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**BROCKMAN MINING LIMITED**

*(incorporated in Bermuda with limited liability)*

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**RULES OF THE SHARE SCHEME**

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**Adopted by  
Resolution of the Shareholders  
on 18 December 2023**

Signed by Director: \_\_\_\_\_

18 December 2023

**DT**  **LAW**  

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*Corporate & Securities*

**DEREK TSANG LAW OFFICE**

## TABLE OF CONTENTS

Clause	Page
1. INTRODUCTION .....	1
2. DEFINITIONS .....	1
3. DURATION AND TERMINATION OF THE SCHEME.....	7
4. ADMINISTRATION .....	7
5. GRANT OF OPTION OR AWARD .....	9
6. MAXIMUM NUMBER OF NEW SHARES TO BE ISSUED IN RESPECT OF THE OPTIONS AND AWARDS .....	10
7. LIMIT ON GRANTING OPTIONS AND AWARDS TO INDIVIDUAL PARTICIPANTS .....	12
8. GRANTING OPTIONS OR AWARDS TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER.....	12
9. EXERCISE PRICE AND PURCHASE PRICE.....	13
10. VESTING PERIOD AND VESTING CONDITIONS .....	14
11. EXERCISE OF OPTIONS .....	15
12. VESTING OF AWARDS.....	16
13. ISSUE OF SHARES TO THE TRUSTEE AND ACQUISITION OF SHARES BY THE TRUSTEE.....	18
14. RETURNED SHARES .....	19
15. RIGHTS ATTACHED TO THE OPTIONS AND AWARDS .....	19
16. TRANSFERABILITY OF OPTIONS AND AWARDS.....	20
17. RIGHTS ON CEASING EMPLOYMENT, RETIREMENT, DEATH, DISABILITY OR OCCURRENCE OF OUT OF CONTROL EVENT.....	20
18. RIGHTS ON GENERAL OFFER OR ARRANGEMENT, WINDING-UP, OR COMPRISE OR ARRANGEMENT .....	22
19. LAPSE OF OPTIONS AND AWARDS .....	25
20. EFFECTS OF ALTERATION TO CAPITAL.....	26
21. CANCELLATION OF OPTIONS OR AWARDS .....	27
22. SHARE CAPITAL .....	27
23. CLAWBACK .....	28

24.	ALTERATION OF THE SCHEME.....	29
25.	DISPUTES .....	30
26.	GENERAL .....	30

# BROCKMAN MINING LIMITED

## SHARE SCHEME

Adopted by Resolution of the Shareholders on 18 December 2023

### 1. Introduction

1.1 This Scheme shall take effect upon the fulfilment of the following conditions:

- (a) the passing of a resolution by the Shareholders to approve the adoption of this Scheme and to authorise the Board to grant Options and Awards under this Scheme, and to approve the Scheme Mandate Limit; and
- (b) the Stock Exchange granting the listing of, and permission to deal in, the new Shares which may be issued by the Company in respect of all Options and Awards to be granted under this Scheme.

1.2 The purpose of this Scheme is to enable the Company to grant Options and Awards to the Participants who has contributed or may contribute to the Group, as well as to provide incentives and help the Group in recruiting or retaining its employees, and to provide them with a direct interest in attaining the long term business objectives of the Group.

*R.17.03(1)*  
*R.17.03(2)*

1.3 This Scheme is funded by the issuance of new Shares by the Company or existing Shares purchased by way of on-market transaction as the Board may in its absolute discretion determine.

1.4 For Australian Participants, unless stated otherwise in the Offer Letter, the Scheme is intended to operate in accordance with subdivision 83A-C of the Australian Tax Act, such that Options granted to them under this Scheme are subject to deferred taxation.

### 2. Definitions

2.1 In this Scheme, the following expressions have the following meanings, unless the context otherwise requires:

**“Actual Selling Price”** the actual price at which the Award Shares are sold (net of all applicable costs from time to time, such as brokerage, the Stock Exchange (or ASX) trading fee, the SFC transaction levy and the FRC transaction levy) on vesting of an Award (or any part thereof) pursuant to this Scheme;

**“Adoption Date”** the date on which this Scheme is adopted by resolution of the Shareholders;

<b>“associate(s)”</b>	has the meaning ascribed to it under Rule 1.01 of the HK Listing Rules;
<b>“ASX”</b>	the Australian Stock Exchange;
<b>“ASX Listing Rules”</b>	the official listing rules of the ASX as they apply to the Options and Awards or to this Scheme from time to time;
<b>“Auditors”</b>	the auditors of the Company from time to time;
<b>“Australian Laws”</b>	the Australian laws applicable to the operation of this Scheme from time to time, including any Australian laws applicable to the jurisdiction in which a Participant receiving an Option or Award under this Scheme is located, including, but not limited to, the ASX Listing Rules and the Australian Tax Act;
<b>“Australian Participant(s)”</b>	a Participant residing in Australia at the time of issuing the Offer Letter under Clause 5.1, or an Option or Award deemed to have been granted and accepted under Clause 5.2;
<b>“Australian Tax Act”</b>	the Australian <i>Income Tax Assessment Act 1997</i> (Cth) and <i>Income Tax Assessment Act 1936</i> (Cth), as amended from time to time;
<b>“Award”</b>	an award granted to a Participant under this Scheme, which will upon vesting entitle such Participant to receive Award Shares or the Actual Selling Price of the Award Shares in cash, as the Board may in its absolute discretion determine in accordance with the terms of this Scheme;
<b>“Award Holder”</b>	holder of an Award;
<b>“Award Shares”</b>	the Shares to be received by a Grantee upon the vesting of the relevant Award (or any part thereof);
<b>“Board”</b>	the board of Directors or, for the purposes of this Scheme, any duly authorised committee thereof, for the time being;
<b>“Business Day”</b>	a day on which the Stock Exchange is open for dealing in securities;
<b>“Bye-laws”</b>	the bye-laws of the Company as amended from time to time;
<b>“chief executive”</b>	has the meaning ascribed to it under the HK Listing Rules;

<b>“close associate(s)”</b>	has the meaning ascribed to it under the HK Listing Rules;	
<b>“Companies Act”</b>	the Companies Act 1981 of Bermuda, as amended from time to time;	
<b>“Company”</b>	Brockman Mining Limited, a company incorporated in Bermuda with limited liability;	
<b>“connected person(s)”</b>	has the meaning ascribed to it under the HK Listing Rules;	
<b>“controlling shareholder(s)”</b>	has the meaning ascribed to it under the HK Listing Rules;	
<b>“core connected person(s)”</b>	has the meaning ascribed to it under the HK Listing Rules;	
<b>“Director(s)”</b>	director(s) of the Company from time to time;	
<b>“Exercise Period”</b>	in respect of any particular Option, the period in which an Option may be exercised to be determined by the Board in its absolute discretion and to be notified by the Board to the Grantee Provided That such period shall not be more than 10 years from the date on which such Option is deemed to be granted under Clause 5.2;	<i>R.17.03(5)</i>
<b>“Exercise Price”</b>	the price per Share at which an Option Holder may subscribe for Shares on the exercise of an Option pursuant to the terms of this Scheme, as may be determined in accordance with Clause 9.1;	
<b>“Grant Shares”</b>	the Award Shares and/or the Option Shares, as the case may be;	
<b>“Grantee”</b>	an Option Holder or an Award Holder, as the case may be, being a Participant who accepts an Offer in accordance with the terms of this Scheme or (where the context permits) the legal personal representative(s) entitled to any Option or Award in consequence of the death of the original Grantee;	
<b>“Grounds for Termination”</b>	the grounds set out in Clause 19.1(c), based on which the employment or directorship of a Participant is terminated or removed;	
<b>“Group”</b>	the Company and its subsidiaries, and a <b>“member of the Group”</b> shall be construed accordingly;	
<b>“HK Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time;	

