

XINCHEN CHINA POWER HOLDINGS LIMITED
(新晨中國動力控股有限公司)

SHARE OPTION SCHEME

Table of Contents

	<u>Page</u>
1. DEFINITIONS.....	1
2. CONDITIONS	4
3. PURPOSE, DURATION AND CONTROL OF THIS SCHEME	5
4. DETERMINATION OF ELIGIBILITY OF ELIGIBLE PARTICIPANTS	5
5. OPTIONS.....	6
6. OPTIONS TO CONNECTED PERSONS.....	8
7. EXERCISE PRICE	9
8. EXERCISE OF OPTIONS	10
9. LAPSE OF OPTION.....	12
10. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION	13
11. CAPITAL RESTRUCTURING.....	15
12. SUFFICIENT SHARE CAPITAL.....	16
13. DISPUTES	16
14. ALTERATION OF THIS SCHEME.....	16
15. TERMINATION.....	18
16. CANCELLATION OF OPTIONS.....	18
17. DISCLOSURE IN ANNUAL AND INTERIM REPORTS.....	18
18. GENERAL.....	18
19. GOVERNING LAW.....	20

XINCHEN CHINA POWER HOLDINGS LIMITED
(新晨中國動力控股有限公司)
(Incorporated in the Cayman Islands with limited liability)

RULES OF THE SHARE OPTION SCHEME

1. DEFINITIONS

1.1 In this Scheme, except where the context otherwise requires, the following words and expressions have the following meanings:

“**Acceptance Date**” means the date upon which an offer for an Option must be accepted by the relevant Eligible Participant which date shall be not later than 14 days after the Offer Date provided that no such offer shall be open for acceptance after the expiry of the Scheme Period or after the termination of this Scheme;

“**Adoption Date**” means [•] 2023, the date on which this Scheme was conditionally adopted by an ordinary resolution of the shareholders of the Company;

“**approved independent financial adviser**” means such independent financial adviser as approved by the Board;

“**Articles**” means the memorandum of association and articles of association of the Company as amended from time to time;

“**associate**” shall have the meaning ascribed to it in the Listing Rules, as amended and varied from time to time;

“**Board**” means the board of directors of the Company for the time being or a duly authorized committee thereof;

“**Board Lot**” means the board lot in which the Shares are traded on the Stock Exchange from time to time;

“**Business Day**” means a day on which the Stock Exchange is open for the business of dealing in securities;

“**Cancelled Shares**” means those Shares which were the subject of Options which had been granted and accepted under this Scheme or any of the other schemes but subsequently cancelled;

“**close associate**” shall have the meaning ascribed to it in the Listing Rules, as amended or varied from time to time;

“**Commencement Date**” means, in respect of an Option, the date upon which the Vesting Period commences;

“**Companies Act**” means the Companies Act (Revised) of the Cayman Islands, as amended from time to time and every statutory modification or re-enactment thereof for the time being in effect;

“**Company**” means Xinchon China Power Holdings Limited (新晨中國動力控股有限公司), a limited liability company incorporated in the Cayman Islands;

“**Connected Person**” has the meaning ascribed to it in the Listing Rules, as amended or varied from time to time;

“**Director**” means a director of the Company;

“**Eligible Participant**” means any full-time or part-time Employee Participants, Related Entity Participants, and Service Providers who, in the sole opinion of the Board, will contribute or has contributed to the Company and/or any of its Subsidiaries;

“**Employee Participants**” shall have the meaning ascribed to it in the Listing Rules, as amended or varied from time to time;

“**Exercise Date**” means the date of the notice given by the Grantee in respect of the exercise of the Option in accordance with paragraph 8.1;

“**Exercise Price**” means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as determined by the Board in accordance with paragraph 7;

“**Expiry Date**” means, in respect of an Option, the date of the expiry of the Option as may be determined by the Board which shall not be later than the last day of the Option Period in respect of such Option;

“**Grantee**” means any Eligible Participant who accepts the offer of the grant of an Option in accordance with the rules of this Scheme;

“**HK\$**” means Hong Kong dollars, the lawful currency of Hong Kong;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Listing Rules**” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time;

“**Offer**” means an offer of Option(s) to an Eligible Participant;

“**Offer Date**” means in respect of an Option, the date on which such Option is offered in writing to an Eligible Participant (which must be a Business Day);

“**Offer Document**” means a document by which an offer of Options is made to an Eligible Participant, in such form as the Board may from time to time determine;

“**Option**” means a right granted by the Company under this Scheme, which right permits (but does not obligate) a Grantee to subscribe for Shares in accordance with the terms of this Scheme;

“**Option Period**” means in respect of an Option, the period to be notified by the Board to each Grantee within which the Option may be exercisable provided that such period of time shall not exceed a period of ten (10) years from the date of grant of the Option;

