

**XIN POINT HOLDINGS LIMITED**  
**信邦控股有限公司**

**RULES RELATING TO**  
**SHARE OPTION SCHEME**

I, Ma Xiaoming (馬曉明), a director of Xin Point Holdings Limited (信邦控股有限公司), hereby certify that pursuant to paragraph 2.4 of the rules of the Share Option Scheme hereto attached, that the condition set out in paragraph 2.1(b) of such rules was satisfied on the date set out below and that such date is the “Adoption Date” as defined in such rules:

**Adoption Date: [\*]**

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Name : Ma Xiaoming (馬曉明)  
Position : Director

## **I N D E X**

<u>Clause no.</u>	<u>Heading</u>	<u>Page no.</u>
1.	Definitions and interpretation.....	1
2.	Conditions.....	5
3.	Purpose, duration and administration.....	5
4.	Grant of Option.....	6
5.	Performance targets and clawback mechanism.....	9
6.	Subscription Price.....	11
7.	Exercise of Option.....	12
8.	Early termination of Option Period.....	15
9.	Maximum number of Shares available for subscription.....	15
10.	Adjustments to the Subscription Price.....	18
11.	Cancellation of Option.....	19
12.	Share capital.....	19
13.	Disputes.....	20
14.	Alteration of this Scheme.....	20
15.	Termination.....	21
16.	Miscellaneous.....	21

## **1. DEFINITIONS AND INTERPRETATION**

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

<b>“Adoption Date”</b>	the date on which this Scheme is adopted upon fulfilment of the condition set out in paragraph 2.1(b);
<b>“associate”</b>	shall bear the meaning as defined in the Listing Rules;
<b>“Auditors”</b>	the auditors for the time being of the Company;
<b>“Business Day”</b>	any day on which the Stock Exchange is open for the business of dealing in securities;
<b>“Clawback Event”</b>	shall bear the meaning as defined in paragraph 5.4;
<b>“close associate”</b>	shall bear the meaning as defined in the Listing Rules;
<b>“Company”</b>	Xin Point Holdings Limited (信邦控股有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands on 28 August 2014;
<b>“connected person”</b>	shall bear the meaning as defined in the Listing Rules;
<b>“core connected person”</b>	shall bear the meaning as defined in the Listing Rules;
<b>“Director(s)”</b>	the director(s) of the Company for the time being or a duly authorised committee thereof, as the case may be, where a decision or determination under this Scheme is required to be made by the INEDs or the Remuneration Committee under the Listing Rules, a committee thereof;
<b>“Eligible Participant(s)”</b>	the persons who are eligible and may be invited by the Directors to take up Option as referred to in paragraph 4.1;
<b>“Employee Participant(s)”</b>	any director (including any executive director, but excluding any non-executive director and independent non-executive director) or employee (whether full time or part time) of the Company or any of its Subsidiaries (and including persons who are granted Option under this Scheme as an

	inducement to enter into employment contracts with these companies);
<b>“Exercise Date”</b>	shall bear the meaning as defined in paragraph 7.4;
<b>“Grant”</b>	including “offer”, “issue” and grant of option under this Scheme;
<b>“Grantee(s)”</b>	any Eligible Participant who accepts the Offer in accordance with the terms of this Scheme;
<b>“Group”</b>	the Company and the Subsidiaries and <b>“member(s) of the Group”</b> shall be construed accordingly;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“independent third party(ies)”</b>	third party or parties independent of the Company and the Company’s connected persons and not connected person(s) of the Company;
<b>“INED(s)”</b>	independent non-executive director(s) of the Company from time to time;
<b>“Listing Rules”</b>	Rules Governing the Listing of Securities on the Stock Exchange;
<b>“Offer”</b>	an offer for the grant of an Option made in accordance with paragraph 4.4;
<b>“Offer Date”</b>	the date, which must be a Business Day, on which an Offer is made to an Eligible Participant;
<b>“Option(s)”</b>	option(s) to subscribe for the Shares granted pursuant to this Scheme;
<b>“Option Period”</b>	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 within which such Option may be exercised in accordance with the terms of this Scheme and, in the absence of such determination, from the Offer Date to the earlier of (i) the date on which such Option lapses under the provisions of this Scheme; and (ii) ten (10) years from the Offer Date of that

