

CHINA GRAPHITE GROUP LIMITED
中国石墨集团有限公司

SHARE OPTION SCHEME

I, Zhao Liang (赵亮), a director of China Graphite Group Limited 中国石墨集团有限公司, hereby certify that pursuant to paragraph 2.3 of the rules of the Share Option Scheme hereto attached, the conditions set out in paragraph 2.1 of such rules were satisfied on the date set out below and that such date is the “Adoption Date” as defined in such rules:

Adoption Date: 21 June 2022



Name : Zhao Liang (赵亮)
Position : Director

I N D E X

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1. **DEFINITIONS**

1.1 In this Scheme the following expressions shall have the following meanings:

“Adoption Date”

the date on which this Scheme is adopted upon fulfilment of the conditions set out in paragraph 2.1;

“associate(s)”

shall bear the meaning as defined in Rule 14A.06(2) of the Listing Rules;

“Auditors”

the auditors for the time being of the Company;

“Business Day”

any day (excluding Saturday and Sunday) on which banks in Hong Kong generally are open for business and the Stock Exchange is open for the business of dealing in securities;

“close associate(s)”

has the meaning described under Rule 1.01 of the Listing Rules;

“Companies Act”

the Companies Act (as revised) of the Cayman Islands, as amended or supplemented from time to time;

“Company”

China Graphite Group Limited (中国石墨集团有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 3 August 2020;

“core connected person(s)”

has the meaning described under Rule 1.01 of the Listing Rules;

“connected person”

has the meaning as described under Rule 14A.06(7) of the Listing Rules;

“Directors”

the directors of the Company for the time being or a duly authorised committee thereof;

“Eligible Employee”

any employee (whether full-time or part-time, including any executive director but excluding any non-executive director and independent non-executive director) of the Company, any of its Subsidiary or any Invested Entity;

“Eligible Participants”

the persons who may be invited by the Directors to take up Options as referred to in paragraph 4.1, and “Eligible Participant” shall be construed accordingly;

“Grantee”

any Eligible Participant who accepts an Offer in accordance with the terms of this Scheme or (where the context so permits) his/her/its Personal Representative(s) who is entitled to any Option in consequence of the death of the original Grantee;

“Group”

the Company and the Subsidiaries, and “member(s) of the Group” shall be construed accordingly;

“Hong Kong”

the Hong Kong Special Administrative Region of the People’s Republic of China;

“Invested Entity”

any entity in which any member of the Group holds any equity interest;

“Listing Rules”

the Rules Governing the Listing of Securities on Main Board as amended, supplemented or otherwise modified from time to time;

“Main Board”

the Main Board of the Stock Exchange;

“Offer”

an offer for the grant of an Option made in accordance with paragraph 4;

“Offer Date”

the date, which must be a Business Day, on which an Offer is made to an Eligible Participant;

“Option”

an option to subscribe for the Shares granted pursuant to this Scheme;

“Option Period”

in respect of any particular Option, a period (which may not be later than ten (10) years from the Offer Date of that Option) to be determined and notified by the Directors to the Grantee thereof and, in the absence of such determination, from the Offer Date of such Option to the earlier of (i) the date on which such Option lapses under the provisions of paragraph 7; and (ii) ten (10) years from the Offer Date of that Option;

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“Personal Representative(s)”

the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee (being an individual), is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised);

“Prospectus”

the prospectus of the Company to be issued on or about June 30, 2022 in connection with its application for listing of the Shares on the Main Board;

“Scheme”

this Share Option Scheme in its present form or as may be amended from time to time in accordance with paragraph 14;

“Shares”

ordinary shares of par value HK\$0.001 each in the share capital of the Company, or, if there has been a sub-division, consolidation, reclassification, reduction or reconstruction of the share capital of the Company, shares being the ordinary shares of the Company of such other nominal amount as shall result from any such subdivision, consolidation, reclassification or reconstruction;

“Stock Exchange”

The Stock Exchange of Hong Kong Limited or other principal stock exchange in Hong Kong for the time being or such other stock exchange which is the principal stock exchange (as determined by the Directors) on which the Shares are for the time being listed or traded;

“Subscription Price”

the price per Share at which a Grantee may subscribe for the Shares on the exercise of an Option, as determined in accordance with paragraph 5.1;

“Subsidiaries”

the companies which are for the time being and from time to time the subsidiaries (within the meaning given to it in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong, the British Virgin Islands, the People’s Republic of China or elsewhere, and “Subsidiary” shall be construed accordingly;

“Termination Date”

close of business of the Company on the date which falls ten (10) years after the date of listing of the Shares on the Main Board of the Stock Exchange, or the date which the operation of this Scheme is terminated by members of the Company or the Directors pursuant to paragraph 15, whichever is earlier; and

“\$”

Hong Kong dollars.