<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“HK Takeovers Code”</b>	Hong Kong Code on Takeovers and Mergers, as amended from time to time;
<b>“holding company”</b>	has the meaning ascribed to it under the HK Listing Rules;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Offer”</b>	an offer of the grant of an Option or an Award to be made to a Participant by the Board in accordance with the terms of this Scheme;
<b>“Offer Date”</b>	the date of the meeting of the Board for proposing an Offer;
<b>“Offer Letter”</b>	the letter to be issued by the Company to a Participant in such form as may be determined from time to time by the Board for the Offer, specifying the Offer Date, the number of Grant Shares, the vesting criteria and conditions, the Vesting Date and such other details as it may consider necessary;
<b>“on-market transaction”</b>	the acquisition or sale of Shares through the facilities of the Stock Exchange and/or the ASX in accordance with the HK Listing Rules, the ASX Listing Rules and other applicable laws and regulations;
<b>“Option”</b>	a right granted to a Participant to subscribe for Shares upon vesting and exercised pursuant to the terms of an Option granted under this Scheme;
<b>“Option Holder”</b>	holder of an Option;
<b>“Option Shares”</b>	the Shares to be issued to the Option Holder upon his exercise of an Option (or any part thereof);
<b>“Other Award”</b>	an award granted to a person under the Other Scheme, which will upon vesting entitle such holder to receive Shares in accordance with the terms of the Other Award;
<b>“Other Option”</b>	a right granted to a person under the Other Scheme to subscribe for Shares upon vesting and exercised pursuant to the terms of the Other Option;
<b>“Other Scheme(s)”</b>	other share scheme(s) (if any) adopted by the Company from time to time, pursuant to which options to subscribe

for Shares and/or awards to receive Shares may be granted;

**“Participant(s)”**

full-time and part-time employees, and directors of the Company or any of its subsidiaries (including persons who are granted Options or Awards under this Scheme as an inducement to enter into employment contracts with these companies\*);

*R.17.03A(1)(a)*

*Note:*

*\* From an Australian tax perspective, granting of Options or Awards to Participants who are not existing employees of the Company (or is subsidiary) at the time of the Grant may not qualified for tax deferral under the ESS Income Tax.*

**“Purchase Price”**

the price (if any) payable by the Award Holder to acquire the Award Shares under his Award, as may be determined in accordance with Clause 9.2;

**“Related Income”**

all or such portion of cash income derived from the Award Shares (including cash dividends declared and paid on the Award Shares) as may be determined by the Board from time to time (excluding any interest earned on such cash income) and held under the Trust for the benefit of the Award Holder (excluding any nil-paid right, bonus warrant, cash component of a scrip dividend scheme, other non-cash and non-scrip distribution or proceeds of sale of the same unless otherwise directed by the Board in its absolute discretion under Clause 20.2);

**“Remuneration & Performance Committee”**

the remuneration & performance committee of the Company;

**“Returned Shares”**

such Award Shares that are not vested and/or are forfeited in accordance with the terms of this Scheme, or such Shares being deemed to be Returned Shares under this Scheme, in each case such Shares to be held by the Trustee to be applied towards future Awards in accordance with the provisions of this Scheme;

**“Scheme”**

this share scheme in its present or any amended form;

**“Scheme Mandate Limit”**

has the meaning ascribed to it under Clause 6.1;

**“Share(s)”**

Share(s) of HK\$0.10 each (or of such other nominal amount as shall result from a sub-division, consolidation, re-classification or re-construction of such shares from time to time) in the share capital of the Company;



<b>“Shareholder(s)”</b>	holder(s) of the Shares;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“subsidiary”</b>	has the meaning ascribed to it under the HK Listing Rules;
<b>“substantial shareholder(s)”</b>	has the meaning ascribed to it under the HK Listing Rules;
<b>“Taxes”</b>	has the meaning ascribed to it under Clause 12.4;
<b>“Term”</b>	has the meaning ascribed to it under Clause 3.1;
<b>“Trust”</b>	the trust constituted by the Trust Deed;
<b>“Trust Deed”</b>	the trust deed between the Company and the Trustee for the purposes of administering the Awards granted or to be granted under this Scheme;
<b>“Trustee”</b>	the trustee(s) as may be appointed by the Company from time to time for the purposes of the Trust;
<b>“vest”</b>	the Option Holder becoming entitled to exercise his Option (or any part thereof) to subscribe for Shares, or the Award Holder becoming entitled to receive Shares under his Award (or any part thereof) subject to payment of the relevant Purchase Price (if any) and Vesting Expenses (if any), and the delivery of the Vesting Documents, as the case may be;
<b>“Vesting Condition”</b>	has the meaning ascribed to it under Clause 10.4;
<b>“Vesting Date”</b>	the date on which a Grantee’s entitlement to the Grant Shares (or any part thereof) is vested in accordance with this Scheme;
<b>“Vesting Documents”</b>	such documents that the Trustee or the Board may in its absolute discretion require from time to time to transfer the Award Shares and Related Income to the Award Holder;
<b>“Vesting Expenses”</b>	all transfer fees, expenses and Taxes associated with the vesting and transfer of the relevant Award Shares and Related Income to the Award Holder save for those to be borne by the Company under Clause 26.1;
<b>“Vesting Notice”</b>	has the meaning ascribed to it under Clause 12.2;
<b>“Vesting Period”</b>	has the meaning ascribed to it under Clause 10.1; and

“%” per cent.

- 2.2 Clause headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme. References herein to Clauses and sub-Clauses are to clauses and sub-clauses of this Scheme. Words importing the singular includes the plural and vice versa, words importing a gender shall include every other genders and references to persons include bodies corporate or unincorporate. Any reference to any statute or statutory provision shall include any statute or statutory provision which amends or replaces, or has amended or replaced, and shall include any subordinate legislation made under the relevant statute.

### **3. Duration and Termination of the Scheme**

- 3.1 This Scheme shall be valid and effective for the period (the “**Term**”) (i) commencing on the Adoption Date, subject to the fulfilment of the conditions set out in Clause 1.1, and (ii) ending on the earlier of the 10th anniversary of the Adoption Date or the date of early termination of this Scheme as mentioned in Clause 3.2. *R.17.03(11)*
- 3.2 The Company may by ordinary resolution in general meeting terminate, or the Board may in its absolute discretion terminate, the operation of this Scheme at any time before the 10th anniversary of the Adoption Date.
- 3.3 After the expiry of the Term, no further Options or Awards may be granted but the provisions of this Scheme shall remain in full force and effect in all other respects in respect of Options and Awards granted prior thereto but not yet exercised or vested at the time of expiry, which shall continue to be exercisable, and able to be vested, after the expiry of the Term in accordance with their terms of grants. *R.17.03(16)*
- 3.4 On the Business Day following the settlement, lapse, forfeiture or cancellation (as the case may be) of the last outstanding Award made under this Scheme, the Trustee shall sell all the Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receiving notice of the settlement, lapse, forfeiture or cancellation (as the case may be) of such last outstanding Award (or such longer period as the Company may otherwise determine), and remit all cash and net proceeds of such sale and the funds of the Trust (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed) to the Company or at its direction.

### **4. Administration**

- 4.1 This Scheme shall be subject to the administration of the Board (whose decision as to all matters arising from or in relation to this Scheme or its interpretation or effect shall (save as otherwise provided herein) be final and binding on all parties to this Scheme), and, where applicable, the Trust Deed.
- 4.2 The Board may delegate to a committee of the Board or any person(s) its authority to administer this Scheme (including but not limited to the power to grant an Option

or Award under this Scheme and the power to further delegate its authority to administer this Scheme to a sub-committee or any person(s)), Provided That nothing in this Clause 4.2 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 Clause 4.1.

4.3 Subject to the terms of this Scheme, the HK Listing Rules and any applicable law and regulations, the Board shall have the power from time to time to:

- (a) construe and interpret the terms of this Scheme and the terms of the Options and Awards granted hereunder;
- (b) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of this Scheme, Provided That they are not inconsistent with other terms of this Scheme;
- (c) decide how the vesting of the Awards Shares will be settled;
- (d) grant Options or Awards to those Participants whom it shall select from time to time in its absolute discretion;
- (e) determine the terms and conditions of the Options and Awards (including but not limited to the Exercise Price, the Purchase Price (if any), the Vesting Period, the Exercise Period and the Vesting Conditions);
- (f) make such decisions or determinations as it shall deem appropriate for the administration of this Scheme;
- (g) establish and administer performance targets in respect of this Scheme;
- (h) approve the form of an Offer Letter;
- (i) give all necessary instructions to the Trustee in relation to the administration of the Award Shares; and
- (j) take such other steps or actions to give effect to the terms and intent of this Scheme.

