

**EPI (HOLDINGS) LIMITED**  
**(長盈集團(控股)有限公司)**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 0689)**

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**RULES OF THE  
SHARE OPTION SCHEME  
APPROVED AND ADOPTED BY THE SHAREHOLDERS  
AT THE ANNUAL GENERAL MEETING  
ON [\*] JUNE 2026**

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**1. DEFINITIONS AND INTERPRETATION**

1.1 In the Scheme, unless the context otherwise requires, the following expressions shall have the following meanings:

|                       |                                                                                                                                                                          |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "1% Individual Limit" | has the meaning ascribed thereto in Clause 4.13;                                                                                                                         |
| "Adoption Date"       | [*] June 2026 (the date on which the Scheme is adopted by an ordinary resolution of the Shareholders in its annual general meeting);                                     |
| "associate"           | has the meaning ascribed thereto under the Listing Rules;                                                                                                                |
| "Auditors"            | the auditors for the time being of the Company;                                                                                                                          |
| "Board"               | the board of Directors or a duly authorised committee thereof;                                                                                                           |
| "Board Lot"           | the board lot in which Shares are traded on the Stock Exchange from time to time;                                                                                        |
| "Business Day"        | a day on which the Stock Exchange is open for the business of dealing in securities and " <b>Business Days</b> " shall be construed accordingly;                         |
| "Bye-laws"            | the bye-laws of the Company, as amended from time to time;                                                                                                               |
| "chief executive"     | has the meaning ascribed thereto in the Listing Rules;                                                                                                                   |
| "close associate"     | has the meaning ascribed thereto in the Listing Rules and " <b>close associates</b> " shall be construed accordingly;                                                    |
| "Company"             | EPI (HOLDINGS) LIMITED (長盈集團（控股）有限公司), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange; |
| "Companies Act"       | the Companies Act 1981 of Bermuda (as amended);                                                                                                                          |

|                                  |                                                                                                                                                                                                                                                                                                                                                                                                        |                  |
|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>"Companies Ordinance"</b>     | the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (as amended);                                                                                                                                                                                                                                                                                                                              |                  |
| <b>"connected person"</b>        | has the meaning ascribed thereto under the Listing Rules and <b>"connected persons"</b> shall be construed accordingly;                                                                                                                                                                                                                                                                                |                  |
| <b>"core connected person"</b>   | has the meaning ascribed thereto under the Listing Rules and <b>"core connected persons"</b> shall be construed accordingly;                                                                                                                                                                                                                                                                           |                  |
| <b>"Directors"</b>               | the directors of and the Company from time to time and <b>"Director"</b> shall be construed accordingly;                                                                                                                                                                                                                                                                                               |                  |
| <b>"Eligible Participant(s)"</b> | any of the Employee Participant(s), Related Entity Participant(s) and Service Provider(s);                                                                                                                                                                                                                                                                                                             | Rule<br>17.03(2) |
| <b>"Eligible Relationship"</b>   | the relationship between an Eligible Participant and the Company or any Subsidiary or any Related Entity;                                                                                                                                                                                                                                                                                              |                  |
| <b>"Employee Participant"</b>    | any Director (including executive Director, non-executive Director and independent non-executive Director) or any employee (whether full-time or part-time) of the Company or any Subsidiary (including any person who is granted Options as an inducement to enter into an employment contract with the Company or any Subsidiary) and <b>"Employee Participants"</b> shall be construed accordingly; | Rule<br>17.03(2) |
| <b>"Financial Period"</b>        | a year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) in relation to which the Company's consolidated financial statements and accounts are made up;                                                                                                                                                                                              |                  |
| <b>"Grant Date"</b>              | has the meaning ascribed thereto in Clause 4.3;                                                                                                                                                                                                                                                                                                                                                        |                  |
| <b>"Grantee"</b>                 | any Eligible Participant who accepts the grant of any Option in accordance with the terms of the Scheme or (where the context so permits) a person entitled under the Scheme to exercise any such Option in consequence of the death of the original Grantee and <b>"Grantees"</b> shall be construed accordingly;                                                                                     |                  |
| <b>"Group"</b>                   | the Company and the Subsidiaries;                                                                                                                                                                                                                                                                                                                                                                      |                  |

|                                              |                                                                                                                                                                                                                                                                                                                                                          |                  |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| <b>"Hong Kong"</b>                           | the Hong Kong Special Administrative Region of the People's Republic of China;                                                                                                                                                                                                                                                                           |                  |
| <b>"inside information"</b>                  | has the meaning ascribed thereto under the Listing Rules;                                                                                                                                                                                                                                                                                                |                  |
| <b>"Listing Rules"</b>                       | the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;                                                                                                                                                                                                                                                       |                  |
| <b>"Offer"</b>                               | an offer to an Eligible Participant for the grant of an Option;                                                                                                                                                                                                                                                                                          |                  |
| <b>"Offer Date"</b>                          | the date (which shall be a Business Day) on which an Offer is made to (and subject to acceptance by) an Eligible Participant as determined in accordance with Clause 4.3;                                                                                                                                                                                |                  |
| <b>"Option"</b>                              | an option to subscribe for Shares granted to (and subject to acceptance by) an Eligible Participant pursuant to the Scheme and <b>"Options"</b> shall be construed accordingly;                                                                                                                                                                          |                  |
| <b>"Option Period"</b>                       | in respect of any particular Option, a period (which is of not more than 10 years from the Grant Date) to be determined and notified by the Board to the Grantee, commencing on the date as specified in the Offer to the Eligible Participant, and expiring on the earliest of the last day of the said period or such time as specified in the Scheme; | Rule<br>17.03(5) |
| <b>"Refreshed Scheme Mandate Limit"</b>      | has the meaning ascribed thereto in Clause 8.5;                                                                                                                                                                                                                                                                                                          |                  |
| <b>"Refreshed Service Provider Sublimit"</b> | has the meaning ascribed thereto in Clause 8.5;                                                                                                                                                                                                                                                                                                          |                  |
| <b>"Related Entity"</b>                      | any holding company, fellow subsidiary or associated company of the Company and <b>"Related Entities"</b> shall be construed accordingly;                                                                                                                                                                                                                |                  |
| <b>"Related Entity Participant"</b>          | any director or employee (whether full time or part time) of a Related Entity and <b>"Related Entity Participants"</b> shall be construed accordingly;                                                                                                                                                                                                   | Rule<br>17.03(2) |
| <b>"Remuneration Committee"</b>              | the remuneration committee as set up by the Board;                                                                                                                                                                                                                                                                                                       |                  |

