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YEEBO (INTERNATIONAL HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 259)

ADOPTION OF RESTRICTED SHARE AWARD SCHEME

The Board of Yeebo (International Holdings) Limited resolved on 24 October 2012 to adopt the restricted share award scheme as an incentive to retain and encourage the Qualifying Person for the continual operation and development of the Group, pursuant to which existing Shares will be purchased by the Trustee from the market out of cash contributed by the Group and be held in trust for the relevant Selected Participants until such Shares are vested with the relevant Selected Participants in accordance with the provisions of the Scheme.

ADOPTION OF RESTRICTED SHARE AWARD SCHEME

The Board of Yeebo (International Holdings) Limited resolved on 24 October 2012 to adopt the Scheme, pursuant to which existing Shares will be purchased by the Trustee from the market out of cash contributed by the Group and be held in trust for the relevant Selected Participants until such Shares are vested with the relevant Selected Participants in accordance with the provisions of the Scheme.

For the avoidance of doubt, no new Share will be granted under the Scheme.

Listing Rules Implication

The Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company.

Pursuant to the Scheme, existing Shares will be purchased by the Trustee and be held in trust for the relevant Selected Participants. Qualifying Person cover any Employee and Consultant of any member of the Group (inclusive of any Director). Accordingly, if the Board selects a Director as the Selected Participant, the grant of the Awarded Shares to the Director may constitute a connected transaction. However, given the grant of Awarded Shares to a Director will form part of the remuneration of the relevant Director, such grant of Awarded Shares are exempted from all the reporting, announcement and independent Shareholders' approval requirements under rule 14A.31(6) of the Listing Rules.

A summary of the Scheme Rules is set out below at the end of this announcement.

SUMMARY OF THE SCHEME RULES

Purposes and Objectives

The purpose of the Scheme is to recognise and motivate the contribution of certain Qualifying Person and to provide incentives and help the Group in retaining its existing Qualifying Person and recruiting additional Qualifying Person for the continual operation and development of the Group and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

Administration

The Scheme shall be subject to the administration of the Board in accordance with the Scheme Rules.

Maximum Limit

The Board shall not make any further Award which will result in the aggregate number of Awarded Shares awarded by the Board throughout the duration of the Scheme to be in excess of 10% of the issued Shares as at the Adoption Date. The maximum number of Awarded Shares which may be awarded to a Selected Participant under the Scheme shall not exceed 1% of the issued Shares as at the Adoption Date. Both of the said limits shall be adjusted in the event of any alteration in the capital structure of the Company whether by way of capitalisation of profits or reserves, rights issue or other similar offer of securities to holders of Shares, consolidation, subdivision or reduction or similar reorganisation of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party).

Restrictions

No instructions and no payments to purchase Shares shall be given to the Trustee when any Director is in possession of unpublished price sensitive information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

Operation

Pursuant to the Scheme Rules, the Board may, from time to time, at its absolute discretion select any Qualifying Person (other than any Excluded Person) after taking into various factors as they deem appropriate for participation in the Scheme as a Selected Participant and determines the Reference Awarded Sum for the purchase of Awarded Shares to be awarded to each Selected Participant. The Board shall cause to pay the Trustee the Reference Amount from the Company's resources for the purchase of the Awarded Shares. The Trustee shall apply the Reference Amount towards the acquisition of the Awarded Shares at the prevailing market price and shall hold such Shares until they are vested in accordance with the Scheme Rules and the Trust Deed. For the avoidance of doubt, all Shares purchased as aforesaid shall only be used for allocation to the Selected Participant(s) in accordance with the Scheme Rules.

The Selected Participant is not entitled to receive any income or distribution, such as dividend derived from the Awarded Shares allocated to him, prior to the vesting of the Awarded Shares in the Selected Participants. The said income or distributions shall be used by the Trustee for the payment of fees, costs and expenses of the Trust and/or for purchase of Further Shares to be held upon trust as specified by the Board. When the Selected Participant has satisfied all vesting conditions specified by the Board at the time of making the award and become entitled to the Shares forming the subject of the award, the Trustee shall transfer the relevant vested Shares to that Qualifying Person.

Vesting and Lapse

Unless otherwise determined by the Board at its discretion, the Awarded Shares held by the Trustee upon the Trust and which are referable to a Selected Participant shall vest in that Selected Participant in accordance with the timetable set out in the Scheme Rules.

Unless otherwise determined by the Board at its discretion in the event that prior to or on the Vesting Date in respect of a Selected Participant, an award shall automatically lapse when (i) a Selected Participant ceases to be a Qualifying Person on any one or more of the grounds that he has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the Selected Participant's service contract with the Company or the relevant Subsidiary, or (ii) the relevant Selected Participant fails to satisfy any condition as set out in the letter of grant, or (iii) the Subsidiary employing the Selected Participant ceases to be a Subsidiary of the Company. In any event, the relevant Awarded Shares awarded shall not vest on the relevant Vesting Date but shall become Returned Shares and shall be held as Returned Shares for the purposes of the Scheme.