1.2 In this Scheme:

- (a) paragraph headings are for ease of reference only and shall be ignored in construing this Scheme;
- (b) references to paragraphs or subparagraphs are references to paragraphs or subparagraphs hereof;
- (c) words importing the singular include the plural and vice versa;

- (d) words importing one gender include both genders and the neuter and vice versa;
- (e) references to persons include bodies corporate and unincorporated;
- (f) references to any statutory provisions or rules prescribed by any statutory bodies shall include the same as from time to time amended, consolidated and re-enacted; and
- (g) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. CONDITIONS

2.1 This Scheme is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting approval (whether subject to conditions or not) of this Scheme and any Options which may be granted hereunder, and the listing of and permission to deal in, such number of Shares to be allotted and issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of this Scheme, such number being not less than that of the General Scheme Limit (as defined in paragraph 8.2);
- (b) the passing of the necessary resolution to approve and adopt this Scheme and to authorise the Directors to grant Options to subscribe for Shares hereunder and to allot, issue and deal with Shares pursuant to the exercise of any Options granted under this Scheme in general meeting or by way of written resolution of the shareholder(s) of the Company;
- (c) the obligations of the Underwriters (as defined in the Prospectus) under the Underwriting Agreements (as defined in the Prospectus) referred to in the section titled "Underwriting" of the Prospectus becoming unconditional (including, if relevant, as a result of the waiver of any such conditions) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise; and
- (d) the commencement of dealings in the Shares on Main Board.

2.2 If any of the conditions referred to in paragraph 2.1 are not satisfied on or before the date falling 30 days after the date of the Prospectus, this Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of this Scheme.

2.3 A certificate of a Director that the conditions set out in paragraph 2.1 have been satisfied and the date on which such conditions were satisfied or that such conditions have not been satisfied as of any particular date and the exact date of the Adoption Date shall be conclusive evidence of the matters certified.

3. PURPOSE, DURATION AND ADMINISTRATION

3.1 This Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules and is established to enable the Group to grant Options to the Eligible Participants as incentives or rewards for their contribution to the Group. This Scheme provides the Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives:

R17.03(1)

- (i) motivate the Eligible Participants to optimise their performance efficiency for the benefit of the Group; and
- (ii) attract and retain or otherwise maintain an ongoing business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

3.2 This Scheme shall be subject to the administration of the Directors whose decision on all matters arising in relation to this Scheme or their interpretation or effect shall (save for the grant of Options referred to in paragraph 4.2 which shall be approved in the manner referred to therein and save as otherwise provided herein) be final and binding on all persons who may be affected thereby. The Directors shall have the right (i) to interpret and construe the provisions of this Scheme, (ii) to determine the persons who will be awarded Options under this Scheme, and the number and Subscription Price of Options awarded thereto, (iii) to make such appropriate and equitable adjustments to the terms of Options granted under this Scheme as it deems necessary, and (iv) to make such other decisions or determinations as it shall deem appropriate in the administration of this Scheme. The Board may delegate any or all of its powers in relation to this Scheme to any of its committees

3.3 Subject to the fulfilment of the conditions under paragraph 2 and the termination provisions under paragraph 15, this Scheme shall be valid and effective until the Termination Date, after which period no further Options shall be offered but the provisions of this Scheme shall in all other respects remain in full force and effect to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme. Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with the Share Option Scheme.

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3.4 A Grantee shall ensure and, by accepting an Offer, shall be deemed to have represented and undertaken to the Company, that the acceptance of an Offer, the holding and exercise of his/her/its Option in accordance with this Scheme, the allotment and issue of Shares to him/her/it upon the exercise of his/her/its Option and the holding of such Shares are and will be valid and will comply with all laws, legislation and regulations including all applicable exchange control, fiscal and other laws to which he/she/it is subject. The Directors may, as a condition precedent of making an Offer and allotting Shares upon an exercise of an Option, reasonably require an Eligible Participant to produce such evidence for such purpose.

3.5 No Director shall be personally liable by reason of any contract or other instrument executed by such Director or on his/her behalf in his/her capacity as a Director nor for any mistake of judgment made in good faith, and the Company shall indemnify and hold harmless each employee, officer or director of the Company to whom any duty or power relating to the administration or interpretation of this Scheme may be allocated or delegated, against any cost or expense (including counsel fees) or liability (including any sum paid in settlement of a

claim with the approval of the board of directors of the Company) arising out of any act or omission to act in connection with this Scheme unless arising out of such person's own fraud or bad faith.

4. GRANT OF OPTIONS

4.1 Subject to paragraph 4.2, the Directors shall, in accordance with the provisions of this Scheme and the Listing Rules, be entitled but shall not be bound at any time within a period of ten (10) years commencing from the Adoption Date to make an Offer as the Directors may in their absolute discretion impose any conditions, restrictions or limitations in relation to the Options (which shall be stated in the letter containing the Offer) to any person belonging to the following classes of participants to subscribe, and no person other than the Eligible Participant named in such Offer may subscribe, for such number of Shares at such Subscription Price as the Directors shall, subject to paragraph 9, determine (provided the same shall be a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof): R17.03(2)

- (a) any Eligible Employee;
- (b) any non-executive director (including any independent non-executive director) of the Company, any Subsidiary or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of any member of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and
- (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangements to the development and growth of the Group,

and, for the purposes of this Scheme, the Offer may be made to any company wholly owned by one or more Eligible Participants.