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                     |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <b>"Scheme"</b>                    | this share option scheme in its present or any amended form;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                     |
| <b>"Scheme Mandate Limit"</b>      | has the meaning ascribed thereto in Clause 8.1;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                     |
| <b>"Scheme Period"</b>             | the period of 10 years commencing on the Adoption Date and expiring on the tenth anniversary of the Adoption Date;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Rule<br>17.03(11)                   |
| <b>"Senior Manager"</b>            | any person(s) listed in the Company's annual report as a member of senior management of the Company, and for this definition only, excludes the Directors;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                     |
| <b>"Service Provider(s)"</b>       | <p>suppliers of products or services to any members of the Group on a regular or recurring basis, with which the Group would consider important to maintain a close business relationship on an ongoing basis, who are not engaged as employees of the Group, and have specialties or expertise in areas that supplement the Group's operations (including, without limitation, well drillers, companies, agents and consultants which may assist in identifying, assessing and developing potential wells; companies with specialties or expertise in providing solar energy solutions; or parties who may assist in promoting, marketing and/or developing money lending business and other business activity(ies) that may be carried out by the Group from time to time);</p> <p>but, for the avoidance of doubt, excluding (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions of the Company or its Subsidiaries; and (ii) professional service providers such as the auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity;</p> | Rules<br>17.03(2),<br>17.03A(1)&(2) |
| <b>"Service Provider Sublimit"</b> | has the meaning ascribed thereto in Clause 8.2;                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                     |

|                                  |                                                                                                                                                                                                                                                                         |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>"Share(s)"</b>                | ordinary shares of HK\$0.01 each in the capital of the Company;                                                                                                                                                                                                         |
| <b>"Shareholder(s)"</b>          | holder(s) of Shares;                                                                                                                                                                                                                                                    |
| <b>"Stock Exchange"</b>          | The Stock Exchange of Hong Kong Limited;                                                                                                                                                                                                                                |
| <b>"Subscription Price"</b>      | the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in Clause 5, subject to adjustment in accordance with the Scheme;                                                                                             |
| <b>"Subsidiary"</b>              | a company which is for the time being and from time to time a subsidiary (within the meaning of Section 15 of the Companies Ordinance or according to the laws of Bermuda) of the Company, as the case may be, whether incorporated in Hong Kong, Bermuda or elsewhere; |
| <b>"substantial shareholder"</b> | has the meaning ascribed thereto in the Listing Rules;                                                                                                                                                                                                                  |
| <b>"treasury share(s)"</b>       | has the meaning ascribed thereto in the Listing Rules;                                                                                                                                                                                                                  |
| <b>"Vesting Period"</b>          | has the meaning ascribed thereto in Clause 6.7; and                                                                                                                                                                                                                     |
| <b>"HK\$"</b>                    | Hong Kong dollars, the lawful currency of Hong Kong.                                                                                                                                                                                                                    |

- 1.2 The purpose of the Scheme is to recognize and acknowledge the contributions or potential contributions made or to be made by the Eligible Participants to the Group, to motivate the Eligible Participants to optimize their performance and efficiency for the benefit of the Group, and to maintain or attract business relationship with the Eligible Participants whose contributions are or may be beneficial to the growth of the Group.
- 1.3 In the Scheme, any references, express or implied, to ordinances, statutory provisions or the Listing Rules shall be construed as references to those ordinances, statutory provisions or Listing Rules as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date hereof) and shall include any provisions of which there are re-enactments (whether with or without modification) and any orders, regulations, instruments, other subordinate legislation or practice notes under the relevant ordinance, statutory provision or Listing Rule.
- 1.4 References herein to any document (including the Scheme) are references to that document as amended, consolidated, supplemented, novated or replaced from time to time.
- 1.5 References herein to Clauses are to clauses in the Scheme unless the context requires otherwise.
- 1.6 Headings are inserted for convenience only and shall not affect the construction of the Scheme.

Rule  
17.03(1)

1.7 Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing a gender include every gender.

1.8 In construing the Scheme:

(a) the rule known as the ejusdem generis rule shall not apply and, accordingly, general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and

(b) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

## 2. CONDITIONS

The Scheme is conditional upon:

(a) the passing of an ordinary resolution by the Shareholders in a general meeting to approve and adopt the Scheme;

(b) termination of existing share option scheme of the Company adopted on 22 June 2016; and

(c) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, on the Stock Exchange any Shares which may fall to be allotted and issued pursuant to the exercise of Options that may be granted under the Scheme.

## 3. DURATION AND ADMINISTRATION

3.1 Subject to Clause 14, the Scheme shall be valid and effective for the Scheme Period, after which period no further Options will be granted or accepted but the provisions of the Scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the Scheme Period and remain unexercised immediately prior to the end thereof shall continue to be exercisable in accordance with their terms of grant within the Option Period for which such Option are granted notwithstanding the expiry of the Scheme Period.

Rule  
17.03(11)

Rule  
17.03(5)

3.2 The Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) shall be final and binding on all persons who may be affected thereby.

3.3 Subject to compliance with the requirements of the Listing Rules and the provisions of the Scheme, the Board shall have the power from time to time to:

(a) make or vary regulations for the administration and operation of the Scheme, provided that the same are not inconsistent with the provisions of the Scheme;

(b) interpret and construe the provisions of the Scheme;

- (c) determine the persons who will be offered Options under the Scheme, and the number of Shares and the Subscription Price in relation to such Options;
- (d) subject to Clauses 9 and 13, make such appropriate and equitable adjustments to the terms of Options granted under the Scheme as it may deem necessary; and
- (e) make such other decisions or determinations or regulations as it shall deem appropriate for the administration of the Scheme.