4.4 The Company may appoint one or more Trustees to assist with the administration, granting and vesting of the Awards, and may, to the extent permitted by the Companies Act and the HK Listing Rules, (a) allot and issue new Shares to the Trustee and/or (b) direct and procure the Trustee to purchase existing Shares by way of on-market transaction, in either case to satisfy the Awards upon vesting. The Company shall, to the extent permitted by the Companies Act, provide sufficient funds to the Trustee by whatever means as the Board may in its absolute discretion determine to enable the Trustee to satisfy its obligations in connection with the administration and vesting of the Awards.

- 4.5 If a Trustee is appointed, the Trust Deed shall provide that the Trustee holding unvested Shares under this Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the HK Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given. *R.17.05A*

## **5. Grant of Option or Award**

- 5.1 On and subject to the terms of this Scheme, the Board may, in its absolute discretion, from time to time make an Offer to grant an Option or Award to any Participant in respect of such number of Shares at such Exercise Price or Purchase Price (if any), and upon such terms and conditions as the Board may think fit in its absolute discretion at a consideration of HK\$1.0 (or, in the case of the Australian Participant, at nil consideration or such other amount of consideration as the Board may determine) by letter in such form as the Board may from time to time determine requiring the Participant to undertake to hold the Option or the Award on the terms on which it is to be granted and to be bound by the provisions of this Scheme Provided That such discretion shall be exercised on the basis of the amount of the contribution which the Participant has made or is likely to make towards the success of the Group and such other factors as the Board may in its absolute discretion consider appropriate. The Offer shall remain open for acceptance by the Participant concerned for a period of 28 days from the Offer Date Provided That no Offer shall be open for acceptance after the expiry of the Term, and that an Offer cannot be accepted by a Participant who ceases to be qualified as a Participant. *R.17.03(8)*
- 5.2 An Option or Award shall be deemed to have been granted and accepted when the letter comprising acceptance of the Offer in respect of such Option or Award (which shall be in such form as the Board may from time to time determine) duly signed by the Grantee together with a remittance in favour of the Company of the consideration for the grant thereof as mentioned in Clause 5.1 is received by the Company.
- 5.3 An Offer may be accepted in respect of less than the number of Shares in respect of which it is offered Provided That it is accepted in respect of such number of Shares as represents a board lot for the time being for the purposes of trading on the Stock Exchange or an integral multiple thereof. To the extent that the Offer is not accepted within the said 28-day period in the manner indicated in Clause 5.2, it will be deemed to have been irrevocably declined and lapsed automatically.
- 5.4 As soon as practicable after the grant of any Award to a Grantee, the Company shall notify the Trustee of:
- (a) the name of such Grantee to whom such an Award has been made;
  - (b) the number of Award Shares to which such Award relates;
  - (c) whether the Award should be satisfied by the issue of new Shares by the Company or by existing Shares to be acquired by the Trustee by way of on-market transaction; and

(d) the date or dates on which such Award will vest.

5.5 No Offer to grant any Option or Award may be made:

(a) where any requisite approvals from any applicable regulatory authorities have not been obtained;

(b) where any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Option or Award, or this Scheme, unless the Board determines otherwise;

(c) where such Option or Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction (including the HK Listing Rules);

(d) where inside information (as defined in the HK Listing Rules) has come to the knowledge of the Company until (and including) the Business Day after the Company has announced such information;

(e) during the period commencing one month immediately before the earlier of: *R.17.05*

(i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the HK Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the HK Listing Rules); or

(ii) the deadline for the Company to announce its results for any year or half-year under the HK Listing Rules, or quarterly or any other interim period (whether or not required under the HK Listing Rules),

and ending on the date of the relevant results announcement; and

(f) during any period of delay in publishing any results announcement of the Company,

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

## 6. **Maximum Number of new Shares to be Issued in respect of the Options and Awards**

6.1 The total number of new Shares which may be issued in respect of all Options and Awards to be granted under this Scheme and all Other Options and Other Awards to be granted under any Other Scheme(s) (the "**Scheme Mandate Limit**") shall not exceed 10% of the Shares in issue on the Adoption Date Provided That Options, Awards, Other Options or Other Awards lapsed in accordance with the terms of this

*R.17.03(3)  
R.17.03B(1)  
&(2)*

Scheme or Other Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

- 6.2 If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting of the Company, the maximum number of new Shares that may be issued in respect of all options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares as at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share. *Note (2) to R.17.03B*
- 6.3 The Company may seek the approval of the Shareholders in general meeting for “refreshing” the Scheme Mandate Limit under this Scheme after three years from the Adoption Date or the last refreshment. The Company shall send to the Shareholders a circular containing the number of options and awards that were already granted under the existing Scheme Mandate Limit, and the reason for the “refreshment”. Any refreshment within any three-year period must be approved by the Shareholders subject to the following provisions: *R.17.03C(1)*
- (a) any controlling shareholders of the Company and their respective associates (or, if there is no such controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
  - (b) the Company must comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the HK Listing Rules,
- Provided That the requirements under sub-Clause (a) and (b) above 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 HK Listing Rules such that the unused part of the scheme mandate (as a percentage of the total number 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.
- 6.4 The total number of new Shares which may be issued in respect of all options and awards to be granted under all of the schemes of the Company under the scheme mandate as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval of the refreshed scheme mandate. The Company shall send to the Shareholders a circular containing the number of options and awards that were already granted under the existing Scheme Mandate Limit, and the reason for the “refreshment”. *R.17.03C(2)*
- 6.5 The Company may seek separate approval by the Shareholders in general meeting for granting Options or Awards beyond the Scheme Mandate Limit Provided That the Options or Awards in excess of the Scheme Mandate Limit are granted only to Participants specifically identified by the Company before such approval is sought. The Company shall send to the Shareholders a circular containing the name of each specified Participant who may be granted such Options or Awards, the number and *R.17.03C(3)*

terms of the Options or Awards to be granted to each Participant, and the purpose of granting Options or Awards to the specified Participants with an explanation as to how the terms of the Options or Awards serve such purpose. The number and terms of Options or Awards to be granted to such Participants must be fixed before Shareholders' approval.

**7. Limit on Granting Options and Awards to Individual Participants**

*R.17.03(4)  
R.17.03D(1)  
&(2)*

Where any grant of Options or Awards to a Participant would result in the new Shares issued and to be issued in respect of all Options, Awards, Other Options and Other Awards granted to such person (excluding any options and awards lapsed in accordance with the terms of this Scheme or the Other Scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (the "**1% individual limit**"), such grant must be separately approved by the Shareholders in general meeting with such Participant and his close associates (or, if the Participant is a connected person, associates) abstaining from voting. The Company must send a circular to the Shareholders in connection therewith. The said circular must disclose the identity of such Participant, the number and terms of the Options or Awards to be granted (and those previously granted to such Participant in the 12-month period), the purpose of granting Options or Awards to the Participant and an explanation as to how the terms of the Options or Awards serve such purpose. The number and terms of the Options or Awards to be granted to such Participant must be fixed before Shareholders' approval.

**8. Granting Options or Awards to a Director, Chief Executive or Substantial Shareholder**

8.1 Any grant of Options or Awards to a Director or chief executive or substantial shareholder of the Company, or any of their respective associates under this Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options or Awards).

*R.17.04(1)*

8.2 Subject to Clause 8.7, where any grant of Awards (excluding grant of Options) or Other Awards (excluding grant of Other Options) to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the new Shares issued and to be issued in respect of all Awards and Other Awards granted (excluding any Awards and Other Awards lapsed in accordance with the terms of this Scheme or the Other 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 Awards must be approved by the Shareholders in general meeting in the manner mentioned in Clause 8.4.

*R.17.04(2)*

8.3 Subject to Clause 8.7, 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 new Shares issued and to be issued in respect of all Options, Awards, Other Options and Other Awards granted (excluding any Options, Awards, Other Options and Other Awards lapsed in accordance with

*R.17.04(3)*

the terms of this Scheme or the Other 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 Options or Awards must be approved by the Shareholders in general meeting in the manner mentioned in Clause 8.4.