Options may be granted on such terms and conditions in relation to their vesting, exercise or otherwise (e.g. by linking their exercise to achievement of performance targets by the Grantee or the attainment or performance of milestones by the Company, any Subsidiary, Invested Entity, the Grantee or any group of Eligible Participant) as the Directors may determine and specify in the letter containing the Offer, provided such terms and conditions shall not be inconsistent with any other terms and

conditions of this Scheme.

For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of Eligible Participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of Option under this Scheme.

4.2 Without prejudice to paragraph 8.4 below, the making of an Offer to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed Grantee of the Option).

4.3 The eligibility of any of the Eligible Participants to an Offer shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group.

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4.4 An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Directors may from time to time determine, either generally or on a case-by-case basis, specifying the number of Shares and the Option Period in respect of which the Offer is made and further requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme and shall remain open for acceptance by the Eligible Participant concerned (and by no other person) for a period of up to 21 days from the Offer Date, provided that no such Offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after this Scheme has been terminated in accordance with the provisions hereof.

4.5 An Offer shall state, in addition to the matters specified in paragraph 4.4, the following:

- (a) the name, address and position of the Eligible Participant;
- (b) the Offer Date;
- (c) the number of Shares in respect of which the Offer is made and the Subscription Price for such Shares (including the manner of payment for the Subscription Price on and in consequence of the exercise of the Option;
- (d) the Option Period in respect of which the Offer is made or, as the case may be, the Option Period in respect of separate parcels of Shares comprised in the Offer;
- (e) the last date by which the Offer must be accepted (which may not be later than 21 days from the Offer Date);
- (f) the procedure for acceptance of the Offer;
- (g) how the Expiry Date (as defined below) in relation to that Option is ascertained;

- (h) the method of exercise of the Option which shall, unless the Board otherwise determines, be as set out in paragraph 6; and
- (i) the performance target(s) (if any) that must be attained by the Eligible Participant before any Option can be exercised;
- (j) such other terms and conditions of the Offer as may be imposed by the Directors as are not inconsistent with this Scheme; and
- (k) a statement requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme including, without limitation, the conditions specified in paragraphs 3.4, 10.1, 16.8 to 16.11, inclusive.

4.6 An Offer shall be deemed to have been granted and accepted by an Eligible Participant in respect of all Shares under the Option which are offered to such Eligible Participant and to have taken effect when the duplicate offer document constituting acceptance of the Offer duly signed 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 such time as may be specified in the Offer (which shall not be later than 21 days from the Offer Date). Such remittance shall in no circumstances be refundable.

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4.7 Any Offer may be accepted by an Eligible Participant in respect of less than the number of Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the Offer duly signed by such Eligible Participant and received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within such time as may be specified in the Offer (which shall not be later than 21 days from the Offer Date). Such remittance shall in no circumstances be refundable.

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4.8 Upon an Offer being accepted by an Eligible Participant in whole or in part in accordance with paragraph 4.6 or 4.7, an Option in respect of the number of Shares in respect of which the Offer was so accepted will be deemed to have been granted by the Company to such Eligible Participant on the Offer Date. To the extent that the Offer is not accepted within the acceptance date specified in the Offer in the manner indicated in paragraph 4.6 or 4.7, it will be deemed to have been irrevocably declined.

4.9 An Option may be exercised in accordance with the terms of the Scheme at any time commencing the date upon which the Option is deemed to be granted and accepted and prior to the expiry of ten (10) years from that date. The period during which an Option may be exercised will be determined by the Directors in their absolute discretion, save that no option may be exercised more than ten (10) years after it has been granted. Subject to the provisions for early termination thereof contained herein, the Option Period of an Option shall not end later than ten (10) years from the Offer Date of that Option (the “**Expiry Date**”).

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4.10 Options will not be listed or dealt in on the Stock Exchange.

4.11 For so long as the Shares are listed on the Stock Exchange:

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- (a) the Company may not make any Offer after inside information has come to the knowledge of the Company until it has been published pursuant to the requirements of the Listing Rules and the Inside Information Provisions of Part XIV of the Securities and Futures Ordinance (Cap. 571, Law of Hong Kong). In particular, the Company may not make any Offer during the period commencing one (1) month immediately before the earlier of:
 - (i) the date of the meeting of the board of directors of the Company (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to announce its results for any year, half-year under the Listing Rules, or any quarterly or other interim period and ending on the date of the results announcement. No Option may be granted during any period of delay in publishing a results announcement; and
- (b) the Directors may not make any Offer to an Eligible Participant who is a Director during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

4.12 Any Offer to a connected person of the Company, or any of his/her/its associates, must be made in accordance with the requirements of the Listing Rules.

5. SUBSCRIPTION PRICE

5.1 The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to paragraph 9, be determined at the absolute discretion of the Directors, provided that it shall not be less than the highest of:

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- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day;
- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) Business Days immediately preceding the Offer Date; and
- (c) the nominal or par value of the Shares.