3.4 The eligibility of each of the Eligible Participants shall be determined by the Board from time to time and on a case-by-case basis. Generally:

- (a) with regard to Employee Participants, the Board will consider, among other things, (i) the performance; (ii) the time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standards; (iii) the length of employment or office with the Group; and (iv) the contributions or potential contributions to the prosperity, development and growth of the Group;
- (b) with regard to Related Entity Participants, the Board will consider, among other things, (i) the period of engagement or employment of the Related Entity Participant by the Group; (ii) their participation and contributions to the development of the Group; and (iii) the extent of benefits and synergies brought to the Group; and
- (c) with respect to Service Providers who are suppliers of products or services to any members of the Group on a regular or recurring basis, with which the Group would consider important to maintain a close business relationship on an ongoing basis, who are not engaged as employees of the Group, and have specialties or expertise in areas that supplement the Group's operations (including, without limitation, well drillers, companies, agents and consultants which may assist in identifying, assessing and developing potential wells; companies with specialties or expertise in providing solar energy solutions; or parties who may assist in promoting, marketing and/or developing money lending business and other business activity(ies) that may be carried out by the Group from time to time), the Board will consider, among other things, (i) the nature, scope and frequency of products and/or services supplied; (ii) the reliability and quality of products and/or services supplied; and (iii) their potential and/or actual contributions or significance to the financial performance and business development of the Group, evaluated in terms of the revenue or profits generated from such supply, the aggregate supply volume, the procurement cost and the contract value.

Rule  
17.03(2)

Rule  
17.03A(1)(a),  
(b)&(c)

Rule  
17.03A(2)

Set out below are, in more details, the description of the types of Service Providers based on the Group's current businesses, their specialties and expertise and how they relate to the Group's business needs and the criteria for determining the eligibility of the Service Providers under the New Share Option Scheme.

| Types of Service Providers                                                                                                                                                                           | Specialties and expertise possessed by and services to be provided by the Service Providers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Criteria for determining eligibility under the New Share Option Scheme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Consultants, advisors, solutions providers, agents and/or other independent firms</p> <p><b>(i) petroleum exploration and production business:</b></p> <p><b>(ii) solar energy solutions:</b></p> | <p>Service Providers under this category are mainly consultants, advisors, solutions providers, agents and/or other independent firms with specialties and/or expertise to provide services and/or products to the Group for its business needs from time to time including but not limited to:-</p> <p>geological consultants which can perform specialized seismic interpretations to identify potential commercial wells; independent sourcing agents which can vet and recommend localized oil drillers with advanced deep-well drilling skills; and third-party engineering firms which overseas daily well-head safety and production processes;</p> <p>independent solution providers which possess technical manpower, solar panel installation skills and proprietary solar energy expertise;</p> | <p>The Board will, on a case-by-case basis, take into account both qualitative and quantitative factors when determining the eligibility of such consultants, advisors, solutions providers, agents and/or other independent firms, including but not limited to:</p> <p>operational benchmarks relating to (a) success rates of identifying commercially justified well location(s), mineral lease(s) and/or oilfield(s)<sup>1</sup>; (b) quality of well drilling and completion process; (c) technical safety and compliance record; and (d) operational and project delivery timeliness such as adherence to timeline milestones for well-drilling and completion;</p> <p>(a) service quality in terms of regional grid-connection (such as the success rate of first-time connection) and environmental protective standards; and (b) equipment durability such as operational hardware lifespans and technical system efficiency ratings; and (c) quality of technical maintenance</p> |

<sup>1</sup> “commercially justified” refers to a positive net present value

|                                                                                      |                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>(iii) money lending business:</b></p>                                          | <p>independent referral agents which possess local market network access and connections to potential corporate and individual borrowers and which can promote the Group’s loan products; and</p> | <p>services (including but not limited to the response time and resolution efficiency etc.);</p> <p>(a) the value of the referred loans; (b) assessment of referred loan portfolio performance indicators (including but not limited to interest rate, duration, credit risks, etc.) and historical borrower default rates; (c) processing timeline in terms of credit vetting, loan origination and documentation verification; and (d) compliance record such as compliance with localized corporate credit licensing, anti-money laundering laws and other applicable regulation; and</p> |
| <p><b>(iv) other businesses in which the Group may be engaged in the future:</b></p> | <p>companies or individuals with specific skills and/or expertise which can assist in addressing the Group’s then business needs.</p>                                                             | <p>(a) evaluation of the proprietary field expertise; (b) whether the Service Provider possesses vast regional commercial network and connections which are beneficial to the development of the Group’s business; (c) quality of service; (d) timeliness of service delivery; and (e) importance of maintaining business relationship with such Service Provider.</p>                                                                                                                                                                                                                       |

For the avoidance of doubt, the Service Providers exclude (a) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions of the Company or its subsidiaries; and (b) professional services such as the auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity.

#### 4. GRANT OF OPTION

4.1 On and subject to the terms of the Scheme, the Board shall be entitled at any time and from time to time during the Scheme Period (provided that no Options shall be granted after the expiration of the Scheme Period or after the Scheme has been terminated (if applicable)) to grant (subject to acceptance by the Eligible Participant in accordance with the terms of the Scheme) to any Eligible Participant an Option to subscribe for such number of Shares (as may be permitted under the terms of the Scheme) as the Board may determine at the Subscription Price, subject to such terms and conditions (including, without limitation, any minimum period for which an Option must be held before it can be exercised, any performance targets which must be achieved before an Option can be exercised, and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participant in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances) as the Board may determine in its absolute discretion, provided that such terms and conditions shall not be inconsistent with any other terms and conditions of the Scheme), and that no such grants shall be made except to such number of Eligible Participants and in such circumstances that the Company will not be required under the applicable securities laws and regulations to issue a prospectus or other offer document in respect thereof, and will not result in the breach by the Company or the Directors of any applicable securities laws and regulations or in any filing or other requirements arising. The Company may issue new Shares or utilise treasury shares to satisfy an exercise of Option granted under the Scheme to the extent permitted by the Listing Rules, all applicable laws and regulations and the Bye-laws of the Company.

Rule  
17.03(2)

4.2 The Board may not grant any Option to any Eligible Participant after inside information has come to its knowledge until (and including) the trading day after the Company has announced the information. In particular, the Board may not grant any Options during the period commencing 30 days immediately before the earlier of:

Rule  
17.05

- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any Financial Period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to announce its results for any Financial Period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

4.3 An Offer shall be made to an Eligible Participant by letter (the date of which shall be deemed to be the date on which the grant of an Option (subject to acceptance by the Eligible Participant) is made (the "**Grant Date**")) in such form as the Board may from time to time determine specifying, inter alia, the number of Shares comprised in and the Option Period in respect of the relevant Option and the Subscription Price and the Vesting Period and further requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and bound by the provisions of the Scheme. The Offer shall be personal to the Eligible Participant concerned and shall not be transferable or assignable and shall remain open for acceptance by the Eligible Participant for a period of 21 days from the Offer Date, provided that no such offer shall be open for acceptance after the expiry of the Scheme Period or after the Scheme has been terminated (if applicable).