“**other schemes**” means other than this Scheme, all the share schemes involving the grant by the Company of (i) new Shares of the Company; (ii) options over new shares of the Company, to, or for the benefit of, specified participants of such schemes (which includes a grant of any such shares or options to a trust or similar arrangement for the benefit of a specified participant), share schemes of the Company that are funded by existing Shares, share scheme of a principal subsidiary of the Company, or any arrangement involving the grant of Shares or other securities

of the Company or a principal subsidiary of the Company (including options over any such shares or securities) which, in the opinion of the Stock Exchange, is analogous to a share scheme as described in Chapter 17 of the Listing Rules;

“**Personal Representative(s)**” means a person or persons who, in accordance with the laws of succession applicable in respect of the death of such Grantee is or are entitled to exercise the Option accepted by such Grantee (to the extent not already exercised) in consequence of the death of such Grantee;

“**Related Entity Participants**” has the meaning ascribed to it in the Listing Rules, as amended or varied from time to time;

“**Scheme Mandate Limit**” has the meaning ascribed to it in paragraph 10.1;

“**Scheme Period**” means a period commencing on the Adoption Date and ending on the tenth anniversary of the Adoption Date (both dates inclusive);

“**Service Provider(s)**” means any person who provides services to the Company or any of its subsidiaries on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Company or any of its subsidiaries, including (i) persons or entities (as independent contractors, consultants, advisors or otherwise) that provide support or any advisory, consultancy, professional or other services to the Company or any of its subsidiaries (such as, without limitation, support or services in relation to research and development, strategic or commercial planning on corporate image, investor relations, product quality control, and regulations and policies); and (ii) suppliers of goods or services to the Company or any of its subsidiaries (such as, without limitation, suppliers of raw materials and machinery, and machinery maintenance services), but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions and professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity;

“**Service Providers Sublimit**” has the meaning ascribed to it in paragraph 10.2;

“**Shares**” means ordinary shares of HK\$0.01 each in the capital of the Company or, if there has been a capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital in the share capital of the Company, shares forming part of the ordinary equity share capital of the Company of such other nominal amount as shall result from any such capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital in the share capital of the Company;

“**Special Resolution**” means a resolution passed at a meeting of the Grantees (being only those Grantees holding Options, all or any part of which is unexercised as at the time of the meeting at which the resolution is proposed) duly convened and held and carried by a majority consisting of not less than three-fourths of the votes cast upon a show of hands or if a poll is duly demanded, by a majority consisting of not less than three-fourths of the votes cast on a poll;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited or (if applicable) such other stock exchange on which the issued share capital of the Company is primarily listed;

“**Subsidiary**” has the meaning ascribed to it in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;

“**substantial shareholder**” has the meaning ascribed to it in the Listing Rules, as amended or varied from time to time;

“**this Scheme**” means the share option scheme of the Company, the rules of which are set out in this document in its present or any amended form; and

“**Vesting Period**” means the vesting period as described in the respective Grantee’s Offer Document.

In this Scheme, save as specifically mentioned, all references to the definitions and rules on connected transactions contained in Chapter 1 and Chapter 14A of the Listing Rules shall be references to those definitions and rules contained in Chapter 1 and Chapter 14A of the Listing Rules, as amended from time to time.

1.2 In this Scheme, unless the context otherwise requires:

- (a) paragraph headings are inserted for convenience of reference only and shall not affect the interpretation of this Scheme;
- (b) references to paragraphs are to paragraphs of this Scheme;
- (c) the singular includes the plural and vice versa;
- (d) references to one gender shall include both genders and the neuter;
- (e) any reference to any statute or statutory provision shall include any statute or statutory provision which amends or replaces, or has amended or replaced it, and shall include any subordinate legislation made under the relevant statute; and
- (f) a reference to a “**person**” shall be construed so as to include any individual, firm, business, company, body corporate or unincorporated or other juridical person, government, federation, state or agency thereof or any joint venture, association, partnership or trust (whether or not having separate legal personality).

2. **CONDITIONS**

2.1 This Scheme shall take effect subject to and is conditional upon:

- (a) the passing of the necessary resolutions by the Board and the shareholders of the Company to approve and adopt the rules of this Scheme, the Scheme Mandate Limit and the Service Provider Sublimit; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Shares falling to be issued pursuant to the exercise of Options under this Scheme.

2.2 Unless otherwise approved by the Board, if the conditions in paragraph 2.1 are not satisfied within six calendar months from the Adoption Date:

- (a) this Scheme shall forthwith terminate;
- (b) any Option granted or agreed to be granted pursuant to this Scheme and any offer of such a grant shall be of no effect; and
- (c) no person shall be entitled to any rights or benefits or be under any obligation under or in respect of this Scheme or any Option.

3. PURPOSE, DURATION AND CONTROL OF THIS SCHEME

- 3.1 The purpose of this Scheme is to provide an incentive or reward for the Grantees for their contribution or potential contribution to the Company and/or any of its Subsidiaries.
- 3.2 Subject to paragraph 15 and fulfilment of the conditions in paragraph 2.1, this Scheme shall be valid and effective during the Scheme Period after which no further Options will be granted but the provisions of this Scheme shall in all other respects remain in full force and effect 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 this Scheme and Options granted prior thereto but not yet exercised shall continue to be valid and exercisable in accordance with this Scheme.
- 3.3 This Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to this Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties. The Board shall have the right to (i) interpret and construe the provisions of the Scheme, (ii) determine the persons who will be awarded Options under the Scheme, and the number and Exercise Price of Options awarded thereto, (iii) make such appropriate and equitable adjustments to the terms of Options granted under the Scheme as it deems necessary and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the Scheme.