6. EXERCISE OF OPTIONS

6.1 Unless otherwise determined by the Directors and stated in the Offer to a Grantee, a

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Grantee is not required to hold an Option for any minimum period nor achieve any performance targets before the exercise of an Option granted to him/her.

6.2 Subject to paragraphs 3.4 and 16.8 and the fulfilment of all terms and conditions set out in the Offer, including the attainment of any performance targets stated therein (if any), an Option shall be exercisable in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) in the circumstances and in the manner as set out in paragraphs 6.3 and 6.4 by 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 so exercised (which, except where it is exercised to the full extent outstanding, must be exercised in integral multiples of such number of Shares as shall represent one board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each notice exercising an Option must be accompanied by a remittance for the full amount of the aggregate Subscription Price multiplied by the number of Shares in respect of which the notice is given. Within 21 days (seven (7) days in the case of an exercise pursuant to paragraph 6.3(c)) after receipt of the notice and, where appropriate, receipt of the certificate of the Auditors or the independent financial advisers pursuant to paragraph 9, the Company shall accordingly allot, and shall instruct the share registrar to issue, the relevant number of Shares to the Grantee (or, in the event of an exercise of Option by a Personal Representative pursuant to paragraph 6.3(a), to the estate of the Grantee) credited as fully paid and issue to the Grantee (or his/her estate in the event of an exercise by his/her Personal Representative as aforesaid) share certificates for the Shares so allotted and issued.

6.3 Subject as hereinafter provided and subject to the terms and conditions upon which such Option was granted, an Option may (and may only) be exercised by the Grantee at any time or times during the Option Period provided that:

- (a) if the Grantee is an Eligible Employee and in the event of his/her ceasing to be an Eligible Employee by reason of his/her death, ill-health, injury, permanent disability or retirement before exercising the Option in full, his/her Personal Representative(s) or, as appropriate, the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 6.2 within a period of one (1) month (or such longer period as the Directors may determine) following the date of cessation of employment which date shall be the last actual working day of the Grantee with the Company or the relevant Subsidiary whether the salary is paid in lieu of notice or not, or, if any of the events referred to in paragraph 6.3(c) or 6.3(d) occur during such period, exercise the Option pursuant to paragraph 6.3(c) or 6.3(d) respectively;
- (b) if the Grantee is an Eligible Employee and in the event of his/her ceasing to be an Eligible Employee for any reason other than his/her death, ill-health, permanent disability or retirement in accordance with his/her contract of employment or the termination of his/her employment on one (1) or more of the grounds specified in paragraph 7.1(c) before exercising the Option in full, the Option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless the Directors otherwise determine in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 6.2 within such period as the Directors may determine following the

date of such cessation or termination or, if any of the events referred to in subparagraph 6.3(c) or 6.3(d) occur during such period, exercise the Option pursuant to paragraph 6.3(c) or 6.3(d) respectively. The date of cessation or termination as aforesaid shall be the last actual working day of which the Grantee was at work with the Company or the relevant Subsidiary or the Invested Entity whether the salary is paid in lieu of notice or not;

- (bb) if the grantee of an Option ceasing to be an Eligible Participant by reason of death, ill-health, permanent disability or retirement (all evidenced to the satisfaction of the Directors) and none of the events which would be a ground for termination of his/her relationship with the Company and/or any of the Subsidiaries under provision 7.1(c) herein has occurred, the grantee or his/her personal representative(s) shall be entitled within a period of 12 months (or such longer period as the Directors may determine) from the date of cessation of being an Eligible Participant or death to exercise the Option in full (to the extent not already exercised);
- (c) if a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of the Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror (as defined in the Code on Takeovers and Mergers and Share Buy-backs), the Company shall use its best endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, shareholders of the Company. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to shareholders in the Company, the Grantee shall, notwithstanding any other terms on which his/her Options were granted, be entitled to exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in accordance with the provisions of paragraph 6.2 at any time thereafter and up to 14 days after the date on which the offer becomes or is declared unconditional or the record date for entitlements under the scheme of arrangement, as the case may be. Subject to the above, the Option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes or the relevant record date for entitlements under the scheme of arrangement, as the case may be;
- (d) in the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purposes of considering, and if thought fit, approving a resolution for the voluntary winding-up of the Company during the Option Period, the Company shall forthwith give notice thereof to the Grantee and the Grantee (or in the case of death of the Grantee, his/her legal personal representative(s)) may exercise his/her Option, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not later than two (2) Business Days prior to the proposed shareholders' meeting, either to its full extent or to the extent specified in such notice in accordance with the provisions of paragraph 6.2 and the Company shall allot and issue to the Grantee the Shares in respect of which such Grantee has

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exercised his/her Option, credited as fully paid and register the Grantee as a Shareholder, as soon as possible and in any event not later than one (1) Business Day prior to the proposed shareholders' meeting whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such meeting. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up of the Company; and

