partners of the Company or any other member of the Group, the Eligible Participant's employing company, or the business in which the Eligible Participant works;
  - (d) the transfer of data or information about the Eligible Participant to a country or territory outside China, Hong Kong or the Eligible Participant's home country or region of residence which may not provide the same statutory protection for the information as the Eligible Participant's home country or region or residence; and
  - (e) in the case where an announcement is required to be made pursuant to the Listing Rules for the purposes of granting an Award, the disclosure of the identity of such Eligible 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 from time to time.

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

## **22. GOVERNING LAW**

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