	Option;
<b>“Participant Vehicle”</b>	shall bear the meaning as defined in paragraph 7.1(b);
<b>“Personal Representative(s)”</b>	the person(s) 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);
<b>“principal subsidiary(ies)”</b>	shall bear the meaning as defined in the Listing Rules;
<b>“Refreshed Limit”</b>	shall bear the meaning as defined in paragraph 9.2(a);
<b>“Remuneration Committee”</b>	the remuneration committee established by the board of Directors from time to time;
<b>“Scheme Mandate Limit”</b>	shall bear the meaning as defined in paragraph 9.1;
<b>“Senior Manager”</b>	a senior manager named and whose brief biographical details are disclosed in the Company’s last published annual report, at the time of the Offer being accepted, as required under paragraph 12 of Appendix D2 to the Listing Rules;
<b>“Shareholder(s)”</b>	holder(s) of Share(s);
<b>“Share(s)”</b>	share(s) of HK\$0.10 each of the Company, or, if there has been a sub-division or consolidation of 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 sub-division or consolidation;
<b>“Share Award Scheme(s)”</b>	any scheme (excluding, for the avoidance of doubt, this Scheme) involving the grant (including offer or issue) of Share(s) by the Company or its principal subsidiary(ies) (as the case may be) to be adopted by the Company from time to time;
<b>“Share Schemes”</b>	including this Scheme, any other share option scheme(s) and Share Award Scheme(s) to be adopted by the Company or its principal subsidiary(ies) (as the case may be) from time to time;

<b>“Stock Exchange”</b>	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;
<b>“Subscription Price”</b>	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 6.1;
<b>“Subsidiary(ies)”</b>	the companies which are for the time being and from time to time the subsidiaries (within the meaning of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)) of the Company, wherever incorporated;
<b>“substantial shareholder”</b>	shall bear the meaning as defined in the Listing Rules;
<b>“Termination Date”</b>	shall bear the meaning as defined in paragraph 15.1;
<b>“this Scheme”</b>	this Share Option Scheme (involving the grant of option over Share(s)) in its present form or as may be amended from time to time in accordance with paragraph 14;
<b>“Vesting Date”</b>	in relation to any Grantee, the earliest date on which the Option (or a tranche thereof) granted to him may be exercised by such Grantee, pursuant to which Shares (or separate tranches of Shares) may be subscribed for pursuant to the terms of such Option; and
<b>“Vesting Period”</b>	in relation to any Grantee, the period commencing on the date on which the Grantee accepts the Option granted to him and ending on the Vesting Date (both dates inclusive).

1.2 In this Scheme, save where the context otherwise requires:

- (a) paragraph headings are for ease of reference only and shall be ignored in construing this Scheme;
- (b) references to paragraphs or sub-paragraphs are references to paragraphs or sub-paragraphs 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 the approval for 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 Option in accordance with the terms and conditions of this Scheme; and
- (b) the passing of the necessary resolution(s) by the Shareholders to approve and adopt this Scheme.

2.2 If the conditions referred to in paragraph 2.1 are not satisfied within six (6) calendar months after the Adoption Date, 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 Reference in paragraph 2.1(a) to the Listing Committee of the Stock Exchange formally granting the approval for the listing and permission referred to therein shall include any approval for such listing and permission which are granted subject to the fulfilment of any condition precedent or condition subsequent.

2.4 A certificate of a Director that the condition set out in paragraph 2.1(b) has been satisfied and the date on which such condition was satisfied or that such condition has 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 The purposes of this Scheme are (i) to enable the Company to grant Option to the Eligible Participants as incentives or rewards for their contribution or potential contribution to the growth and development of the Group; (ii) to attract and retain personnel to promote the sustainable development of the Group; and (iii) to align the interest of the Grantees with those of the Shareholders to promote the long-term financial and business performance of the Group.

LR17.03(1)

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 Option referred to in paragraph 4.2 which shall be approved in the manner referred to therein, or save as otherwise provided herein) be final and binding on all persons who may be affected thereby.

- 3.3 Subject to paragraphs 2 and 15, this Scheme shall be valid and effective until the Termination Date, after which period no further Option may be issued but the provisions of this Scheme shall remain in force to the extent necessary to give effect to the vesting and exercise of any Option granted or exercised prior thereto or otherwise as may be required in accordance with the provisions of this Scheme.
- 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 vesting, holding and exercise of his Option in accordance with this Scheme, the allotment and issue of Shares to him upon the exercise of his 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 is subject. The Directors may, as a condition precedent of making an Offer and allotting Shares upon an exercise of an Option, require an Eligible Participant to produce such evidence as they may reasonably require for such purpose.

#### **4. GRANT OF OPTION**

- 4.1 Subject to paragraph 4.2, the Directors shall in its discretion, 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 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 10, determine: LR17.03 (2);  
LR17.03A
- (a) any Employee Participant; and
- (b) any non-executive director and independent non-executive director of the Company or any Subsidiary.

For the avoidance of doubt, the grant of any option 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 9.7, the making of an Offer to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by the INEDs (excluding any INED who or whose associate is the proposed Grantee of the Option). The requirements for the Grant to a Director or chief executive of the Company set out in this paragraph 4.2 do not apply where the Grantee is only a proposed Director or proposed chief executive of the Company. LR17.04(1)
- 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 LR17.03(2)



to the development and growth of the Group.

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, the Option Period and the Vesting 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.