- (e) If a compromise or arrangement between the Company and its members and/or creditors is proposed for the purposes of a scheme for the reconstruction of the Company or its amalgamation or merger with any other companies pursuant to the Companies Act, the Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members and/or creditors summoning the meeting to consider such a compromise or arrangement and thereupon each grantee shall be entitled to exercise all or any of his/her options in whole or in part at any time prior to 12 noon (Hong Kong time) on the business day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one (1) meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. The Directors shall endeavour to procure that the Shares issued as a result of the exercise of options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the grantees to exercise their respective Options shall with effect from the date of the making of the order by the relevant court be restored in full) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension.
- (f) if the Grantee is a company wholly owned by one (1) or more Eligible Participants:
 - (i) the provisions of paragraphs 6.3(a), 6.3(b) and 7.1(c) shall apply to the Grantee and to the Options granted to such Grantee, mutatis mutandis, as if such Options had been granted to the relevant Eligible Participant, and such Options shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs 6.3(a), 6.3(b) and 7.1(c) shall occur with respect to the relevant Eligible Participant; and
 - (ii) the Options granted to the Grantee shall lapse and determine on the date

the Grantee ceases to be wholly owned by the relevant Eligible Participant provided that the Directors may in their absolute discretion decide that such Options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

- (g) if a Grantee (being a corporation):
- (i) has a liquidator or receiver appointed anywhere in the world in respect of the whole or any part of the assets or undertaking of the Grantee; or
 - (ii) has suspended, ceased or threatened to suspend or cease business; or
 - (iii) is unable to pay its debts; or
 - (iv) otherwise becomes insolvent; or
 - (v) suffers a change in its constitution, management, directors or shareholding which in the opinion of the Board is material; or
 - (vi) commits a breach of any contract entered into between the Grantee or its associate and any member of the Group,

its Option (to the extent not already exercised) shall lapse on the date of appointment of the liquidator or receiver or on the date of suspension or cessation of business or on the date when the Grantee is deemed to be unable to pay its debts as aforesaid or on the date of notification by the Company that the said change in the constitution, management, directors or shareholding is material or on the date of notification by the Company of the said breach of contract (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 pursuant to this paragraph 6.3(f) by reason of breach of contract or material change in the constitution, management, directors or shareholding as aforesaid shall be final and conclusive;

- (h) if a Grantee (being an individual):
- (i) is unable or has no reasonable prospects of being able to pay his/her debts within the meaning of the Bankruptcy Ordinance or any other applicable law or has otherwise become insolvent; or
 - (ii) has made any arrangement or composition with his/her creditors generally; or
 - (iii) has been convicted of any criminal offence involving his/her integrity or honesty; or
 - (iv) commits a breach of any contract entered into between the Grantee or

his/her associate and any member of the Group,

his/her Option (to the extent not already exercised) shall lapse on the date on which he/she is deemed unable or to have no reasonable prospects of being able to pay his/her debts as aforesaid or on the date on which a petition for bankruptcy has been presented in any jurisdiction or on the date on which he/she enters into the said arrangement or composition with his/her creditors or on the date of his/her conviction or on the date of the said breach of contract (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 pursuant to this paragraph 6.3(g) for breach of contract as aforesaid shall be final and conclusive;

- (i) if a Grantee being:
 - (i) an executive director of the Company ceases to be an executive but remains a non-executive director of the Company, his/her Option (to the extent not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined; or
 - (ii) a non-executive director of the Company ceases to be a director:
 - (1) by reason of retirement, his/her Option (to the extent not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined; or
 - (2) for reasons other than retirement, his/her Option (to the extent not already exercised) shall lapse on the date of cessation of such appointment 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 cessation;
- (j) if:
 - (i) the Board in its absolute discretion at any time determines that a Grantee has ceased to be an Eligible Person; or
 - (ii) a Grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions that may be attached to the grant of the Option or which were the basis on which the Option was granted,

his/her Option (to the extent not already exercised) shall lapse on the date on which the Grantee is notified thereof (in the case of (i)) or on the date on which the Grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions as aforesaid (in the case of (ii)) 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 notification or the date of such failure, non-satisfaction or non-compliance. In the case of (i), a resolution of the Board resolving that the Grantee's Option has lapsed pursuant to this paragraph 6.3(i) shall be final and conclusive;

6.4 Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with and shall have the same voting, dividend transfer and other rights, including those arising on liquidation as attached to the other fully paid Shares in issue on the date of allotment and will entitle the holders thereof to participate in all dividends or other distributions paid or made after the date of allotment 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 on or before the date of the allotment. A Share allotted and issued upon the exercise of an Option shall not rank for any rights attaching to Shares by reference to a record date preceding the date of allotment (i.e. shall not carry voting rights until the name of the Grantee has been duly registered on the register of members of the Company as the holder thereof).

R17.03(10)

6.5 Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary share capital of the Company of such nominal amount as shall result from a sub-division, consolidation, reclassification, reduction or reconstruction of the share capital of the Company from time to time.