Where the Awarded Shares do not vest in accordance with the Scheme Rules, the Trustee shall hold such Shares for the benefit of one or more Selected Participants as it determines in its discretion, after having taken into account the recommendations of the Board.

Voting Rights

The Trustee shall not and does not have the power to exercise the voting rights in respect of any Shares held under the Trust (including but not limited to the Awarded Shares and Further Shares).

Duration and Termination

The Scheme shall be effective from the Adoption Date and shall continue in full force and effect for a term of 15 years unless sooner terminated as determined by the Board by a 3-month prior notice to Selected Participants and the termination shall not affect any subsisting rights of any Selected Participant hereunder.

Upon termination, all Awarded Shares shall become vested on the Selected Participants so referable on such date of termination, subject to the receipt by the Trustee of the transfer documents duly executed by the Selected Participants within the stipulated period.

Definition

Unless otherwise defined, the following expressions in this announcement have the following meanings:

“Adoption Date”	24 October 2012, being the date on which the board of directors of the Company adopted the Scheme
“Award”	an award of Shares purchased with the Reference Awarded Sum by the Board to a Selected Participant
“Awarded Shares”	the awarded Shares granted under the Scheme and has the meaning ascribed to such term in the Scheme Rules
“Board”	the board of directors of the Company, such committee or sub-committee or person(s) delegated with the power and authority by the board of directors of the Company to administer the Scheme
“Company”	Yeebo (International Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 259)
“Consultant”	any person who is engaged by any member of the Group in the position as a consultant or otherwise to provide service(s) to the Company and/or any Subsidiary
“Director”	a director of the Company
“Employee”	any Employee (whether full-time, part-time or on contractual basis) of any member of the Group (including without limitation any executive and non-executive director of any member of the Group)
“Excluded Person”	any Qualifying Person who is resident in a place where the settlement of the Reference Amount and/or the award of the Awarded Shares and/or the award of the Returned Shares and/or the vesting and transfer of Shares pursuant to the terms of the Scheme is not permitted under the laws and regulations of such place or where in the view of the Board compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such person
“Financial Year”	the period from 1 April to 31 March both days inclusive
“Further Shares”	Shares purchased by the Trustee out of cash income or net proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of Shares held upon the Trustee
“Group”	the Company and its Subsidiaries

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Qualifying Person”	any Employee or Consultant
“Reference Amount”	the sum of the Reference Awarded Sum and the related purchase expenses (including for the time being, the brokerage fee, stamp duty, SFC transaction levy, Stock Exchange trading fee and investor compensation levy and such other expenses required for the completion of the purchase of all the Awarded Shares for the current Financial Year)
“Reference Awarded Sum”	In respect of a Selected Participant, such amount, as determined by the Board from time to time for the purchase of Awarded Shares
“Returned Shares”	such Awarded Shares which are not vested and/or forfeited in accordance with the terms of the Scheme Rules
“Scheme”	the Restricted Share Award Scheme of the Company adopted by the board of directors of the Company whereby awards of Shares may be made to Selected Participant (such Shares being purchased by the Trustee) pursuant to the Trust Deed and the Scheme Rules
“Scheme Rules”	the rules relating to the Scheme adopted by the board of directors of the Company
“Selected Participant(s)”	any Qualifying Person (other than any Excluded Person) whom the Board may, from time to time, at its absolute discretion select for participation in the Scheme
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.20 each in the capital of the Company (or of such other nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning given under section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	the trust deed entered into between the Company as settlor and the Trustee as trustee on 24 October 2012, which deed is for the administration of the Scheme

“Trustee” BOCI-Prudential Trustee Limited, which will hold Shares for the benefit of the Selected Participants and others subject to the terms and conditions of the Trust Deed, or such other trustee as shall be appointed for the purposes set out in the Scheme Rules

“Vesting Date” in respect of a Selected Participant, the date on which his entitlement to the Awarded Shares is vested in accordance with the conditions as imposed by the Board in accordance with the Scheme Rules

By Order of the Board
Yeebo (International Holdings) Limited
Lau Siu Ki, Kevin
Company Secretary

Hong Kong, 25 October 2012

As at the date of this announcement, the board of Directors of Yeebo (International Holdings) Limited comprises Mr. Fang Hung, Kenneth, GBS, JP, Mr. Li Kwok Wai, Frankie and Mr. Leung Tze Kuen as executive directors and The Hon. Tien Pei Chun, James, GBS, JP, Mr. Chu Chi Wai, Allan and Mr. Lau Yuen Sun, Adrian as independent non-executive directors.