- 8.4 In connection with the approvals by the Shareholders required by Clause 8.2, 8.3 or 8.7, the Company must send a circular to the Shareholders. Subject to Clause 8.7, the Grantee, his/her 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 requirements under Rules 13.40, 13.41 and 13.42 of the HK Listing Rules. The circular must contain: (i) details of the number and terms of the Options or Awards to be granted to each Participant, which must be fixed before the Shareholders' meeting; (ii) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options or Awards) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and (iii) the other information required by Rule 17.04(5) of the HK Listing Rules. *R.17.04(4)*
- 8.5 Any change in the terms of Options or Awards granted to a Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by Shareholders in the manner mentioned in Clause 8.4 if the initial grant of the Options or Awards requires such approval (except where the changes take effect automatically under the existing terms of this Scheme). *Note to R.17.04(4)*
- 8.6 The requirements for the grant to a Director or chief executive of the Company under this Clause 8 do not apply where the Participant is only a proposed Director or chief executive of the Company. *Note to R.17.04(4)*
- 8.7 Where required by the ASX Listing Rules, a grant of an Option or Award which will result in the issue of new Shares to a Director, his associate (as defined in the ASX Listing Rules) or a related party (as defined in the ASX Listing Rules) of the Company shall be subject to the approval of the Shareholders. The circular to be despatched by the Company for such approval must contain the relevant information and voting exclusions required by the ASX Listing Rules.

## **9. Exercise Price and Purchase Price**

- 9.1 The Exercise Price at which an Option Holder may subscribe for Shares upon the exercise of an Option shall be determined by the Board in its absolute discretion, and shall be at least the highest of: *R.17.03(9) R.17.03E*
- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day;
  - (b) 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 Offer Date; and



(c) the nominal value of the Shares.

9.2 The Board may in its absolute discretion determine whether the Award Holder is required to pay any Purchase Price for the acquisition of the Award Shares and, if so required, the amount of the Purchase Price, after taking into account the practices of comparable companies and the effectiveness of this Scheme in attracting talents and motivating the Award Holder to contribute to the long term development of the Group.

*R.17.03(9)*

## **10. Vesting Period and Vesting Conditions**

10.1 The Board has absolute discretion to set a minimum period for which an Option or Award has to be held before it is vested (the “**Vesting Period**”), which shall not be less than 12 months Provided That the Options or Awards granted to Participants may be subject to a shorter Vesting Period under the following circumstances:

*R.17.03F*  
*R.17.03(6)*

- (a) grants of “make-whole” Awards to new joiners to replace the share benefits forfeited when leaving the previous employers;
- (b) grants to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants of Options or Awards with performance-based Vesting Conditions in lieu of time-based vesting criteria;
- (d) grants that are made in batches during a year for administrative and compliance reasons, which may include Awards that should have been granted earlier but had to wait for a subsequent batch;
- (e) grants of Options or Awards with a mixed or accelerated vesting schedule such as where the Options or the Awards may vest evenly over a period of 12 months; and
- (f) grants of Options or Awards with a total vesting and holding period of more than 12 months.

10.2 If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the Shares, be the Business Day immediately thereafter.

10.3 If the Vesting Date of an Award falls within a period during which the Company, the Trustee or the relevant Grantee is prohibited from dealing in Shares by the Stock Exchange or the ASX, the HK Listing Rules or any applicable laws, rules or regulations, the Award shall vest on the first Business Day after the expiry of such period or such later date as the Board may in its absolute discretion determine.

10.4 Options and Awards granted under this Scheme are subject to such vesting conditions (the “**Vesting Conditions**”), if any, which must be satisfied before an Option or Award shall become vested so that such Option becomes exercisable by

the Option Holder or the Award Shares can be vested unto and transfer to the Award Holder (subject to payment of the relevant Purchase Price (if any) and Vesting Expenses (if any), and the delivery of the Vesting Documents).

- 10.5 The Board may in its absolute discretion determine the Vesting Conditions (if any) applicable to any Participant and specify such Vesting Conditions in the Offer given to such Participants, which may be a time-based Vesting Condition and/or a performance-based Vesting Condition (the “**Performance Conditions**”) requiring the Grantee to meet certain performance target, which may relate to the revenue, the profitability and/or the business goals of the Group or any of its business unit, to be assessed based on such method as the Board may determine in its absolute discretion. *R.17.03(7)*
- 10.6 After the grant of an Award, the Board may in its absolute discretion amend any Performance Condition if any event occurs which causes it to consider that the amended Performance Condition would, in the absolute discretion of the Board, be a more accurate or reasonable measure of the performance of the Grantee.
- 10.7 If the Vesting Conditions are not satisfied in full, the Option or the Award shall lapse automatically in respect of such proportion of underlying Shares which have not vested with effect from the date on which the Vesting Conditions are not satisfied.
- 10.8 The performance target of the Performance Condition should take such a form as the Board or the Remuneration & Performance Committee (as the case may be) may consider appropriate having regard to the key performance indicators, at corporate, subsidiary, division, operating unit, business line, project, geographic or individual level or otherwise, commonly adopted by businesses operating in the industries and markets in which the Group operates.

## **11. Exercise of Options**

- 11.1 Upon vesting and subject to the applicable Exercise Period and the terms of this Scheme, an Option (to the extent vested) may be exercised in whole or in part in accordance with the terms of the Offer Letter and this Scheme at any time during the Exercise Period (which shall be a period to be determined by the Board in its absolute discretion Provided That such period shall end not later than 10 years after the date on which the Option is deemed to be granted under Clause 5.2) by the Participant (or, in the case of his death, his legal personal representative(s)) giving notice in writing (in such form as the Board may from time to time specify) to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Exercise Price for the Shares in respect of which the notice is given. Any notice given without the relevant remittance shall be invalid. *R.17.03(5)*
- 11.2 Subject to the terms of this Scheme and the Option having been exercised in accordance with the provisions of Clause 11.1, the Company shall, as soon as reasonably practicable and in any event not later than 21 Business Days after the later of the exercise of an Option or the receipt of the certificate of the Auditors or independent financial adviser pursuant to Clause 20, allot and issue to the Option Holder of such number of Shares fully paid as specified in the notice exercising the

Option and shall deliver to the Option Holder a definitive share certificate in respect thereof.

- 11.3 Notwithstanding any contrary provisions herein contained, if at the time an Option Holder wishes to exercise his Option, the exercise of such Option or the consequence of such exercise is not permitted by applicable laws, the HK Listing Rules or the Australian Laws, the Option Holder shall not be entitled to exercise his Option until such exercise becomes permissible by the applicable laws, the HK Listing Rules and the Australian Laws, where applicable.

## 12. Vesting of Awards

12.1 For the purposes of vesting of the Award, the Board may either:

- (a) direct and procure the Trustee to release from the Trust the Award Shares to the Award Holder by transferring the number of Award Shares so vested to the Award Holder in such manner as may be determined by it from time to time; or
- (b) if, based on advice from a legal or tax adviser engaged by the Company, the Board considers in its absolute opinion that (i) it is not practicable for such Award Holder to receive the Award in Shares as set out in the Vesting Notice solely due to legal or regulatory restrictions with respect to such Award Holder's ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to such Award Holder, or (ii) the tax position of the Company or such Award Holder would be adversely affected if such Award Holder receives the Award in Shares, the Board will direct and procure the Trustee to sell, by way of on-market transaction at the prevailing market price, the number of Award Shares so vested in respect of such Award Holder and pay such Award Holder the net proceeds in cash arising from such sale based on the Actual Selling Price of such Award Shares.

12.2 Except in the circumstances as set out in Clause 12.4, barring any unforeseen circumstances, within a reasonable time period as agreed between the Trustee and the Board from time to time prior to any Vesting Date, the Board shall send to the relevant Award Holder a vesting notice (the "**Vesting Notice**"). The Board shall forward a copy of the Vesting Notice to the Trustee and instruct the Trustee to the extent to which the Award Shares held in the Trust (including, without limitation, whether the Award Shares should comprise of new Shares and/or existing Shares acquired by way of on-market transaction) shall be transferred and released from the Trust to the Award Holder in the manner as may be determined by the Board, or be sold as soon as practicable from the Vesting Date.