Rule  
17.03(17)

- 4.4 An Option shall be deemed to have been accepted when the duplicate of the offer letter, comprising acceptance of the Option, duly signed and dated by the Eligible Participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within the period referred to in Clause 4.3. The said remittance shall in no circumstances be refundable. Rule 17.03(8)
- 4.5 Any Offer may be accepted in respect of less than the total number of Shares in respect of which it is granted, provided that it is accepted in respect of such number of Shares as represents a Board Lot or an integral multiple thereof and such number is clearly stated in the duplicate letter and accepted by the Eligible Participant in the manner specified in Clause 4.4. To the extent that the Offer is not accepted within 21 days from the Offer Date (or such shorter period as is mentioned in Clause 4.3) in the manner indicated in Clause 4.4, the Offer will be deemed to have been irrevocably declined and shall lapse automatically.
- 4.6 Where any Offer is proposed to be made to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, such grant must first be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of such Options). Rule 17.04(1)
- 4.7 Any proposed change in the terms of Options granted to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must first be approved by the Shareholders in general meeting in the manner as set out in Rule 17.04(4) of the Listing Rules if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the Scheme). At the meeting of the Shareholders, all the core connected persons of the Company shall abstain from voting on the relevant resolution, except that any such core connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules. Any vote taken at the meeting to approve the proposed change to the terms of such Options must be taken by poll. Note 1 to Rule 17.04(5)
- 4.8 The circular to be issued by the Company to the Shareholders pursuant to Clause 4.7 shall contain the following information:
- (a) the details of the number and terms (including the Subscription Price) of the Options to be granted to each selected Eligible Participant (which must be fixed before the Shareholders' meeting) and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such Options; Rule 17.04(5)(a)
  - (b) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Options) to the independent Shareholders as to whether the terms of the grant of Options are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation as to voting; Rule 17.04(5)(b)
- Rule 17.04(5)(c)
- Rule 17.04(5)(d)
- Rule 17.04(4)

- (c) the information required under Rule 17.02(2)(c) of the Listing Rules;
- (d) the information required under Rule 2.17 of the Listing Rules; and
- (e) any other information as may be required under the Listing Rules from time to time.

4.9 Any vote taken at the meeting to approve the grant of such Options referred to in Clause 4.7 must be taken by poll. The Company shall announce the results of the poll (including (a) the total number of Shares entitling the holder to attend and vote for or against the resolution at the meeting, (b) the total number of Shares entitling the holder to attend and vote only against the resolution at the meeting, (c) the number of Shares represented by votes for and against the relevant resolution) by way of an announcement which is published in accordance with the Listing Rules on the Business Day following the meeting. The Company shall appoint its auditors, share registrar or external accountants who are qualified to serve as auditors for the Company as scrutineer for the vote-taking and state the identity of the scrutineer in the announcement. The Company shall confirm in the announcement whether or not any parties that have stated their intention in the circular to vote against the relevant resolution or to abstain have done so at the general meeting.

Rule  
17.04(4)

4.10 Parties that are required to abstain from voting in favour at the general meeting referred to in Clause 4.7 may vote against the resolution at the general meeting of the Company provided that their intention to do so has been stated in the circular to the Shareholders. Any such party may change his mind as to whether to abstain or vote against the resolution, in which case the Company must, if it becomes aware of the change before the date of the general meeting, immediately despatch a circular to the Shareholders or publish an announcement in accordance with the Listing Rules notifying the Shareholders of the change and, if known, the reason for such change. Where the circular is despatched or the announcement is published less than ten (10) Business Days before the date originally scheduled for the general meeting, the meeting must be adjourned before considering the relevant resolution to a date that is at least ten (10) Business Days from the date of despatch or publication by the chairman or, if that is not permitted by the Bye-laws, by resolution to that effect.

4.11 Where a meeting is required to be adjourned by resolution, all Shareholders are permitted to vote on that resolution. Any Shareholders who would have been required to abstain from voting on any resolution that was to be proposed shall vote in favour of the resolution to adjourn the meeting.

Rule  
17.04(4)

4.12 The Company must have an appropriate procedure in place to record that any parties that must abstain or have stated their intention to vote against the relevant resolution in the circular or announcement have done so at the general meeting.

4.13 Where any grant of Options is made to an Eligible Participant which would result in the Shares issued and which may fall to be issued upon the exercise of such Options proposed to be granted under the Scheme and all options and awards granted under any other scheme(s) of the Company to such person (excluding any options lapsed in accordance with terms of the Scheme or any other share option scheme(s) of the Company) in the 12-month period up to and including the proposed Grant Date for such Options representing in aggregate over one per cent. (1%) of the number of Shares in issue (excluding treasury shares) as at the proposed Grant Date (the "**1% Individual Limit**"), then such grant of Options must be separately approved by the Shareholders

in general meeting held in accordance with the relevant procedural requirements of the Listing Rules, and such Eligible Participant and his close associates (or associates if the Eligible Participant is a connected person) shall abstain from voting on the relevant resolution at such meeting. The Company must send a circular to the Shareholders. The circular must disclose the identity of the Eligible Participant, the number and terms of the Options to be granted (and Options previously granted to such Eligible Participant in the 12-month period), the purpose of granting Options to the Eligible Participant, an explanation as to how the terms of the Options serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the Subscription Price) of the Option to be granted to such Eligible Participant must be fixed before the general meeting of the Company, and the date of the meeting of the Board for proposing such grant should be taken as the Grant Date for the purpose of calculating the Subscription Price under Clause 5.

## **5. SUBSCRIPTION PRICE**

The Subscription Price shall be determined by the Board and notified to an Eligible Participant at the time the grant of the Option(s) (subject to any adjustments made pursuant to Clause 9) is made to (and subject to acceptance by) the Eligible Participant and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Grant 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 (5) Business Days immediately preceding the Grant Date; and (c) the nominal value of the Shares.