7. EARLY TERMINATION OF OPTION PERIOD

7.1 The Option Period in respect of any Option shall automatically terminate and that Option (to the extent not already exercised) shall lapse and not be exercisable (to the extent not already exercised) on the earliest of:

R17.03(12)

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods referred to in paragraph 6.3;
- (c) the date on which the Grantee ceases to be an Eligible Participant by reason of termination of his/her relationship with our Company and/or the Subsidiaries on the grounds that he/she has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offence involving his/her integrity or honesty or in relation to an employee of the Company and/or any of the Subsidiaries, or on any other ground as determined by the Board that would warrant the termination of his/her employment at common law or pursuant to any

applicable laws or under the grantee's service contract with the Company or the relevant Subsidiaries,

- (d) the date on which the scheme of arrangement of our Company referred to in 6.3(c) becomes effective.
- (e) the date on which the Directors shall exercise the Company's right to cancel the Option by reason of a breach of paragraph 10.1 by the Grantee in respect of that or any other Option; and
- (f) the date of the commencement of winding-up of the Company.

No compensation shall be payable upon the lapse of any Option, provided that the Board shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case.

7.2 A resolution of the Directors to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in paragraph 7.1(c) has occurred shall be conclusive and binding on all persons who may be affected thereby.

7.3 Transfer of employment of a Grantee who is an Eligible Employee from one (1) member of the Group to another member of the Group shall not be considered cessation of employment. It shall not be considered cessation of employment if a Grantee who is an Eligible Employee is placed on such leave of absence which is considered by the directors of the relevant member of the Group not to be a cessation of employment of the Grantee.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

8.1 Notwithstanding any other provisions of this Scheme, the maximum number of Shares which may be allotted and issued upon exercise of all outstanding Options granted and yet to be exercised under this Scheme and any other share option scheme adopted by the Group shall not exceed 30 per cent. of the Shares in issue from time to time. No options shall be granted under this Scheme or any other share option scheme adopted by the Group if the grant of such option will result in the limit referred to in this paragraph 8.1 being exceeded.

R17.03(3)
Note 2

8.2 The total number of Shares which may be allotted and issued upon exercise of all Options (excluding, for this purpose, options which have lapsed in accordance with the terms of this Scheme and any other share option scheme of the Group) to be granted under this Scheme and any other share option scheme of the Group must not in aggregate exceed 10 per cent. of the total number of Shares in issue immediately following completion of the Global Offering (as defined in the Prospectus), the Loan Consideration Capitalisation (as defined in the Prospectus) and the Capitalisation Issue (as defined in the Prospectus) assuming the Over-allotment Option (as defined in the Prospectus) is not exercised (i.e. not exceeding 160,000,000 Shares) (**“General Scheme Limit”**), provided that, subject to such other requirements prescribed under the Listing Rules from time to time:

R17.03(3)
Note 1

- (a) subject to paragraph 8.1 and without prejudice to paragraph 8.2(b), and subject

R17.03(3)
Note 1

to the Company's issue of a circular to its shareholders and the approval of its shareholders in a general meeting to renew the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all Options to be granted under this Scheme and any other share option scheme of the Group must not exceed 10 per cent. of the Shares in issue as at the date of approval of the limit, and for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with this Scheme and any other share option scheme of the Group) previously granted under this Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Company to its Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules; and

- (b) subject to paragraph 8.1 and without prejudice to paragraph 8.2(a), the board of directors of the Company may seek separate shareholders' approval in a general meeting to grant Options under this Scheme beyond the General Scheme Limit or, if applicable, the renewed limit referred to in paragraph 8.2(a) to Eligible Participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to its Shareholders containing a generic description of the specified participants who may be granted such options, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose and such other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules. The board of directors shall forward to such Eligible Participant an offer document in accordance with paragraph 4.5.

R17.03(3)
Note 1

8.3 Subject to paragraph 8.4, the total number of Shares issued and to be issued upon exercise of the Options and the options granted under any other share option scheme of the Group (including both exercised or outstanding options) to each Grantee in any 12-month period shall not exceed 1 per cent of the Shares as at the date of grant. Where any further grant of Options to a Grantee under this Scheme would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding Options) under this Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1 per cent, of the Shares in issue, such further grant must be separately approved by shareholders of the Company in a general meeting with such Grantee and his/her close associates (or his/her/its associates if the Grantee is a connected person) abstaining from voting. The Company shall also send a circular to the Shareholders and 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 Grantee), the information required under Rule 17.02(2)(c) and (d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules, and the information required under Rule 2.17 of the Listing Rules. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before Shareholders' approval and the date of a board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

R17.03(4)

R17.04

8.4 Without prejudice to paragraph 4.2, where any grant of Options to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates (as defined in the Listing Rules) would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person under the this Scheme or any other share option schemes of our Company in the 12-month period up to and including the date of such grant:

- (a) representing in aggregate over 1 per cent. or such other percentage as may be from time to time provided under the Listing Rules of the Shares in issue on the date of such grant; and
- (b) having an aggregate value in excess of \$5 million or such other sum as may be from time to time provided under the Listing Rules, based on the official closing price of the Shares at the Offer Date of each Offer,

such further grant of Options shall be subject to the issue of a circular by the Company and must be approved by the shareholders of the Company in a general meeting on a poll at which the grantee, his/her/its associates and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting in favour, and/or such other requirements prescribed under the Listing Rules from time to time. The circular to be issued by our Company to our Shareholders pursuant to the above paragraph shall contain the following information:

- (a) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before the Company's shareholders' meeting and the date of Board meeting for proposing such further grant which shall be taken as the date of grant for the purpose of calculating the exercise price of such options;
- (b) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent shareholders of the Company as to voting;
- (c) the information required under Rules 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and
- (d) the information required under Rule 2.17 of the Listing Rules.