12.3 Except in the circumstances as set out in Clause 12.4, subject to the receipt of the Vesting Notice and the instructions from the Board, the Trustee shall transfer and release the relevant Award Shares to the relevant Award Holder in the manner as may be determined by the Board or sell the relevant Award Shares within any time stipulated in Clause 12.2 and pay the Actual Selling Price of such Award Shares to

the Award Holder within a reasonable time period (in both cases with the Related Income derived from such Award Shares) in satisfaction of the Award.

- 12.4 Other than the stamp duty to be borne by the Company in accordance with Clause 26.1, all other taxes (including personal income taxes, professional taxes, salary taxes and similar taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Award Holder's participation in this Scheme or in relation to the Award Shares, Related Income or cash amount of equivalent value of the Award Shares (the "**Taxes**") shall be borne by the Award Holder, and neither the Company nor the Trustee shall be liable for any Taxes. The Award Holder shall indemnify all members of the Group and the Trustee against any liability each of them may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this, any member of the Group and/or the Trustee may, notwithstanding any contrary provisions of this Scheme (but subject to applicable law):
- (a) reduce or withhold the number of the Award Holder's Award Shares underlying the Award or the amount of the Related Income (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 reduction or withholding that, in the reasonable opinion of the Company, is sufficient to cover any such liability);
  - (b) sell, on the Award Holder's behalf, such number of Shares to which the Award Holder becomes entitled under this Scheme and retain the proceeds and/or pay them to the relevant authorities or government agency;
  - (c) deduct or withhold, without notice to the Award Holder, the amount of any such liability from any payment to the Award Holder made under this Scheme or from any payments due from a member of the Group to the Award Holder, including from any amount payable to the Award Holder by any member of the Group; and/or
  - (d) require the Award Holder to remit to any member of the Group an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by any member of the Group on account of the Award Holder or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

The Trustee shall not be obliged to transfer any Award Shares (or pay the Actual Selling Price of such Award Shares) or Related Income to an Award Holder unless and until the Award Holder satisfies the Trustee and the Company that such Award Holder's obligations under this Clause 12.4 have been met.

- 12.5 Notwithstanding Clauses 12.1, 12.2 and 12.3, if the Company, the Trustee or any relevant Award Holder would or might be prohibited from dealing in Shares by the HK Listing Rules or any other applicable laws, regulations or rules, at the time when the Shares would otherwise have been allotted, issued, transferred or sold (as the case may be) under those provisions, the allotment, issue, transfer or sale shall occur

as soon as possible after the date when such dealing is permitted by the applicable laws, regulations or rules (including the HK Listing Rules).

- 12.6 Notwithstanding any contrary provisions herein contained, the rights of the Award Holder to have the relevant Award Shares and the Related Income to be transferred to it upon vesting is subject to the Award Holder having delivered to the Trustee duly executed Vesting Documents and paid to the Trustee the Purchase Price (if any) and the Vesting Expenses (as applicable). In the event that the Trustee does not received the said Vesting Documents, the relevant Purchase Price and the relevant Vesting Expenses within 10 Business Days after the vesting of the Award (or any part thereof), the Award (or any part thereof) which would have otherwise been vested but for this Clause 12.6 shall automatically lapse and the relevant Award Shares shall be deemed to be Returned Shares.

### **13. Issue of Shares to the Trustee and Acquisition of Shares by the Trustee**

- 13.1 The Board shall determine on the Offer Date whether the Awards shall be satisfied by the allotment and issue of new Shares or the acquisition of existing Shares by way of on-market transaction. Subject to Clauses 13.5 and 13.6, for the purposes of satisfying the Awards granted, the Company shall, as soon as reasonably practicable and no later than 30 Business Days from the Offer Date, (i) in the case of the Board having determined that the Awards shall be satisfied by the allotment and issue of new Share, allot and issue new Shares to the Trustee under the scheme mandate of this Scheme; (ii) in the case of the Board having determined that the Awards shall be satisfied by the acquisition of existing Shares by way of on-market transactions, transfer to the Trustee the necessary funds and instruct the Trustee to acquire existing Shares by way of on-market transaction at the prevailing market price; and/or (iii) instruct the Trustee whether or not to apply any Returned Shares to satisfy any Awards granted. For the avoidance of doubt, the Company may provide terms and conditions relating to the acquisition of Shares in the instructions to the Trustee. The costs of such allotment or purchase of Shares shall be borne by the Company.
- 13.2 Where the Trustee has received instructions from the Company to acquire Shares by way of on-market transaction, the Trustee shall acquire such number of Shares as instructed by the Company by way of on-market transaction at the prevailing market price as soon as reasonably practicable after receiving the necessary funds from the Company.
- 13.3 The Trustee shall hold the Shares and the Related Income in accordance with the terms of the Trust Deed.
- 13.4 Subject to Clause 13.3, the Trustee shall only be obliged to transfer Award Shares (and the Related Income derived from such Award Shares) to the Award Holders on vesting to the extent that such Award Shares (and the Related Income derived from such Award Shares) are comprised in the Trust.
- 13.5 The Company shall not allot or issue new Shares to satisfy Awards granted to connected persons of the Company without, where required, the approval of the

disinterested Shareholders in accordance with the terms of this Scheme and the HK Listing Rules.

- 13.6 The Company shall not allot or issue new Shares nor instruct the Trustee to acquire existing Shares by way of on-market transaction, where such action (as applicable) is prohibited under the HK Listing Rules or other applicable laws and regulations from time to time. Where such prohibition causes the prescribed timing imposed by this Scheme or the Trust Deed to be missed, such prescribed timing shall be treated as extended until as soon as reasonably practicable after the first Business Day on which the prohibition no longer prevents the relevant action.

#### **14. Returned Shares**

The Trustee shall hold the Returned Shares to be applied towards future Awards in accordance with the provisions of this Scheme. When Shares have been deemed to be Returned Shares under this Scheme, the Trustee shall notify the Company accordingly.

#### **15. Rights attached to the Options and Awards**

- 15.1 The Grantee only has a contingent interest in the Grant Shares underlying an Option or Award and the Related Income unless and until such Option Shares are actually issued to the Grantee upon the exercise of the Option or such Award Shares are actually vested unto and transferred to the Grantee under the Award. No Grantee shall enjoy any of the rights of a Shareholder (including the right to vote at general meeting of the Company or to receive any dividends or distributions in respect of any Grant Shares) unless and until the Grant Shares are actually issued or transferred (as the case may be) to the Grantee as aforesaid save as otherwise provided for hereunder. R.17.03(10)
- 15.2 An Award Holder does not have any rights to any of the Related Income until the Award Shares and Related Income are vested unto and transferred to them.
- 15.3 No instructions may be given by an Award Holder to the Trustee in respect of the Award Shares or any other property of the Trust, and the Trustee shall not follow instructions given by an Award Holder in respect of the Award Shares or any other property of the Trust.
- 15.4 The Shares to be issued upon the exercise of an Option or transferred upon the vesting of an Award shall be subject to all the provisions of the memorandum of association of the Company for the time being in force and the Bye-laws, and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights as, the fully paid Shares in issue on the date on which those Option Shares are issued or those Award Shares are transferred and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which those Option Shares are issued or those Award Shares are transferred, other than any dividends or distributions previously declared or recommended or resolved to be

paid or made if the record date thereof shall be before the date on which those Option Shares are issued or those Award Shares are transferred.

- 15.5 The Company shall use all reasonable endeavours to procure that the Option Shares and the Award Shares shall, upon the issue or transfer thereof (or as soon as practicable), become listed on such stock exchanges on which Shares already in issue are listed as may be determined by the Board in its absolute discretion.
- 15.6 A Grantee shall have no rights in the balance of the fractional Shares arising out of consolidation or subdivision of Shares (if any) and such Shares shall be deemed Returned Shares for the purposes of this Scheme.
- 15.7 A Grantee shall have no right to any dividend of the Returned Shares or any of the Returned Shares, all of which shall be retained by the Trustee for the benefit of this Scheme.