Rule  
17.03(9)

Rule  
17.03E

## **6. EXERCISE OF OPTIONS**

6.1 An Option shall be personal to the Grantee and shall not be transferrable or assignable and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option or purport to do any of the foregoing, unless a waiver is granted by the Stock Exchange. The Company may, after having reasonably satisfied itself that the Grantee has committed or attempted to commit a breach of this Clause 6.1, forthwith revoke any Option granted to such Grantee (to the extent not already exercised) by notice. Such revocation notice shall be final and binding on such Grantee and the Grantee shall not be entitled to claim any loss or damage against the Company or any of the Directors for such revocation provided that the Company has acted in good faith.

Rule  
17.03(17)

6.2 Subject to the terms and conditions of the grant, an Option may be exercised in whole or in part (but if in part only, in respect of a Board Lot or an integral multiple thereof) in the manner provided in Clause 6 by the Grantee (or, as the case may be, by his legal personal representative(s)) giving notice in writing 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 aggregate Subscription Price for the Shares in respect of which the notice is given. For the purposes of determining the date on or by which an Option is or has been exercised under the Scheme, an Option shall be regarded as exercised when a duly completed notice of exercise complying with the terms of the Scheme, accompanied by the appropriate remittance, where necessary, has actually been received by the Company. Within 28 days after receipt of the notice and the remittance of the full amount of the aggregate Subscription Price and, where appropriate, receipt of the independent financial adviser's or the Auditors' confirmation pursuant to Clause 9.1, the Company

shall allot and issue the relevant Shares to the Grantee credited as fully paid or transfer or procure the transfer of treasury shares to the Grantee and issue to the Grantee a share certificate in respect of the Shares so allotted or transferred.

6.3 Subject as hereinafter provided in the Scheme, the Option may be exercised by the Grantee at any time during the Option Period, provided that:

- (a) in the event of the Grantee ceasing to be an Eligible Participant for any reason, other than his death, ill health, disability or insanity or the termination of his employment, directorship, appointment or engagement on one or more of the grounds specified in Clause 7.1(e), then the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent vested but not already exercised) until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of one month (or such longer period as the Board may determine) following the date of such cessation, which date shall be the last actual day of employment, appointment or engagement with the Company or the relevant Subsidiary or Related Entity, as the case may be, whether payment in lieu of notice is made or not (if applicable), in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant Subsidiary or Related Entity shall be final and conclusive, and binding on the Grantee and, where appropriate, the Grantee's legal personal representative(s);
- (b) in the event of the Grantee (being an individual) ceasing to be an Eligible Participant by reason of death and none of the events which would be a ground for termination of his employment or office specified in Clause 7.1(e) has occurred, the legal personal representative(s) of such Grantee shall be entitled until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of three months after the issue of the probate or the letter of administration of the Grantee, as the case may be, (or such longer period as the Board may determine) to exercise the Option (to the extent vested but not already exercised) in full or to the extent specified in the notice to exercise such Option;
- (c) in the event of the Grantee (being an individual) ceasing to be an Eligible Participant by reason of ill health, disability or insanity and none of the events which would be a ground for termination of his employment or office specified in Clause 7.1(e) has occurred, such Grantee or the legal personal representative(s) of that Grantee shall be entitled until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of six (6) months (or such longer period as the Board may determine) from the date of cessation which date shall be the last actual day of employment, appointment or engagement with the Company or the relevant Subsidiary or Related Entity, as the case may be, whether payment in lieu of notice is made or not (if applicable), in the event of which, the date of cessation as determined by a resolution of the Board or the board of directors or governing body of the relevant Subsidiary or Related Entity shall be final and conclusive, and binding on the Grantee and, where appropriate, the Grantee's legal personal representative(s) to exercise the Option (to the extent vested but not already exercised) in full or to the extent specified in the notice to exercise such Option;

- (d) if a general offer to acquire shares (whether by takeover offer, merger, privatisation proposal by scheme of arrangement between the Company and its members or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Grantee (or his legal personal representative(s)) shall be entitled to exercise the Option (to the extent vested but not already exercised) in full or to the extent specified in the notice to exercise such Option at any time until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of fourteen (14) days after the date on which the offer becomes or is declared unconditional, after which the Option shall lapse;
- (e) in the event a notice is given by the Company to its members 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 on the same date as or as soon as practicable after it despatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this Clause 6.3(e) and thereupon, each Grantee (or his legal representative(s)) shall be entitled to exercise all or any of his Options at any time not later than two (2) Business Days prior to the record date for ascertaining entitlements to attend and vote at the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription 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 record date in ascertaining entitlements to attend and vote at the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid;
- (f) in the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and the Shareholders (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to the Shareholders or creditors to consider such scheme or arrangement, and thereupon any Grantee may forthwith and until the expiry of the period commencing with such date and ending with the earlier the date falling two (2) calendar months thereafter or the date on which such compromise or arrangement is sanctioned by the court be entitled to exercise his Option (to the extent vested but not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective. The Company may thereafter require such Grantee to transfer or otherwise deal with the Shares issued as a result of such exercise of his Option so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement. Subject thereto, all Options (whether vested or unvested) then outstanding shall lapse and determine on the date the proposed compromise or arrangement becomes effective; and
- (g) if a Grantee (being a corporation):
- (i) commences winding up by whatever means, whether voluntarily or not;
- or;

Rule 17.03  
(10)

- (ii) suffers a change in its constitution, management, directors, shareholding or beneficial ownership which in the opinion of the Board is material,

the Option (to the extent not already exercised) shall lapse on the date of the commencement of winding up of the Grantee or on the date of notification by the Company that the said change in constitution, management, directors, shareholding or beneficial ownership is material, as the case may be, and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence. A resolution of the Board resolving that the Grantee's Option has lapsed by reason of material change in the constitution, management, directors, shareholding or beneficial ownership as aforesaid shall be final and conclusive.

- 6.4 Unless otherwise determined by the Board pursuant to Clause 4.1 and stated in the relevant letter offering the grant of an Option and subject to Clause 7.1(e), there is neither any performance target which must be achieved before an Option can be exercised nor any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participant in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances.

Rules  
17.03(7)  
& (19)

- 6.5 The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Bye-laws and will rank pari passu in all respects with the fully paid Shares in issue on the date of allotment or, if that date falls on a Business Day when the register of members of the Company is closed, the first Business Day of the reopening of the register of members and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment or, if that date falls on a day when the register of members of the Company is closed, the first day of the reopening of the register of members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment, or, if later, before the date of registration of the allotment in the register of members of the Company.