8.5 Without prejudice to paragraph 8.4, any grant of options under the Option to a director, chief executive or substantial shareholder of the Company or any of their respective associates (each as defined under the Listing Rules) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed Grantee of the Option).

R17.04

8.6 Any change in the terms of Options granted to any Grantee who is a substantial shareholder of the Company, an independent non-executive Director, or any of their respective associates must be approved by the shareholders of the Company in the general meeting.

8.7 For the purpose of seeking the approval of the shareholders of the Company under paragraphs 8.2, 8.3, 8.4, 8.5 and 8.6, the Company must send a circular to its shareholders containing the information required under the Listing Rules and the Grantee, his/her associates and all core connected persons of the Company under the Listing Rules shall abstain from voting in favour in general meeting.

8.8 The maximum number of Shares in respect of which Options may be granted shall be adjusted, in such manner as the auditors of the Company or an approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph 8 whether by way of sub-division, consolidation, reclassification reduction or reconstruction of the Company but in no event shall exceed the limited prescribed under paragraph 8.1.

9. ADJUSTMENTS TO THE SUBSCRIPTION PRICE

9.1 In the event of any alteration in the capital structure of the Company whilst any Option may become or remains exercisable or this Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, open offer (if there is a price dilutive element), Consolidation or subdivision of the Shares, or reduction of the share capital of the Company, such corresponding alterations (if any) shall made in the number of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of the Company or an approved independent financial adviser shall (other than in respect of an adjustment made on a capitalisation issue) certify in writing the adjustment, if any, that ought in their opinion in compliance with the Listing Rules, fairly and reasonably to be made either generally or as regards any particular Grantee, to: R17.03(13)

- (a) the number or nominal number of Shares to which this Scheme or any Option(s) relates (insofar as it is/they are unexercised); and/or
- (b) the Subscription Price of any Option; and/or
- (c) (unless the relevant Grantee elects to waive such adjustment) the number of Shares consisted in an Option or which remains consisted in an Option,

and an adjustment/alterations as so certified by the Auditors or such independent financial adviser shall be made, provided that:

- (a) any such adjustment/alterations shall give the Grantee the same proportion of the issued Shares of the Company for which such Grantee would have been entitled to subscribe had he/she exercised all the Options held by him/her immediately prior to such adjustment and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event;
- (b) no such adjustment/alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
- (c) the issue of Shares or other securities of the Group as a consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and

- (d) any such adjustment shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time promulgated by the Stock Exchange.

In respect of any adjustment referred to in this paragraph 9.1, the Auditors or such independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules and such other applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange.

9.2 If there has been any alteration in the capital structure of the Company as referred to in paragraph 9.1, the Company shall, upon receipt of a notice from a Grantee in accordance with paragraph 6.2, inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the certificate of the Auditors or the independent financial adviser obtained by the Company for such purpose or, if no such certificate has yet been obtained, inform the Grantee of such fact and instruct the Auditors or the independent financial adviser as soon as practicable thereafter to issue a certificate in that regard in accordance with paragraph 9.1.

9.3 In giving any certificate under this paragraph 9, the Auditors or the independent financial adviser appointed under paragraph 9.1 shall be deemed to be acting as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company, Grantees and all persons who may be affected thereby. The costs of the Auditors shall be borne by the Company.

10. TRANSFERABILITY OF OPTIONS

10.1 An Option shall be personal to the Grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No Option shall not be transferable or assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) whatsoever in favour of any third party over or in relation to any Option or any other relating to the grant of option made to him/her or attempt so to do, except with the prior written consent of the board of directors of the Company from time to time. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any outstanding Option granted to such Grantee to the extent.

R17.03(17)

11. CANCELLATION OF OPTIONS

11.1 Subject to paragraph 10.1 of this Scheme and Chapter 17 of the Listing Rules, any Option granted but not exercised may not be cancelled except with the prior written consent of the relevant Grantee or is otherwise approved by the relevant Grantees and the approval of the Directors.

R17.03(14)

11.2 Where the Company cancels any Option granted to a Grantee but not exercised and issues new Option(s) to the same Grantee, the issue of such new Option(s) may only be made with available unissued Options (excluding, for this purpose, the Options so cancelled) within the General Scheme Limit or the limits approved by the shareholders of the Company pursuant to paragraph 8.2(a) or 8.2(b).

12. SHARES

12.1 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 Directors shall make available sufficient authorised but unissued share capital to meet subsisting requirements on the exercise of any Option.