## **16. Transferability of Options and Awards**

- 16.1 An Option or Award shall be personal to the Grantee, and shall not be transferrable or assignable unless a waiver is granted by the Stock Exchange. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option or Award, unless a waiver is granted by the Stock Exchange for such transfer.
- 16.2 Where the Grantee is a company, any change of its controlling shareholder or any substantial change in its management (which is to be determined by the Board in its absolute discretion) will be deemed to be a sale or transfer of interest referred to in Clause 16.1.
- 16.3 The Company may apply (but is not bounded to make any application) to the Stock Exchange for the waiver referred to in Clause 16.1 to allow a transfer of the Option or Award to a vehicle (such as a trust or a private company) for the benefit of the Grantee and any family members of such Grantee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of this Scheme and comply with other requirements of chapter 17 of the HK Listing Rules, Provided That (i) the Grantee shall disclose to the Company and the Stock Exchange of the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle, and such other information as may be required by the Company or the Stock Exchange to support such application; and (ii) unless otherwise determine by the Board in its absolute discretion, the Grantee shall reimburse all the cost and expenses to be incurred by the Company for the making of such application.

*Note to  
R.17.03(17)*

*Note to  
R.17.03(17)*

## **17. Rights on ceasing employment, retirement, death, disability or occurrence of out of control event**

- 17.1 Subject to applicable laws and regulations and as hereinafter provided, an Option may be exercised at any time during the Exercise Period and an Award may be vested during the Vesting Period in accordance with the terms of its grant and this Scheme,

Provided That if a Grantee is an employee or director of any member of the Group and in the event of such Grantee ceases to be a Participant by reason of his resignation, expiry of employment contract, retirement, or termination of his employment or directorship for any reason other than his death, disability or occurrence of any out of control event or on any of the Grounds for Termination:

- (a) in the case of the Grantee being an Option Holder, the Option (to the extent not already vested) shall lapse on the date of cessation, and the Option (to the extent exercisable as at the date of such cessation but not yet exercised) shall lapse on the expiry of a 1-month period after the date of cessation, and shall not be exercisable after the expiry of such 1-month period unless the Board otherwise determines in which event the Grantee may exercise the Option (to the extent exercisable as at the date of such cessation but not yet exercised) in whole or in part; and
- (b) in the case of the Grantee being an Award Holder, then notwithstanding any other terms on which the Award was granted, the Board may determine in its absolute discretion, and will give all necessary notification to the Award Holder about, whether following such cessation the Award (to the extent not already vested as at the date of such cessation) and the Related Income shall vest, and the date on which any such vesting and, subject to payment of the relevant Purchase Price (if any) and Vesting Expenses (if any), and the delivery of the Vesting Documents to the Company, any transfer of the vested Award Shares will occur.

For this purpose, the date of cessation will be taken to be the last day on which the Grantee was actually at work with the relevant member of the Group whether salary or compensation is paid in lieu of notice or not. Notwithstanding any contrary provisions set out in sub-Clause 17.1(b), the Vesting Period for an Award Holder shall not be less than 12 months.

17.2 Subject to applicable laws and regulations and as hereinafter provided, an Option may be exercised at any time during the Exercise Period and an Award may be vested during the Vesting Period in accordance with the terms of its grant and this Scheme, Provided That if a Grantee is an employee or director of any member of the Group and in the event of such Grantee ceases to be a Participant by reason of his death, disability or occurrence of any out of control event, and none of the Grounds for Termination has occurred:

- (a) in the case of the Grantee being an Option Holder, the Option (to the extent not already vested) shall, unless otherwise determined by the Board, be deemed to be vested on the date of cessation, and the Option Holder or his legal personal representative(s) (as the case may be) may exercise any Option (to the extent exercisable as at the date of cessation but not yet exercised) within a period of 12 months from the date of cessation or such other period as the Board may determine; and
- (b) in the case of the Grantee being an Award Holder, then notwithstanding any other terms on which the Award was granted, the Board may determine in its absolute discretion, and will give all necessary notification to the Award



Holder or his legal personal representative(s) (as the case may be) about, whether following such cessation the Award (to the extent not already vested as at the date of cessation) and the Related Income shall vest, and the date on which any such vesting and, subject to payment of the relevant Purchase Price (if any) and Vesting Expenses (if any), and the delivery of the Vesting Documents to the Company, any transfer of the vested Award Shares will occur. The Trustee shall hold the vested Award Shares and the Actual Selling Price (hereinafter collectively referred to as the “**Benefits**”) on trust and to transfer the same to the legal personal representative(s) of the Grantee within two years of his death (or such other period as the Trustee and the Company shall agree from time to time) or, if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall be held by the Trustee as Returned Shares or funds of the Trust for the purposes of this Scheme. Notwithstanding the foregoing, the Benefits held upon trust hereof shall until transfer is made in accordance herewith be retained and may be invested and otherwise dealt with by the Trustee in every way as if they had remained part of the Trust. Where the Benefits are forfeited in accordance herewith, the legal personal representative(s) of the Grantee shall have no claims against the Company or the Trustee.

For this purpose, the date of cessation will be taken to be the last day on which the Grantee was actually at work with the relevant member of the Group whether salary or compensation is paid in lieu of notice or not.

## **18. Rights on General Offer or Arrangement, Winding-Up, or Comprise or Arrangement**

18.1 Subject to applicable laws and regulations and as hereinafter provided, an Option may be exercised at any time during the Exercise Period and an Award may be vested during the Vesting Period in accordance with the terms of its grant and this Scheme, Provided That if a general or partial offer (whether by way of take-over offer, share buy-back offer, or scheme of arrangement or otherwise in like manner) is made to all the Shareholders (or all Shareholders other than the offeror, any person controlled by the offeror and/or any person acting in concert with the offeror (within the meaning of the HK Takeovers Code)), the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on comparable terms, mutatis mutandis, and assuming that they will become Shareholders by exercising in full of the Options granted to them or by vesting of the Award Shares in full unto them. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders:

- (a) in the case of the Grantee being an Option Holder, the Option Holder shall, notwithstanding any other terms on which his Options were granted, be entitled to exercise all or any of his Option (regardless of whether it is vested or exercisable or not as at the date on which such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders but to the extent not yet exercised) at any time thereafter and

up to the close of such offer (or any revised offer) or the record date for entitlements under the scheme of arrangement, as the case may be; and

- (b) in the case of the Grantee being an Award Holder, the number of Award Shares (if any) and the amount of the Related Income (if any) which shall vest and the date on which any such vesting will occur shall be determined by the Board in its absolute discretion notwithstanding any other terms on which the Award was granted, and the Company shall send the Vesting Notice to the Award Holder to notify him the extent to which his Award and Related Income will vest, and the date on which any such vesting and, subject to payment of the relevant Purchase Price (if any) and Vesting Expenses (if any), and the delivery of the Vesting Documents to the Company, any transfer of the vested Award Shares will occur. The Trustee shall transfer the Award Shares (or pay the Actual Selling Price in cash) and the Related Income to the Award Holder in accordance with the Vesting Notice.

The Option to the extent not exercised, and the Award and the Related Income to the extent not vested will lapse automatically on the date on which such offer (or any revised offer) closes or the record date for entitlements under the scheme of arrangement, as the case may be.

18.2 Subject to applicable laws and regulations and as hereinafter provided, an Option may be exercised at any time during the Exercise Period and an Award may be vested during the Vesting Period in accordance with the terms of its grant and this Scheme, Provided That if a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall, as soon as after it has given such notice to each Shareholder, give notice thereof to all Grantees (containing an extract of the provisions of this Clause). Thereupon:

*R.17.03(10)*

- (a) in the case of the Grantee being an Option Holder, the Option Holder shall be entitled to exercise all or any of his vested portion of the Option (to the extent vested as at the date of the said notice to the Grantee but not yet exercised) at any time not later than five Business Days prior to the proposed general meeting of the Company (thereafter the rights of the Option Holder to exercise his Options shall be suspended) by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting, allot and issue such number of Shares to the Option Holder which fall to be issued on such exercise of the Option credited as fully paid and register the Option Holder as holder thereof; and
- (b) in the case of the Grantee being an Award Holder, the number of Award Shares (if any) and the amount of the Related Income (if any) which shall vest and the date on which any such vesting will occur shall be determined by the Board in its absolute discretion notwithstanding any other terms on which the Award was granted, and the Company shall notify the Award Holder of the extent to which his Award and Related Income will vest, and

the date on which any such vesting and, subject to payment of the relevant Purchase Price (if any) and Vesting Expenses (if any), and the delivery of the Vesting Documents to the Company, any transfer of the vested Award Shares will occur.