Rule  
17.03(15)

Rule  
17.03(10)

- 6.6 A Share allotted and issued upon the exercise of an Option shall not carry any voting rights until the registration of the Grantee (or any other person) as the holder thereof.

Rule  
17.03(10)

- 6.7 The Vesting Period in respect of any Option granted to any Eligible Participant shall not be shorter than twelve (12) months from the Grant Date (the "**Vesting Period**"), provided that where the Eligible Participant who is: (a) an Employee Participant who is a Director or a Senior Manager, the Remuneration Committee may, or (b) an Employee Participant who is not a Director or a Senior Manager, the Board may, in its absolute discretion, determine a shorter Vesting Period under the following specific circumstances:

Rule  
17.03(6),  
17.03F

- (i) grants of "make-whole" Options to new joiners to replace options such Employee Participant forfeited when leaving his previous employer;
- (ii) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;

- (iii) grants with performance-based vesting conditions in lieu of time-based vesting criterias;
  - (iv) grants of Options that are made in batches during a year for administrative and compliance reasons;
  - (v) grants of Options with a mixed or accelerated vesting schedule such as where the Option may vest evenly over a period of 12 months; and
  - (vi) grants of Options with a total vesting and holding period of more than 12 months.
- 6.8 Subject to all applicable laws, rules and regulations, the Board may, in its sole and absolute discretion, specify the performance targets in respect of each Offer that must be duly fulfilled by the Grantee before the Option may be vested to such Grantee under such Offer. In respect of Employee Participants, such performance targets may include, among other things, financial targets and management targets which may be determined based on (a) individual performance measured by key performance indicators; (b) performance of the Group which may be measured by Group level net asset growth and/or revenue growth; and/or (c) performance of the business segments, business units, business lines, functional departments, projects and/or geographical area managed by the Grantee which may be measured by operational output milestones

## 7. LAPSE OF OPTION

- 7.1 An Option shall lapse automatically (to the extent not already exercised) on the earliest of:
- (a) the expiry of the Option Period;
  - (b) the expiry of any of the other periods referred to in Clause 6.3(a), 6.3(b), 6.3(c), 6.3(d), 6.3(f) or 6.3(g);
  - (c) subject to Clause 6.3(e), the earliest of the close of business on the second Business Day prior to the record date for ascertaining entitlements to attend and vote at the general meeting referred to in Clause 6.3(e) or the date of the commencement of the winding-up of the Company;
  - (d) save as otherwise provided in Clause 6.3(d) or by the court in relation to the scheme in question, upon the sanctioning pursuant to the Companies Act by the Supreme Court of Bermuda of a compromise or arrangement between the Company and its members or creditors for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
  - (e) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his employment, directorship, appointment or engagement 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 breached or failed to comply with any provisions of the relevant service contract, letter of appointment or contracts or agreements of the Grantee with the Company or the

Rule  
17.03(12)

Rule  
17.03(19)

relevant Subsidiary or Related Entity for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment or office at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the Grantee with the Company or the relevant Subsidiary or Related Entity. A resolution of the Board or the board of directors or governing body of the relevant Subsidiary or Related Entity to the effect that the employment, directorship, appointment or engagement of a Grantee has or has not been terminated on one or more of the grounds specified in this Clause 7.1(e) shall be final and conclusive, and binding on the Grantee and, where appropriate, the Grantee's legal personal representative(s);

- (f) the date on which the resignation of the Grantee is received by the Company or the relevant Subsidiary or Related Entity (as the case may be);
- (g) where the Grantee commits a breach of Clause 6.1, the date on which the Board shall exercise the Company's right to cancel the Option;
- (h) if an Option was granted subject to certain conditions, restrictions or limitations, the date on which the Board resolves that the Grantee has failed to satisfy or comply with such conditions, restrictions or limitations; or
- (i) the occurrence of such event or expiry of such period as may have been specifically provided for in the letter in respect of the grant of an Option, if any.

## 8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

8.1 The total number of Shares which may be issued in respect of all Options to be granted under the Scheme and all options and awards to be granted under any other scheme(s) of the Company must not, in aggregate, exceed ten per cent (10%) of the total number of Shares in issue (excluding treasury shares) as at the Adoption Date (the "**Scheme Mandate Limit**") unless Shareholders' approval has been obtained pursuant to Clauses 8.4 and 8.5 or 8.6. Options lapsed in accordance with the terms of the Scheme or any other scheme(s) of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

8.2 Subject to Clause 8.3, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options to be granted under the Scheme and all options and awards to be granted under any other scheme(s) of the Company to the Service Providers must not, in aggregate, exceed three per cent (3%) of the total number of Shares in issue as at the Adoption Date (the "**Service Provider Sublimit**") unless Shareholders' approval has been separately obtained pursuant to Clauses 8.4 and 8.5 or 8.6. Options lapsed in accordance with the terms of the Scheme or any other share option scheme(s) of the Company shall not be regarded as utilised for the purpose of calculating the Service Provider Sublimit.

8.3 Notwithstanding any other provisions of the Scheme, the Service Provider Sublimit is subject to approval by the Shareholders in general meeting. If on the Adoption Date the adoption of the Scheme is approved by the Shareholders in general meeting but the Service Provider Sublimit is not so approved by the Shareholders, no Option shall be granted to any Service Provider and the Service Provider Sublimit shall be deemed to be

Rule  
17.03(3)  
Rule  
17.03B(2)

nil Share, and the provisions of the Scheme shall be construed accordingly, unless and until a sublimit on the total number of Shares which may be issued in respect of all Options to be granted under the Scheme and all options and awards to be granted under any other scheme(s) of the Company to the Service Providers is subsequently approved by the Shareholders in general meeting, in which case the Service Provider Sublimit shall be deemed to be the sublimit so approved by the Shareholders with effect from the date of such approval, and the provisions of the Scheme shall be construed accordingly.