4. DETERMINATION OF ELIGIBILITY OF ELIGIBLE PARTICIPANTS

- 4.1 The Eligible Participants under this Scheme shall include (i) full-time or part-time Employee Participants; (ii) Related Entity Participants; and (iii) Service Providers who, in the sole opinion of the Board, will contribute or has contributed to the Company and/or any of its Subsidiaries.
- 4.2 In determining the basis of eligibility of each Eligible Participant, the Board shall take into account, including but not limited to, the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group (if the Eligible Participant is an employee or a director of any member of the Group), the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Eligible Participant has established with the Group (if the Eligible Participant is a Service Provider of any member of the Group), and the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.
- 4.3 For Employee Participants, the Board's assessment shall include, but not be limited to, the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the individual contribution or potential contribution to the development and growth of the Group.
- 4.4 For each category of the Service Providers, the Board's assessment shall include, but not be limited to, whether the nature of professional services provided by the Service Provider is in line with the Group's business need and industry norm, desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group, having regard to the Group's business segments and focuses from time to time, the individual performance of relevant Service Providers, the length of business relationship with the Group,

the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties), track record in the quality of services provided to and/or cooperation with the Group and the scale of business dealings with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Providers. In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis and in its ordinary and usual course of business, the Board shall take into consideration the length and type of services provided and the recurrences and regularity of such services, the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group.

5. OPTIONS

5.1 The Board shall, subject to and in accordance with the provisions of this Scheme and the Listing Rules, be entitled to but shall not be bound, at any time on any Business Day during the Scheme Period to offer to grant an Option to any Eligible Participant whom the Board may in its absolute discretion select and subject to such 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) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances) as it may think fit, provided that the maximum number of Shares in respect of which Options may be granted under this Scheme to any individual Eligible Participant, shall not, when aggregated with:

- (a) any Shares issued upon exercise of Options or options under any other schemes which have been granted to that individual Eligible Participant;
- (b) any Shares issued upon acceptance of share awards under any other schemes which have been granted to that individual Eligible Participant;
- (c) any Shares which would be issued upon the exercise of outstanding Options or options under any other schemes granted to that individual Eligible Participant;
- (d) any Shares which would be issued upon the acceptance of outstanding share awards under any other schemes granted to that individual Eligible Participant; and
- (e) any Cancelled Shares which were the subject of Options or options or awards under any other schemes which had been granted to and accepted by that Eligible Participant,

in any twelve (12) month period up to the Offer Date, exceed one (1) percent of the number of Shares in issue on the Offer Date.

5.2 If the Board determines to offer Options to an individual Eligible Participant which exceed the limit set out in paragraph 5.1:

- (a) that grant shall be subject to (i) the issue of a circular by the Company to its shareholders which shall comply with Rules 17.02(2), 17.03D(2) and 17.06 of the Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time; and (ii) the approval of the shareholders of the Company in general meeting at which that Eligible Participant and his close associates (or his associates if the Grantee is a Connected Person) shall abstain from voting; and

- (b) unless provided otherwise in the Listing Rules, the date of the Board meeting at which the Board resolves to grant the proposed Options to that Eligible Participant (or, where the Directors approve such grant by way of written resolution(s), the date on which such Directors' written resolution(s) take effect in accordance with the Articles) shall be taken as the Offer Date for the purpose of calculating the Exercise Price.
- 5.3 If the Board determines to offer an Option to an Eligible Participant in accordance with paragraph 5.1, the Board shall forward to the relevant Eligible Participant an Offer Document or, alternatively, documents accompanying the offer document which state among others:-
- (a) the Eligible Participant's name, address and occupation;
 - (b) the Offer Date;
 - (c) the Acceptance Date;
 - (d) the Commencement Date or, if the Option Period does not commence on the Commencement Date, the date of commencement of the Option Period;
 - (e) the number of Shares in respect of which the Option is offered;
 - (f) the Exercise Price and the manner of payment of the Exercise Price for the Shares on and in consequence of the exercise of the Option;
 - (g) the Expiry Date in relation to that Option;
 - (h) the method of acceptance of the Option which, unless the Board otherwise determines, shall be as set out in paragraph 5.4; and
 - (i) such other terms and conditions (including, without limitation, any minimum period for which an Option must be held before it can be exercised and/or any performance targets, which are in general absent unless otherwise determined by the Board and stated in the Offer Document, that must be achieved before the Option can be exercised) relating to the offer of the Option which in the opinion of the Board are fair and reasonable but not being inconsistent with this Scheme and the Listing Rules.
- 5.4 An Option shall be deemed to have been granted (subject to certain restrictions in this Scheme), and accepted by the Grantee and to have taken effect upon the issue of an option certificate after the duplicate Offer Document constituting acceptance of the Option duly signed by the Grantee, 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 on or before the relevant Acceptance Date. Such remittance shall in no circumstances be refundable. Upon acceptance, the Option is granted as from the Offer Date.
- 5.5 Any offer to grant an Option may be accepted in respect of less than the number of Shares for which it is offered, provided that it must be 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 Option in the manner as set out in paragraph 5.4. To the extent that the offer to grant an Option is not accepted by the Acceptance Date, it shall be deemed to have been irrevocably declined.
- 5.6 The Options shall not be listed or dealt in on the Stock Exchange.