The Option to the extent not exercised, and the Award and the Related Income to the extent not vested will lapse automatically on the date of the commencement of the winding-up of the Company Provided That if the resolution for the voluntary winding-up of the Company is not approved by the Shareholders, the rights of the Grantee under his Option and Award (to the extent not already exercised or vested) shall be restored in full as if such resolution for the voluntary winding-up of the Company had not been proposed. Neither the Company nor the Directors shall be liable for any loss or damage suffered or sustained by any Grantee as a result of the aforesaid suspension of his right to exercise his Option or of the vesting of the Award Shares.

- 18.3 Subject to applicable laws and regulations and as hereinafter provided, an Option may be exercised at any time during the Exercise Period and an Award may be vested during the Vesting Period in accordance with the terms of its grant and this Scheme, Provided That if a compromise or arrangement between the Company and the Shareholders or creditors being proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees (containing an extract of the provisions of this Clause) as soon as after it has given notice of the meeting to its Shareholders or creditors to consider such a scheme or arrangement. Thereupon:
- (a) in the case of the Grantee being an Option Holder, the Option Holder shall be entitled to exercise all or any of his vested portion of the Option (to the extent vested as at the date of the said notice to the Grantee but not yet exercised) at any time not later than five Business Days prior to the proposed meeting (thereafter the rights of the Option Holder to exercise his Options shall be suspended) by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Option Holder which fall to be issued on such exercise of the Option credited as fully paid and register the Option Holder as holder thereof; and
  - (b) in the case of the Grantee being an Award Holder, the number of Award Shares (if any) and the amount of the Related Income (if any) which shall vest and the date on which any such vesting will occur shall be determined by the Board in its absolute discretion notwithstanding any other terms on which the Award was granted, and the Company shall notify the Award Holder of the extent to which his Award and Related Income will vest, and the date on which any such vesting and, subject to payment of the relevant Purchase Price (if any) and Vesting Expenses (if any), and the delivery of the Vesting Documents to the Company, any transfer of the vested Award Shares will occur.

The Board shall use all reasonable endeavours to procure that the Shares issued or transferred (as the case may be) upon the exercise of the Option or vesting of the Award and the Related Income in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. The Option to the extent not exercised, and the Award and the Related Income to the extent not vested will lapse automatically on the date when the proposed compromise or arrangement becomes effective. Provided That if such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court), the rights of the Grantee under his Option and Award (to the extent not already exercised or vested) shall be restored in full as if such compromise or arrangement had not been proposed by the Company. Neither the Company nor the Directors shall be liable for any loss or damage suffered or sustained by any Grantee as a result of the aforesaid suspension of his right to exercise his Option or of the vesting of the Award Shares.

## **19. Lapse of Options and Awards**

19.1 An Option and an Award shall lapse automatically (to the extent not already vested) and, in the case of Option, not be exercisable (to the extent not already exercised) on the earliest of: *R.17.03(12)*

- (a) subject to Clauses 17 and 18, the expiry of the Exercise Period or Vesting Period;
- (b) the expiry of any of the periods referred to in Clauses 17 and 18;
- (c) save as otherwise determined by the Board, the date on which the Grantee, being an employee or a director of a member of the Group, ceases to be a Participant by reason of a termination of his employment or removal from his office of directorship on any one or more of the grounds (as may be determined by the Board in its absolute discretion) that he has been guilty of persistent or serious misconduct, or has become bankrupt or has made any arrangement or composition with his creditors generally or undertakes analogous proceedings, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Company and its subsidiaries into disrepute);
- (d) in respect of an Option or Award which are subject to performance or other Vesting Condition(s), the date on which the condition(s) to vesting are not capable of being satisfied;
- (e) the date on which the Grantee commits a breach of any restriction on transfer or others as mentioned in Clause 16.1; and
- (f) the date on which the Grantee is found to be resident in a place where the grant of the Award or the Option to him, the vesting and transfer of the Award

Shares and/or the Related Income to him, the exercise of the Option by him, and/or the issue of the Option Shares to him pursuant to the terms of this Scheme is not permitted under the laws and regulations of such place or where in the absolute opinion of the Board or the Trustee (as the case may be) compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Grantee.

- 19.2 The relevant Award Shares and Related Income in respect of the Award (or any part thereof) lapsed under Clause 19.1 shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of this Scheme.

## **20. Effects of Alteration to Capital**

- 20.1 In the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, subdivision or consolidation of Shares, reduction of capital (other than as a result of an issue of Shares as consideration in a transaction), such corresponding alterations (if any) shall be made to: *R.17.03(13)*

- (a) the number of Shares subject to the Option so far as unexercised or the Award so far as unvested; and/or
- (b) the Exercise Price or the Purchase Price (if any); and/or
- (c) in the event of a consolidation and subdivision of the share capital of the Company, the Scheme Mandate Limit,

in such manner which must give a Grantee the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which the Grantee was previously entitled, Provided That (i) no such adjustments may be made to the extent that a Share would be issued at less than its nominal value; and (ii) no such adjustment should be made to the advantage of the Grantee without specific prior Shareholders' approval. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Auditors must confirm to the Directors in writing that the adjustments satisfy the requirements set out in the note to Rule 17.03(13) of the HK Listing Rules. The capacity of the independent financial adviser and the Auditors under this Clause is that of expert but not of arbitrator and their certification shall be final and binding on the Company and the Grantees in the absence of manifest error. The costs of the independent financial adviser and the Auditors in so certifying shall be borne by the Company.

- 20.2 Without prejudice to Clause 20.1, unless otherwise instructed by the Board:

- (a) in the event of the Company undertaking a rights issue, the Trustee shall sell the nil-paid rights allotted to it, and hold the net proceeds of sale as (i) the Related Income or funds of the Trust as may be directed by the Board in its absolute discretion (for the cash income derived from Award Shares) or (ii) funds of the Trust (for the cash income derived from Returned Shares);

- (b) in the event of the Company issuing 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, and shall sell the bonus warrants created and granted to it within a reasonable period of time, and hold the net proceeds of sale of such bonus warrants as (i) the Related Income or funds of the Trust as may be directed by the Board in its absolute discretion (for the cash income derived from Award Shares) or (ii) funds of the Trust (for the cash income derived from Returned Shares);
- (c) in the event of the Company undertaking a scrip dividend scheme, the Trustee shall elect to receive the cash component, and hold such cash dividend received as (i) the Related Income or the funds of the Trust as may be directed by the Board in its absolute discretion (for the cash income derived from Award Shares) or (ii) funds of the Trust (for the cash income derived from Returned Shares); and
- (d) in the event of other non-cash and non-scrip distributions made by the Company in respect of the Shares held under the Trust, the Trustee shall sell such distribution and the net sale proceeds thereof shall be held as (i) the Related Income or the funds of the Trust as may be directed by the Board in its absolute discretion (for net sale proceeds derived from the sale of distributions in respect of Award Shares) or (ii) funds of the Trust (for net sale proceeds derived from the sale of distributions in respect of the Returned Shares).