- 8.4 The Company may seek approval by the Shareholders in general meeting for "refreshing" the Scheme Mandate Limit (and the Service Provider Sublimit) after three (3) years from date of the Shareholders' approval for the last refreshment (or the Adoption Date). Any "refreshment" within any three (3) year period must be approved by the Shareholders subject to the following provisions:
- (a) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder of the Company, 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) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

Rule  
17.03C(1)

The requirements under Clause 8.4 (a) and (b) do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit (as a percentage of total number of Shares in issue) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

- 8.5 The total number of Shares which may be issued in respect of all Options to be granted under the Scheme and all options and awards to be granted under any other scheme(s) of the Company under the Scheme Mandate Limit and the Service Provider Sublimit as "refreshed" must not, in aggregate, exceed ten per cent (10%) and three per cent (3%) of the total number of Shares in issue (excluding treasury shares) as at the date of approval of the refreshed Scheme Mandate Limit (the "**Refreshed Scheme Mandate Limit**") and the refreshed Service Provider Sublimit (the "**Refreshed Service Provider Sublimit**") respectively. The Company must send a circular to the Shareholders containing the number of Options that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the "refreshment".

Rule  
17.03C(2)

- 8.6 The Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) provided that the Options in excess of the Scheme Mandate Limit, the Refreshed Scheme Mandate Limit, the Service Provider Sublimit or the Refreshed Service Provider Sublimit (as the case may be) are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each such Eligible Participant, and the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such

Rule  
17.03C(3)

Eligible Participant must be fixed before the Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price under Clause 5.

- 8.7 Where any Offer is proposed to be made to an Eligible Participant who is a substantial shareholder or an independent non-executive Director, or any of their respective associates, which would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any Options lapsed in accordance with the terms of the Scheme) to such person under the Scheme and any other scheme(s) of the Company in the 12-month period up to and including the proposed Grant Date for such Options representing in aggregate over 0.1 per cent. (0.1%) of the number of Shares then in issue (excluding treasury shares), such grant of Options must first be approved by the Shareholders in general meeting at which meeting the proposed Grantee and his associates and all the core connected persons of the Company shall abstain from voting on the relevant resolution, except that any such core connected person may vote against the relevant resolution at the general meeting provided that his intention to do so has been stated in the circular required to be issued pursuant to the Listing Rules. Rule 17.04(3)-(5)
- 8.8 The circular to be issued by the Company to the Shareholders pursuant to Clause 8.7 shall contain the following information: Rule 17.04(5)
- (a) the details of the number and terms (including the Subscription Price) of the Options to be granted to each selected Eligible Participant (which must be fixed before the Shareholders' meeting) and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such Options; Rule 17.04(5) (a)
  - (b) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Options) to the independent Shareholders as to whether the terms of the grant of Options are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation as to voting; Rule 17.04(5) (b)
  - (c) the information required under Rule 17.02(2)(c) of the Listing Rules; Rule 17.04(5) (c)
  - (d) the information required under Rule 2.17 of the Listing Rules; and
  - (e) any other information as may be required under the Listing Rules from time to time. Rule 17.04(5) (d)
- 8.9 Any vote taken at the meeting to approve the grant of such Options referred to in Clause 8.7 must be taken by poll. The Company shall announce the results of the poll (including (a) the total number of Shares entitling the holder to attend and vote for or against the resolution at the meeting, (b) the total number of Shares entitling the holder to attend and vote only against the resolution at the meeting, (c) the number of Shares represented by votes for and against the relevant resolution) by way of an announcement which is published in accordance with the Listing Rules on the Business Day following the meeting. The Company shall appoint its auditors, share registrar or external accountants who are qualified to serve as auditors for the Company as scrutineer for the vote-taking and state the identity of the scrutineer in the announcement. The Company shall confirm in the announcement whether or not any parties that have stated their intention in the circular to vote against the relevant resolution or to abstain have done so at the general meeting. Rule 17.04(4)

- 8.10 Parties that are required to abstain from voting in favour at the general meeting referred to in Clause 8.7 may vote against the resolution at the general meeting of the Company provided that their intention to do so has been stated in the circular to the Shareholders. Any such party may change his mind as to whether to abstain or vote against the resolution, in which case the Company must, if it becomes aware of the change before the date of the general meeting, immediately despatch a circular to the Shareholders or publish an announcement in accordance with the Listing Rules notifying the Shareholders of the change and, if known, the reason for such change. Where the circular is despatched or the announcement is published less than ten (10) Business Days before the date originally scheduled for the general meeting, the meeting must be adjourned before considering the relevant resolution to a date that is at least ten (10) Business Days from the date of despatch or publication by the chairman or, if that is not permitted by the Bye-laws, by resolution to that effect. Rule 17.04(4)
- 8.11 Where a meeting is required to be adjourned by resolution, all Shareholders are permitted to vote on that resolution. Any Shareholders who would have been required to abstain from voting on any resolution that was to be proposed shall vote in favour of the resolution to adjourn the meeting. Rule 17.04(4)
- 8.12 The Company must have an appropriate procedure in place to record that any parties that must abstain or have stated their intention to vote against the relevant resolution in the circular or announcement have done so at the general meeting.
- 8.13 If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options to be granted under all of the schemes of the Company under the Scheme Mandate Limit and the Service Provider Sublimit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole share. Not4e 1 to Rule 17.04(4) (5)

## 9. REORGANISATION OF CAPITAL STRUCTURE

- 9.1 In the event of any capitalisation issue, rights issue, consolidation or sub-division of Shares or reduction 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) whilst an Option remains outstanding (i.e., in that it is granted and not yet exercised, but has not lapsed or been cancelled), corresponding adjustments (if any) shall be made in: Rule 17.03(13)
- (a) the number of Shares to which the Scheme or any Options relates;
  - (b) the Subscription Price in relation to each outstanding Option; and/or
  - (c) the number of Shares in respect of which any further Options may be granted within the 1% Individual Limit and/or the Scheme Mandate Limit and/or the Service Provider Sublimit,

provided that any such adjustments shall be made (i) such that the proportion of the issued share capital of the Company to which an Option entitles the Grantee to subscribe after such adjustment must be the same (rounded to the nearest whole Share) as that to which the Option entitled the Grantee to subscribe immediately before such adjustment; and (ii) on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but so that no such adjustment shall be made to the extent that the effect of such adjustment would be to enable any Share to be issued

at less than its nominal value. In respect of any adjustment required by this Clause 9.1, other than any made on a capitalisation issue, an independent financial adviser or the Auditors must also confirm to the Board in writing that the adjustments satisfy the foregoing proviso. The capacity and role of the independent financial adviser or the Auditors pursuant to this Clause 9.1 is that of experts and not of arbitrators and their confirmation shall (in the absence of manifest error) be final and conclusive, and binding on the Company and the Grantees. The costs of the independent financial adviser or the Auditors shall be borne by the Company.