- 5.7 An Option and an offer to grant an Option shall be personal to the Grantee and shall not be transferable or assignable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option held by him or any offer relating to the grant of an Option made to him or attempt to do so (save that the Grantee may nominate a nominee in whose name the Shares issued pursuant to this Scheme may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee.
- 5.8 For so long as the Shares are listed on the Stock Exchange, the Board shall not grant any Option after inside information has come to the knowledge of the Company until (and including) the trading day after the Company has announced such inside information pursuant to the requirements of the Listing Rules. In particular, no Options shall be granted during the period commencing one month immediately preceding the earlier of:
- (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to publish an announcement of results for (i) any year or half-year period in accordance with the Listing Rules, and (ii) where the Company has elected to publish them, whether or not required under the Listing Rules, results for any quarterly or any other interim period,
- and ending on the actual date of the results announcement for such year, half year, quarterly or interim period (as the case may be). The period during which no Option may be granted will cover any period of delay in the publication of a results announcement.
- 5.9 For so long as the Shares are listed on the Stock Exchange, no Options may be granted to a Director on any day on which financial results of the Company are published and:
- (a) during the period of sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
 - (b) during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

6. OPTIONS TO CONNECTED PERSONS

- 6.1 Subject to paragraphs 5.2, 6.2, 10.3 and 10.4, if the Board determines to offer to grant Options to any director, chief executive or substantial shareholder of the Company, or any of their respective associates, such grant shall be subject to the approval by all the independent non-executive Directors of the Company (and in the event that the Board offers to grant Options to an independent non-executive Director of the Company, the vote of such independent non-executive Director shall not be counted for the purposes of approving such grant).
- 6.2 If the Board determines to offer to grant Options to a substantial shareholder or an independent non-executive Director of the Company or any of their respective associates and that grant would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the respective scheme) to such person under this Scheme and any other schemes in the twelve

(12)-month period up to and including the Offer Date representing in aggregate over 0.1 percent, or such other percentage as may from time to time be provided under the Listing Rules, of the Shares in issue on the Offer Date, such grant shall be subject to, in addition to the approval of the independent non-executive Directors of the Company as referred to under paragraph 6.1, the issue of a circular by the Company to its shareholders and the approval of the shareholders of the Company in general meeting by way of a poll convened and held in accordance with the Articles at which the Grantee, his associates and all core Connected Persons of the Company shall abstain from voting, and/or such other requirements prescribed under the Listing Rules from time to time. Unless provided otherwise in the Listing Rules, the date of the Board meeting at which the Board proposes to grant the proposed Options to that Eligible Participant (or, where the Directors approve such grant by way of written resolution(s), the date on which such Directors' written resolution(s) take effect in accordance with the Articles) shall be taken as the Offer Date for the purpose of calculating the Exercise Price.

6.3 The circular to be issued by the Company to its shareholders pursuant to paragraph 6.2 shall contain the following information:

- (a) details of the number and terms (including the Exercise Price) of the Options to be granted to each Eligible Participant which must be fixed before the shareholders' meeting and the Offer Date (which shall be the date of the Board meeting at which the Board proposes to grant the proposed Options to that Eligible Participant (or, where the Directors approve such grant by way of written resolution(s), the date on which such Directors' written resolution(s) take effect in accordance with the Articles));
- (b) the views of the independent non-executive directors of the Company (excluding any independent non-executive director who is also a Grantee of the proposed Options) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the issuer and its shareholders as a whole, and their recommendation to the independent shareholders of the Company as to voting;
- (c) the information required under Rule 17.02(2)(c) of the Listing Rules; and
- (d) the information required under Rule 2.17 of the Listing Rules.

7. **EXERCISE PRICE**

The Exercise Price in relation to each Option offered to an Eligible Participant shall, subject to the adjustments referred to in paragraph 11, be determined by the Board in its sole discretion. However, in all circumstances, the Exercise Price shall be at least the higher of:

- (a) the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the Offer Date;
- (b) the average of the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five (5) Business Days immediately preceding the Offer Date; and
- (c) the nominal value of a Share,

provided that for the purpose of determining the Exercise Price under paragraph 7(b), where the Shares have been listed on the Stock Exchange for less than five (5) Business Days preceding the Offer Date, the issue price of the Shares in connection with such listing shall be deemed to be the closing price of the Shares for any Business Day falling within the period

before the listing of the Shares on the Stock Exchange.