## **21. Cancellation of Options or Awards**

*R.17.03(14)*

The Board may, with the consent of the relevant Grantee, in its absolute discretion cancel any Option or Award granted. Where the Company cancels an Option or Award and makes a new grant of Option or Award to the same Grantee, such new grant may only be made under this Scheme with available scheme mandate approved by the Shareholders as referred to in Clause 6. The Options and Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

## **22. Share Capital**

The exercise of any Option shall be subject to the approval of the Shareholders in general meeting for any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

## 23. Clawback

R.17.03(19)

23.1 The Board may, in its absolute discretion but not obligatory, impose any of the following clawback mechanism in respect of any Option or Award granted to any Grantees:

- (a) If, within one year after the exercise of an Option or the vesting of an Award, the Board in its absolute discretion determines that any of the events described in sub-Clause (c) below has occurred, the Grantee shall (as may be directed by the Board in its absolute discretion):
  - (i) transfer to or to the order of the Company or as otherwise directed some or all of the Shares previously issued or transferred to the Grantee as a result of such exercise or vesting within that one-year period (the “**Clawback Shares**”);
  - (ii) repay to or to the order of the Company some or all of the cash amounts previously paid to the Grantee in respect of the Clawback Shares; and/or
  - (iii) pay to or to the order of the Company an amount equal to the sale proceeds of or the value of some or all of the Clawback Shares.
- (b) If, before any portion of an Option has been exercised or any portion of an Award has been vested, the Board in its absolute discretion determines that any of the events described in sub-Clause (c) below has occurred, the Board may in its absolute discretion direct that:
  - (i) the unexercised portion of such Option or the unvested portion of such Award shall be forfeited wholly or in part;
  - (ii) the date on which the Option or Award (or any part thereof) is vested will be delayed for such period as the Board may determine; and/or
  - (iii) the exercise of the Option or the vesting of the Award will be subject to any additional conditions imposed by the Board.
- (c) In exercising its discretion under sub-Clause (a) and (b) above, the Board shall consider the extent to which any of the following events have occurred:
  - (i) the granting of any Option or Award, or its becoming exercisable or vested was based on material misstatements in financial statements or any other materially inaccurate performance metric criteria;
  - (ii) the performance forming the basis on which grant of the Option or the Award, or its becoming exercisable or vested has been proved not genuine;
  - (iii) any terms and conditions set out in the rules of this Scheme and the Offer Letter in respect of such Option or Award were not satisfied;

- (iv) any other circumstances in which the Board considers that the conduct of the Grantee has materially harmed the business or reputation of the Company or its subsidiary; or
- (v) any other circumstances in respect of which the Board considers that the application or the operation of sub-Clause (a) or (b) above would otherwise be appropriate.

23.2 Options and Awards forfeited under Clause 23.1(b) shall be deemed to be lapsed for the purpose of calculating the Scheme Mandate Limit.

## **24. Alteration of the Scheme**

24.1 The terms and conditions of this Scheme may be altered by resolution of the Board except that: *R.17.03(18)*

- (a) any alteration to the terms and conditions of this Scheme which are of a material nature or any alteration to the matters set out in Rule 17.03 of the HK Listing Rules to the advantage of the Grantees or the Participants must be approved by the Shareholders in general meeting;
- (b) any alteration to the terms of the Option or Award granted to a Grantee must be approved by the Board, the Remuneration & Performance Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Option or Award was approved by the Board, the Remuneration & Performance Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where such alteration takes effect automatically under the existing terms of this Scheme; and
- (c) any change to the authority of the Board to alter the terms of this Scheme must be approved by the Shareholders in general meeting,

Provided That the amended terms of this Scheme, the Options or the Awards granted must still comply with the requirements of the HK Listing Rules.

24.2 Notwithstanding any contrary provisions herein contained, no alteration shall operate to affect adversely the terms of any Options or Awards granted or agreed to be granted prior to such alteration except with the consent in writing, or sanction of a resolution at meeting of the Option Holders or the Award Holders (as the case may be) of such majority of the Option Holders or the Award Holders as would be required of the Shareholders under the memorandum of association of the Company for the time being and the Bye-laws for a variation of the rights attached to the Shares.

24.3 For any meeting of Option Holders or the Award Holders referred to in Clause 24.2, all the provisions of the Bye-laws as to general meetings of the Company shall mutatis mutandis apply as if the underlying Shares in respect of the Options or the



Awards were a separate class of shares forming part of the share capital of the Company except that:

- (a) not less than 7 days' notice of such meeting shall be given;
- (b) a quorum at any such meeting shall be any two Option Holders or Award Holders (as the case may be) present in person or by proxy;
- (c) every Option Holder or Award Holder present in person or by proxy at any such meeting shall be entitled on a show of hands to one vote, and on a poll, to one vote for each underlying Share in respect of his Option or Award (but, for the avoidance of doubt, excluding for this purpose any Shares representing the Related Income);
- (d) any Option Holder or Award Holder present in person or by proxy may demand a poll; and
- (e) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, not being less than 7 or more than 14 days thereafter, and to such place as may be appointed by the chairman of the meeting. At any adjourned meeting, those Option Holders or Award Holders (as the case may be) who are then present in person or by proxy shall form a quorum (which may, for the avoidance of doubt, be one Option Holder or Award Holder only) and at least 7 days' notice of any adjourned meeting shall be given in the same manner as for an original meeting.

## **25. Disputes**

Any dispute arising in connection with this Scheme (whether as to the number of Shares which are the subject of an Option or an Award, the amount of the Exercise Price, the Purchase Price or the Vesting Expenses, or whether all or part of the Option or Award has been vested, or otherwise) shall be referred to the decision of the independent financial adviser of the Company or the Auditors who shall act as expert but not as arbitrator and whose decision shall be final and binding in the absence of manifest error.

## **26. General**

- 26.1 The Company shall bear the costs of establishing and administering this Scheme, including, for the avoidance of doubt, expenses incurred in the purchase of Shares by the Trustee and stamp duty and normal registration fees (i.e. not being fee chargeable by the share registrar for any express service of registration) in respect of the transfer of Shares to the Award Holder on the relevant Vesting Date or the issue of the Option Shares. The Company shall not be liable for any tax or expenses of such other nature payable on the part of any Grantee or the Trustee in respect of any sale, purchase, vesting, issue or transfer of Shares and the Related Income.

- 26.2 The Company shall provide copies of this Scheme to all Grantees on joining this Scheme. The Company shall also provide to all Grantees all details relating to changes of the terms of this Scheme during the term of this Scheme upon such changes taking place.
- 26.3 This Scheme shall not form part of any contract of employment between any member of the Group and any Grantee, and the rights and obligations of any Grantee under the terms of his office or employment shall not be affected by his participation in this Scheme or any right which he may have to participate in it. This Scheme shall afford such a Grantee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 26.4 Nothing contained in this Scheme or in any related agreement, and no action of the Company or the Board with respect thereto shall confer or be construed to confer on any Grantee any right to continue in the employment or directorship with any member of the Group or interfere in any way with the right of any member of the Group to terminate the employment or removal of the directorship of the Grantee at any time, with or without cause.
- 26.5 No right or benefit under this Scheme shall be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same shall be void. No right or benefit hereunder shall in any manner be liable for or subject to the debts, contracts, liabilities or torts of the person entitled to such benefits.
- 26.6 In the event that an Option or Award (or any part thereof) is not vested, or is lapsed or forfeited in accordance with this Scheme, no Grantee shall be entitled to any compensation for any loss or any right or benefit or prospective right or benefit under this Scheme which he might otherwise have enjoyed.
- 26.7 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to Shareholders.
- 26.8 Save as otherwise provided herein, a Grantee who is a Director may, subject to and in accordance with the Bye-laws, notwithstanding his interest, vote on any Board resolutions concerning this Scheme (other than in respect of his own participation therein) and may retain any benefits under this Scheme.
- 26.9 Any notice or other communication between the Company, a Participant or a Grantee shall be in writing and may be given by sending the same by prepaid post, by email or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong or such other address or email address as may be notified by the Company to the Participant or the Grantee from time to time, and, in the case of the Participant or the Grantee, his address or email address as notified by him 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 48 hours after it was placed in the post where the recipient's address is in Hong Kong and seven days where the address is elsewhere; and

- (b) by the Participant or the Grantee shall not be deemed to have been served until the same shall have been received by the Company.

In the case of sub-Clause (a) above, in proving the service of any notice or other communication by post, it will be sufficient to prove that the notice or other communication was properly stamped, addressed and placed in the post.

- 26.10 A Participant or a Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant of an Option or Award, and the exercise of the Option or the vesting of the Award and the Related Income. The Company shall not be responsible for any failure by such person to obtain any such consent or for any tax or other liability to which that person may become subject as a result of his participation in this Scheme.
- 26.11 The Board shall have the power from time to time to make or vary regulations for the administration and operation of this Scheme Provided That the same are not inconsistent with the provisions of this Scheme.
- 26.12 This Scheme, and all the Options and the Awards granted hereunder shall in all respects be governed by and construed in accordance with the laws of Hong Kong.
- 26.13 The ASX Listing Rules do not displace the requirements of this Scheme with respect to the HK Listing Rules and the law of Bermuda, and any Offer made must be made on such terms so that the Offer shall be in compliance with each of the ASX Listing Rules, and the laws of Australia, Hong Kong and Bermuda.