9.2 If there has been any alteration in the capital structure of the Company as referred to in Clause 9.1, the Company shall within 28 days after receipt of a confirmation of the independent financial adviser or the Auditors as referred to in Clause 9.1, inform the Grantee of such alteration and of any adjustment to be made in accordance with the independent financial adviser's or the Auditors' confirmation obtained by the Company for such purposes.

9.3 The following (whether singly or in combination) shall not be regarded as events requiring adjustment:

- (a) any issue of securities as consideration in a transaction such as acquisition or private placement of securities;
- (b) any increase in the number of issued Shares as a consequence of the exercise of options or other convertible securities issued from time to time by the Company entitling holders thereof to subscribe for new Shares in the capital of the Company (including the exercised of any Options granted pursuant to the Scheme and any previous share option scheme); and
- (c) any reduction in the number of issued Shares as a result of the cancellation of issued Shares purchased by the Company by way of a market purchase effected on the Stock Exchange pursuant to a share purchase mandate (or any renewal thereof) given by the Shareholders in general meeting and for the time being in force.

## **10. SHARE CAPITAL**

The exercise of any Option shall be subject to the members of the Company in general meeting approving 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 of issue of Shares on the exercise of Options.

## **11. DISPUTES**

Any dispute arising in connection with the Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price or otherwise) shall be referred to the decision of the Auditors who shall act as experts and not as arbitrators and whose decision shall be final and binding.

## 12. CANCELLATION OF OPTIONS

- 12.1 Subject to Clause 6.1, any Option granted but not exercised may not be cancelled except with the written consent of the relevant Grantee and the prior approval of the Board. Where the Company cancels Options and makes a new grant of Options to the same Grantee, such new grant of Options may only be made under the Scheme with available scheme mandate within the Scheme Mandate Limit and Service Provider Sublimit.
- 12.2 Options cancelled in accordance with the terms of the Scheme will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit. Options lapsed in accordance with the terms of the Scheme will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

Rule  
17.03(14)  
17.03B(2)

## 13. ALTERATION OF THE SCHEME

- 13.1 Subject to Clauses 13.2 and 13.4, the Scheme may be altered in any respect by resolution of the Board except that:
- (a) the definitions of "Grantee", "Option Period", "Eligible Participant" and "Scheme Period" in Clause 1.1; and
- (b) the provisions of the Scheme relating to the matters contained in Rule 17.03 of the Listing Rules,

Rule  
17.03(18)

Rule  
17.03(18)  
Note 1

shall not be altered to the advantage of the Eligible Participants unless with the prior sanction of a resolution of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the holders of the Shares under the Bye-laws for a variation of the rights attached to the Shares. For the avoidance of doubt, no alteration to the Scheme shall operate to affect adversely any rights of any Grantee subsisting hereunder and/or under the Option so held by him immediately prior to such alteration.

- 13.2 Subject to Clause 13.3, any change to the terms of any Options granted to a Grantee shall be approved by the Directors, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in general meeting (as the case may be) in accordance with the terms of the Scheme and Chapter 17 of the Listing Rules. The foregoing provisions of this Clause 13.2 shall not apply where the alterations take effect automatically under the existing terms of the Scheme.
- 13.3 Any change to the authority of the Board to alter the terms of the Scheme must first be approved by the Shareholders in general meeting.
- 13.4 The terms of the Scheme and/or any Options amended pursuant to this Clause 13 must comply with the applicable requirements under Chapter 17 of the Listing Rules. Any alterations to the terms and conditions of the Scheme which are of a material nature must be approved by the Shareholders in general meeting.
- 13.5 Where the terms of the Scheme are amended, the Company shall, immediately upon such

Rule  
17.03(18)  
Note 2

Rule  
17.03(18)  
Note 3

Rule  
17.03(18)  
Note 1&3

Rule  
17.02(3)

changes taking effect, provide to all Eligible Participants all details relating to changes in the terms of the Scheme during the life of the Scheme.

#### **14. TERMINATION**

The Company by resolution passed at a general meeting of the Shareholders may at any time terminate the operation of the Scheme and in such event no further Options will be offered or granted but the provisions of the Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Scheme. All Options granted and accepted prior to such termination and not then exercised shall continue to be valid and (subject to vesting in accordance with the terms of the Offer) exercisable subject to and in accordance with the Scheme.

#### **15. MISCELLANEOUS**

- 15.1 The Company shall bear the costs of establishing and administering the Scheme.
- 15.2 The Scheme shall not form part of any contract, agreement or arrangement governing the Eligible Relationship between the Company or any Subsidiary or any Related Entity and any Eligible Participant and the rights and obligations of any Eligible Participant under the terms of such contract, agreement or arrangement shall not be affected by his participation in the Scheme or any right which he may have to participate in it and the Scheme shall afford such Eligible Participant no additional rights to compensation or damages in consequence of the termination of such Eligible Relationship for any reason.
- 15.3 The Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or, other than in relation to the rights attached to the Options themselves, give rise to any cause of action at law or in equity against the Company.
- 15.4 A Grantee shall be entitled to receive for information only copies of all notices and other documents sent by the Company to the Shareholders generally.
- 15.5 The Company must comply with Chapter 14A of the Listing Rules for providing financial assistance (if any) to any Grantee who is a connected person for purpose of facilitating such Grantee's subscription of Shares under the Option.
- 15.6 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong as notified to the Company from time to time.
- 15.7 Any notice or other communication served:
- (a) by the Company shall, if served by post, be deemed to have been served 24 hours after the same was put in the post or, if delivered by hand, be deemed to be served when delivered; and
  - (b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.

Rule  
17.06B  
(10)

- 15.8 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 or exercise of the Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in the Scheme.
- 15.9 A Grantee shall pay all taxes and discharge all other liabilities to which he may become subject as a result of his participation in the Scheme or the exercise of any Option.
- 15.10 A Grantee who is a Director may, subject to and in accordance with the Bye-laws and subject as herein otherwise provided, notwithstanding his interest, vote on any Board resolution concerning the Scheme (other than in respect of his own participation therein) and may retain any benefits under the Scheme.
- 15.11 The Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.