8. EXERCISE OF OPTIONS

- 8.1 Subject to paragraphs 8.2, 8.3 and 8.4, an Option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one Board Lot for dealing in Shares on the Stock Exchange for the time being or an integral multiple thereof, by the Grantee 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 Exercise Price for the Shares in respect of which the notice is given. Within thirty (30) days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the approved independent financial adviser as the case may be pursuant to paragraph 11, the Company shall allot and issue the relevant number of Shares to the Grantee credited as fully paid and issue to the Grantee certificates in respect of the Shares so allotted.
- 8.2 The manner in which the Grantees are entitled to exercise their Option shall be set out in the respective Grantee's Offer Document.
- 8.3 The exercise of any Option shall be subject to the approval of shareholders of the Company in general meeting of any necessary increase in the authorised share capital of the Company.
- 8.4 Unless otherwise provided in the respective Grantee's Offer Document, subject as hereinafter provided and only to the extent to which the Option is exercisable pursuant to paragraph 8.2 hereof but is not exercised, an Option may be exercised by a Grantee at any time or times 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, injury, disability or the termination of his relationship with the Company and/or any of its Subsidiaries on one or more of the grounds specified in paragraph 9(e), the Grantee may exercise the Option up to his entitlement at the date of cessation of being an Eligible Participant (to the extent not already exercised) within the period of thirty (30) days (or such longer period as the Board may determine) following the date of such cessation (which date shall be, in relation to a Grantee who is an Eligible Participant by reason of his employment with the Company or any of its Subsidiaries, the last date of his employment with the Company or the relevant Subsidiary as recorded as such by the Company or the relevant Subsidiary (as the case may be));
 - (b) in the case of the Grantee ceasing to be an Eligible Participant by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the Board) and none of the events which would be a ground for termination of his relationship with the Company and/or any of its Subsidiaries under paragraph 9(e) has occurred, the Grantee or the Personal Representative(s) of the Grantee shall be entitled within a period of twelve (12) months (or such longer period as the Board may determine) from the date of cessation of being an Eligible Participant (which date shall be, in relation to a Grantee who is an Eligible Participant by reason of his employment with the Company or any of its Subsidiaries, the last date of his employment with the Company or the relevant Subsidiary as recorded as such by the Company or the relevant Subsidiary (as the case may be)) or the date of death (as the case may be) to exercise the Option in full (to the extent not already exercised);
 - (c) if a general offer (whether by way of take-over offer, share repurchase offer or

scheme of arrangement 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 association or in concert with the offeror), 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 shall become, by the exercise in full of the Options granted to them, shareholders of the Company). If 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 his Option in full (to the extent not already exercised) at any time within fourteen (14) days after the date on which such general offer becomes or is declared unconditional;

- (d) if a compromise or arrangement between the Company and its shareholders and/or creditors is proposed 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 pursuant to the Companies Act, the Company shall give notice thereof to all the Grantees (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to shareholders and/or creditors of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee shall be entitled to exercise all or any of his 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 general meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there is more than one 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 Board 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; and
- (e) in the event a notice is given by the Company to its shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees and thereupon, each Grantee (or in the case of the death of the Grantee, his Personal Representative(s)) shall be entitled to exercise all or any of his Options (to the extent not already lapsed or exercised) at any time not later than two (2) Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company in accordance with paragraph 8.1, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the Grantee credited as fully paid.

- 8.5 No dividends shall be payable in relation to the Shares that are the subject of Options that have not been exercised. The Shares to be allotted upon the exercise of an Option shall not carry voting rights until completion of the registration of the Grantee (or such other person nominated by the Grantee) as the holder thereof. Subject as aforesaid, the Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the Articles and shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the fully paid Shares in issue on the date of issue and rights in respect of any dividend or other distributions paid or made on or after the date on which the Grantee is registered as a member. Shares issued on 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.
- 8.6 Options granted under this Scheme shall be subject to such vesting conditions as set forth in this Scheme and the respective Grantee's Offer Document.
- 8.7 Save for the circumstances described in paragraph 8.8 below, an Option must be held by the holder of the Option for at least twelve (12) months before the Option can be exercised.
- 8.8 A shorter vesting period may be granted to Employee Participants at the discretion of the Board or a committee or any other authorised agent(s) as deemed appropriate at the sole discretion of the Board in any of the following circumstances:
- (a) grants of "make-whole" Options to new joiners to replace the share awards or options they forfeited when leaving the previous employer;
 - (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
 - (c) grants with performance-based vesting conditions in lieu of time-based vesting criteria;
 - (d) grants that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;
 - (e) grants with a mixed or accelerated vesting schedule such as where the Option may vest evenly over period of twelve (12) months;
 - (f) grants with a total vesting and holding period of more than twelve (12) months; and
 - (g) the remuneration committee of the Company is of the view that a shorter vesting period is appropriate and serves the purpose of this Scheme.