13. DISPUTES

13.1 Any dispute arising in connection with the number of Shares the subject of an Option, or any adjustment under paragraph 9.1 shall be referred to the decision of the Auditors who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby.

14. ALTERATION TO THIS SCHEME

14.1 Subject to paragraphs 14.2 and 14.4, this Scheme may be altered in any respect by a resolution of the Directors except that any alteration to the advantage of Grantees or prospective Grantees (as the case may be) in respect of matters contained in Rule 17.03 of the Listing Rules except with the prior approval of the shareholders of the Company in general meeting, provided that the amended terms shall remain in accordance with Chapter 17 of the Listing Rules, and if the proposed alteration shall adversely affect the terms of issue of any option granted or agreed to be granted prior to the date of alteration, or reduce the proportion of equity capital to which any person was entitled pursuant to such option prior to such alteration, such alteration shall be further subject to the grantee's approval in accordance with the terms of the Scheme.

R17.03(18)

14.2 Subject to paragraph 14.3, any alterations to the terms and conditions of this Scheme which are of a material nature shall be approved by the shareholders of the Company in general meeting except where the alterations take effect automatically under the existing terms of this Scheme, provided that the amended terms shall remain in accordance with Chapter 17 of the Listing Rules, and if the proposed alteration shall adversely affect the terms of issue of any option granted or agreed to be granted prior to the date of alteration, or reduce the proportion of equity capital to which any person was entitled pursuant to such option prior to such alteration, such alteration shall be further subject to the grantee's approval in accordance with the terms of the Scheme.

14.3 The amended terms of the Share Option Scheme or the options shall comply with the relevant requirements of Chapter 17 of the Listing Rules, the "Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rule 23.03(13) and the Note Immediately After the Rule" set out in the letter from the Stock Exchange to all listed issues dated 5 September 2005 and other relevant guidance of the Stock Exchange.

14.4 Any change to the authority of the Directors or the administrators of this Scheme in relation to any alteration to the terms of this Scheme must be approved by the shareholders of the Company in general meeting.

14.5 The terms of this Scheme and/or any Options amended pursuant to this paragraph 14 must comply with the applicable requirements of the Listing Rules and the relevant guidance of the Stock Exchange.

15. TERMINATION

15.1 The Company may by resolution of members of the Company in general meeting or of the Board at any time terminate the operation of this Scheme and in such event no further Options will be offered but in all other respects the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme and Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with this Scheme.

16. MISCELLANEOUS

16.1 This Scheme shall not form part of any contract of employment between the Company, any Subsidiary or any Invested Entity and any Eligible Employee and the rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected by his/her participation in this Scheme or any right which he/she may have to participate in it and this Scheme shall afford such an Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

16.2 This 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 give rise to any cause of action at law or in equity against the Company.

16.3 The Company shall bear the costs of establishing and administering this Scheme, including any costs of the Auditors or any independent financial adviser in relation to the preparation of any certificate by them or provision of any other service in relation to this Scheme.

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

16.5 Any notice or other communication between the Company and a Grantee may be given by sending the same by pre-paid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong and, in the case of the Grantee, his/her address in Hong Kong as notified to the Company from time to time or, if none or incorrect or out of date, his/her last place of employment with the Company or the Company's principal place of business in Hong Kong from time to time.

16.6 Any notice or other communication if sent by the Grantee shall be irrevocable and shall not be effective until actually received by the Company.

16.7 Any notice or other communication if sent to the Grantee shall be deemed to be given or made:

- (a) one (1) day after the date of posting, if sent by mail; and
- (b) when delivered, if delivered by hand.

16.7a The Company will disclose details of the Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/ period in the annual/ interim reports in accordance with the Listing Rules in force from time to time.

16.8 All allotments and issues of Shares pursuant to this Scheme shall be subject to any necessary consents under the relevant laws, enactments or regulations for the time being in force in the Cayman Islands or elsewhere and a Grantee shall, before accepting an Offer or exercising his/her Option, obtain all necessary consents that may be required to enable him/her to accept the Offer or to exercise the Option and the Company to allot and issue to him/her in accordance with the provisions of this Scheme the Shares falling to be allotted and issued upon the exercise of his/her Option. By accepting an Offer or exercising his/her Option, the Grantee thereof is deemed to have represented to the Company that he/she has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of an Offer by a Grantee and an exercise by a Grantee of his/her Options. A Grantee shall indemnify the Company fully against all claims, demands, liabilities, actions, proceedings, fees, costs and expenses which the Company may suffer or incur (whether alone or jointly with other party or parties) for or in respect of any failure on the part of the Grantee to obtain any necessary consent or to pay tax or other liabilities referred therein.

16.9 A Grantee shall pay all tax and discharge all other liabilities to which he/she may become subject as a result of his/her participation in this Scheme or the exercise of any Option.

16.10 By accepting an Offer, an Eligible Participant shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever, to any sum or other benefit to compensate him for loss of any rights under this Scheme.

16.11 This Scheme and all Options granted shall be subject to the requirements of all applicable laws and the Listing Rules.

17. GOVERNING LAW

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

**** * * End of this Scheme * * ****