9. LAPSE OF OPTION

Unless otherwise provided in the respective Grantee's Offer Document, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:-

- (a) the Expiry Date relevant to that Option;

- (b) the expiry of any of the periods referred to in paragraphs 8.4(b) to 8.4(e);
- (c) the date on which the compromise or arrangement of the Company referred to in paragraph 8.4(d) becomes effective;
- (d) the date of commencement of the winding-up of the Company in respect of the situation contemplated in paragraph 8.4(e) (as determined in accordance with the Companies Act);
- (e) the date on which the Grantee ceases to be an Eligible Participant:
 - (i) by reason of his dismissal, or
 - (ii) by reason of the termination of his relationship with the Company and/or any of its Subsidiaries on any one or more of the following grounds:
 - (1) that he has been guilty of serious misconduct;
 - (2) that he has been convicted of any criminal offence involving his integrity or honesty or in relation to an employee or consultant of the Company and/or any of its Subsidiaries (if so determined by the Board);
 - (3) that he has become insolvent, bankrupt or has made arrangements or compositions with his creditors generally; or
 - (4) on any other ground on which an employer would be entitled to unilaterally terminate his employment or service at common law or pursuant to any applicable laws or under the Grantee's service contract with the Company or the relevant Subsidiary.

A resolution of the Board or the board of directors of the relevant Subsidiary to the effect that the relationship of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph 9(e)(ii) shall be conclusive;
- (f) the date that is thirty (30) days after the date on which the Grantee is terminated by the Company and/or any of its Subsidiaries on a ground other than those set forth in paragraph (e);
- (g) the date on which the Board shall exercise the Company's right to cancel the Option at any time after the Grantee commits a breach of paragraph 5.7 or the Options are cancelled in accordance with paragraph 16; or
- (h) the occurrence of such event or expiry of such period as may have been specifically provided for in the Offer Document, if any.

10. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- 10.1 Unless further approval has been obtained pursuant to paragraph 10.3, the maximum number of Shares in respect of which Options may be granted under this Scheme and Shares in respect of which Options may be granted or which may be awarded under any other scheme(s) shall not in aggregate exceed [128,221,179], being the number of Shares that represents ten (10) percent of the total number of Shares in issue as at the Adoption Date (the "**Scheme Mandate Limit**"). For the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit, options or awards which have lapsed in accordance with the terms of the

relevant scheme shall not be counted. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit or the Service Provider Sublimit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under this Scheme and all other schemes under the Scheme Mandate Limit or the Service Provider Sublimit as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

- 10.2 Unless further approval has been obtained pursuant to paragraph 10.3, within the Scheme Mandate Limit, the total number of Shares which may be issued upon exercise of all Options to be granted to Service Providers shall not exceed such number of Shares which represents one (1) percent of the total issued Shares as at the Adoption Date (the “**Service Provider Sublimit**”).
- 10.3 The Company may seek approval of the shareholders of the Company in the general meeting for refreshing the Scheme Mandate Limit (as set out in paragraph 10.1 above) and the Service Provider Sublimit (as set out in paragraph 10.2 above) under this Scheme after three (3) years from the date of shareholders’ approval for the last refreshment (or the adoption of this Scheme).
- 10.4 Any refreshment within any three(3)-year period must be approved by the shareholders of the Company subject to the following provisions:
- (a) any controlling shareholders and their associates (of if there is no controlling shareholder, directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting;
 - (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.
- 10.5 The requirements under paragraphs 10.4(a) and 10.4(b) do not apply if the refreshment is made immediately after an issue of securities by the Company to its shareholders on a pro rata basis set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the total issued Shares) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.
- 10.6 The total number of Shares which may be issued in respect of all Options to be granted under this Scheme (in aggregate with any other options and awards to be granted under any other schemes that involve(s) the issuance of new Shares) under the Scheme Mandate Limit as refreshed shall not exceed ten (10) percent of the total issued Shares as at the date of approval of the refreshed Scheme Mandate Limit. The Company shall send a circular to its shareholders containing all such information as may be required under the Listing Rules.
- 10.7 The Company may seek separate approval by its shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided the Options in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company shall send a circular to its shareholders containing all such information as may be required under the Listing Rules. In addition, the number and terms of Options to be granted to such Eligible Participant shall be fixed before shareholders’ approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant (or, where the Directors propose such grant by way of written resolution(s), the date on which such Directors’ written resolution(s) take effect in accordance with the Articles) should be taken as the date of grant for the purpose of

calculating the Exercise Price.

- 10.8 The Scheme Mandate Limit (including the Service Provider Sublimit) referred to in paragraphs 10.1 and 10.2 and (or as increased in accordance with paragraph 10.3) shall be adjusted, in such manner as the approved independent financial adviser shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of share capital of the Company in accordance with paragraph 11.
- 10.9 Unless approved by the shareholders of the Company in general meeting in a manner prescribed under the Listing Rules, the Board shall not grant Options to any Grantee if the acceptance of those Options would result in the total number of Shares issued and to be issued to that Grantee on exercise of his Options during any twelve (12) month period up to and including the Offer Date exceeding one (1) percent of the total Shares then in issue.
- 10.10 Where any further grant of Options to a Grantee, if exercised in full, would result in the total number of Shares already issued and/or to be issued in respect of all options and awards granted to such Grantee (excluding any options and awards lapsed in accordance with the terms of the scheme) in any twelve (12) month period up to and including the date of such further grant representing in aggregate over one (1) percent of the total number of Shares in issue, such further grant must be separately approved by the shareholders of the Company in general meeting with such Grantee and his close associates (or his associates if the Grantee is a Connected Person) abstaining from voting. The Company must send a circular to its shareholders and the circular must disclose the identity of the Grantee, the number and terms of the Options to be granted and Options previously granted to such Grantee in the twelve (12) month period, the purpose of granting Options to the Grantee, an explanation as to how the terms of the Options serve such purpose, and the information required under Rule 17.02(2) of the Listing Rules. The number and terms (including the Exercise Price) of the Options to be granted to such Grantee must be fixed before the shareholders' approval. The date of the meeting of the Board for proposing such further grant of Options should be taken as the date of grant for the purpose of calculating the Exercise Price.

11. CAPITAL RESTRUCTURING

- 11.1 In the event of any capitalisation issue, rights issue, open offer (if there is a price dilutive element), sub-division or consolidation of shares, or reduction of capital of the Company in accordance with applicable laws and regulatory requirements, such corresponding alterations (if any) shall be made (except on an issue of securities of the Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment) in:
- (a) the number of Shares subject to any outstanding Options;
 - (b) the Exercise Price; and/or
 - (c) the number of Shares subject to this Scheme,

as the approved independent financial adviser shall at the request of the Company or any Grantee, certify in writing either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that a Grantee shall have as near as possible the same proportion of the equity capital of the Company (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all the issuers relating to share option schemes) as that to which he was entitled to subscribe had he exercised all the Options held by him

immediately before such adjustments and the aggregate Exercise Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable a Share to be issued at less than its nominal value, provided that no adjustment to the Exercise Price and number of Shares should be made to the advantage of the Eligible Participants without specific prior approval of the shareholders of the Company. The capacity of the approved independent financial adviser in this paragraph is that of experts and not arbitrators and their certificate shall, in the absence of manifest error, be final and conclusive and binding on the Company and the Grantees.

- 11.2 In respect of any adjustments required by paragraph 11.1, the approved independent financial adviser shall confirm to the Board in writing that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the notes thereto and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to share option schemes and/or such other requirement prescribed under the Listing Rules from time to time.
- 11.3 If the Company (or any of its subsidiaries) conducts a share consolidation or subdivision after the Scheme Mandate Limit or the Service Provider Sublimit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all of the schemes of the listed issuer (or the subsidiary) under the Scheme Mandate Limit or the Service Provider Sublimit as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same.
- 11.4 For the avoidance of doubt, in no circumstances shall the Exercise Price be less than the par value of the Shares.

12. **SUFFICIENT SHARE CAPITAL**

Subject to paragraph 8.3, the Board shall at all times set aside for the purposes of this Scheme, out of the authorized but unissued share capital of the Company, such number of Shares as the Board may from time to time determine to be sufficient to meet subsisting requirements for the exercise of outstanding Options.

13. **DISPUTES**

Any dispute arising in connection with this Scheme (whether as to the number of Shares subject to an Option, the amount of the Exercise Price or otherwise) shall be referred to the approved independent financial adviser 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 OF THIS SCHEME**

- 14.1 The terms and conditions of this Scheme and the regulations for the administration and operation of this Scheme (provided that the same are not inconsistent with this Scheme and the Listing Rules) may be altered in any respect by resolution of the Board or scheme administrators except:
- (a) any alterations to the terms and conditions of this Scheme which are of a material nature or any alterations to the advantage of the Grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules, including without limitation, the definitions of “Eligible Participant”, “Expiry

Date”, “Grantee” and “Option Period” in paragraph 1.1 and the provisions in paragraphs 3 to 11, 15 and 16 and this paragraph 14; or

- (b) any change in the terms of Options granted to a Grantee or an Eligible Participant, which must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the shareholders of the Company (as the case may be) if the initial grant of the Options was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the shareholders of the Company (as the case may be), except any alterations which take effect automatically under the terms of this Scheme;
- (c) any change in the terms of Options granted to a Grantee who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the shareholders of the Company if the initial grant of the Options requires such approval, except any alterations which take effect automatically under the terms of this Scheme; or
- (d) any change to the authority of the Board in respect of alteration of this Scheme.

14.2 The changes and/or alterations mentioned under paragraphs 14.1(a), 14.1(c), 14.1(d) and 14.1(b) (in the case where initial grant of the Options was approved by the shareholders of the Company) must be made with the prior approval of the shareholders of the Company in general meeting at which any persons to whom or for whose benefit the Shares may be issued under this Scheme and their respective associates shall abstain from voting provided that the amended terms of this Scheme or the Options shall remain in compliance with Chapter 17 of the Listing Rules and no alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such Option prior to such alteration except with:

- (i) the consent in writing of Grantees holding in aggregate Options which if exercised in full on the date immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all Shares which would fall to be issued upon the exercise of all Options outstanding on that date; or
- (ii) the sanction of a Special Resolution.

Written notice of any alterations made in accordance with this paragraph 14.2 shall be given to all Grantees.

14.3 In respect of any meeting of Grantees referred to in paragraph 14.2, all the provisions of the Articles as to general meetings of the Company shall *mutatis mutandis* apply as though the Options were a class of shares forming part of the capital of the Company except that:-

- (a) not less than seven (7) days’ notice of such meeting shall be given;
- (b) a quorum at any such meeting shall be two Grantees present in person or by proxy and holding Options entitling them to the issue of one-tenth in nominal value of all Shares which would fall to be issued upon the exercise of all Options then outstanding unless there is only one Grantee holding all Options then outstanding, in which case the quorum shall be one Grantee;
- (c) every Grantee present in person or by proxy at any such meeting shall be entitled, on a show of hands to one vote, and on a poll to one vote, for each Share to which he would be entitled upon exercise in full of his Options then outstanding;

- (d) any Grantee present in person or by proxy may demand a poll; and
- (e) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, not being less than seven (7) or more than fourteen (14) days thereafter, and to such place as may be appointed by the chairman of the meeting. At any adjourned meeting those Grantees who are then present in person or by proxy shall form a quorum and at least seven days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Grantees who are then present in person or by proxy shall form a quorum.

15. **TERMINATION**

- 15.1 The Company by ordinary resolution in general meeting or the Board may at any time resolve to terminate the operation of this Scheme and in such event no further Options shall be offered or granted but the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Option granted prior to the termination or otherwise as may be required in accordance with the provisions of this Scheme. Options granted prior to such termination shall continue to be valid and exercisable in accordance with this Scheme.
- 15.2 Details of the Options granted, including Options exercised or outstanding, under this Scheme shall be disclosed in the circular to shareholders of the Company seeking approval of any new scheme established or refreshment of the Scheme Mandate Limit under any existing scheme after the termination of this Scheme.

16. **CANCELLATION OF OPTIONS**

Any cancellation of Options granted must be approved in writing by the Grantees of the relevant Options. For the avoidance of doubt, such approval is not required in the event any Option is cancelled pursuant to paragraph 5.7. Where the Company cancels Options, the grant of new Options to the same Grantee may only be made under this Scheme within the limits set out in paragraphs 5.1, 10.1, 10.2 and 10.6. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (and the Service Provider Sublimit).

17. **DISCLOSURE IN ANNUAL AND INTERIM REPORTS**

The Board shall procure that details of this Scheme and other schemes of the Company and its Subsidiaries are disclosed in the annual reports and interim reports of the Company in compliance with the Listing Rules in force from time to time.

18. **GENERAL**

- 18.1 The Company shall bear the costs of establishing and administering this Scheme (including the costs of the approved independent financial adviser, as the case may be, in relation to the preparation of any certificate or the provision of any other services in relation to this Scheme).
- 18.2 No person shall, under any circumstances, hold the Board and/or the Company and/or other Eligible Participants liable for any costs, losses, expenses and/or damages whatsoever arising from or in connection with the Scheme or the administration thereof.
- 18.3 A Grantee shall be entitled to inspect copies of all notices and other documents sent by the Company to its shareholders at the same time or within a reasonable time of any such notices

or documents being sent, which shall be made available to him, during normal office hours at the Company's principal place of business in Hong Kong.

- 18.4 Any notices, documents or other communication between the Company and a Grantee shall be in writing and 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 and, in the case of the Grantee, his address as notified to the Company from time to time.
- 18.5 Any notice or other communication served:-
- (a) by the Company shall be deemed to have been served forty-eight (48) hours after the same was put in the post or if delivered by hand, 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.
- 18.6 All allotments and issues of Shares pursuant to this Scheme shall be subject to any necessary consent under the relevant laws, enactments or regulations for the time being to which the Company is subject. A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction for, or in connection with the grant or exercise of an Option. The obtaining of such consents shall be a condition precedent to acceptance of an Offer and exercise of his Option by a Grantee. By accepting an Offer or exercising his Option, the Grantee is deemed to have represented to the Company that he has fulfilled such condition. 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 to as a result of his participation in this Scheme.
- 18.7 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.
- 18.8 This Scheme shall not form part of any contract of employment/service between the Company or any of its Subsidiaries and any Eligible Participant who is an employee or consultant of the Company and/or any of its Subsidiaries and the rights and obligations of any Eligible Participant under the terms of his office, employment or service shall not be affected by his participation in it, and this Scheme shall afford such an Eligible Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 18.9 The Company shall maintain all necessary books of account and records relating to this Scheme.
- 18.10 This Scheme shall in all respects be administered by the Board which (a) shall administer the Scheme in accordance with the provisions hereof and all applicable requirements of the Listing Rules and (b) may make such rules not being inconsistent with the terms and conditions hereof and the Listing Rules for the conduct of the Scheme and the determination and terms of each entitlement under an Option as the Board thinks fit.
- 18.11 A Grantee who is a member of the Board may, subject to and in accordance with the Articles, notwithstanding his interest, vote on any Board resolution concerning this Scheme (other than in respect of his own participation therein) and may retain any benefit under this Scheme.

19. **GOVERNING LAW**

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