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 number of Shares in respect of which the Offer is made and the Subscription Price for such Shares;
- (c) 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;
- (d) the earliest Vesting Date (and other subsequent Vesting Date(s), if any) on which the Grantee may exercise the Option granted to him and subscribe for Shares (or, as the case may be, separate tranches 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;
- (g) the performance target(s) (if any, including without limitation those as mentioned in paragraph 5 of this Scheme) that must be attained by the Eligible Participant before any Option can be exercised;
- (h) such other terms and conditions of the Offer as may be imposed by the Directors, the INEDs or the Remuneration Committee, as the case may be, as are not inconsistent with this Scheme; and
- (i) 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, 7.1, 16.9 to 16.11.

4.6 An Offer shall have been accepted by an Eligible Participant in respect of all Shares under the Option which are offered to such Eligible Participant when the duplicate letter comprising 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

LR17.03(8)

Offer (which shall not be later than 21 days from the Offer Date). Such remittance shall in no circumstances be refundable.

- 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 such number is clearly stated in the duplicate letter comprising 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. LR17.03(8)
- 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 time 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 The Option Period of an Option may not end later than ten (10) years from the Offer Date of that Option. LR17.03(5)
- 4.10 (a) The Vesting Period in respect of any Option granted to any Grantee shall not be shorter than 12 months from the date of acceptance of the Offer, provided that an Option granted to Employee Participants may be subject to a shorter (or no) Vesting Period under any one or more of the specific circumstances as set out in paragraph 4.10(b), subject further to the provisions under paragraph 4.10(c) below. LR17.03(6)  
LR17.03F
- (b) The specific circumstances referred to in paragraph 4.10(a) are:-
- (i) grants of “make-whole” Option to Employee Participants who newly joined the Group to replace the share options they forfeited when leaving their previous employers;
  - (ii) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
  - (iii) grants of Option with performance-based vesting conditions provided in this Scheme, in lieu of time-based vesting criteria;
  - (iv) grants that are made in batches during a year for administrative or compliance reasons, which may include Option that should have been granted earlier but had to wait for a subsequent batch, in such cases, a shorter Vesting Period may be applied to reflect the time from which the Option would have been granted but for such administrative or compliance requirements;
  - (v) grants of Option with a mixed or accelerated vesting schedule such that the Option may vest evenly over a period of 12 months; and

(vi) grants of Option with a total vesting and holding period of more than 12 months.

(c) Where an Employee Participant:

(i) is a Director (for the avoidance of doubt, excluding any non-executive Director and INED) or a Senior Manager, then the Remuneration Committee shall; or

(ii) does not fall under such category as specified in item (i) of this subparagraph (c), the Directors shall

have the authority to determine a shorter (or no) Vesting Period after having considered the appropriateness for the grant of Option with a shorter (or no) Vesting Period and how such arrangement aligns with the purposes of this Scheme.

4.11 Option will not be listed or dealt in on the Stock Exchange.

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

LR17.05

(a) no Offer may be made to an Eligible Participant after inside information has come to the Company's knowledge until (and including) the trading day after it has announced the information in accordance with the requirements of the Listing Rules. In particular, no Offer may be made during the period commencing 30 days immediately before the earlier of:

(i) 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

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

and ending on the date of the results announcement; and for the avoidance of doubt, no Offer may be made 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.

## **5. PERFORMANCE TARGETS AND CLAWBACK MECHANISM**

5.1 Subject to the terms and conditions of this Scheme,

LR17.03(7)

- (a) in respect of any Employee Participant who is a Director or a Senior Manager, the Remuneration Committee may; or
- (b) in respect of any other Eligible Participant, the Directors may

establish performance targets against the attainment of which the Option granted to the Eligible Participant concerned may be exercised either in whole or in part. The Directors (or the Remuneration Committee, as the case may be) have discretion to specify such targets (or no targets) for each grant of Option on a case-by-case basis. The Directors shall have the authority, after the grant of any Option which is performance linked, to make fair and reasonable adjustments to the prescribed performance targets during an Option Period if there is a change in circumstances, provided that any such adjustments shall not be more onerous than the prescribed performance targets and are considered fair and reasonable by the Directors (or, as the case may be, the Remuneration Committee).

5.2 Proposed “performance targets” in this Scheme may include business, financials, operations and creation of capital value for the Group’s business segments (such as increase in revenue and net profit after tax) as well as that for the Grantees based on individual performance indicators relevant to their roles and responsibilities (such as revenue growth rate by existing/new markets or by existing/new products, number of new product development, production yield). The Directors (or, as the case may be, the Remuneration Committee) shall conduct assessment at the end of the performance period by comparing the performance of the business segments and the individual performance of the Grantees with the pre-agreed targets to determine whether the targets and the extents which have been met.

5.3 Notwithstanding the terms and conditions of this Scheme, the Directors may provide in the notice of Offer that any Option prior to it being exercised may be subject to clawback or a longer Vesting Period if any of the Clawback Events stated in paragraph 5.4 shall occur.

5.4 If any of the following events (“**Clawback Event**”) shall occur during an Option Period: LR17.03(19)

- (a) there being a material misstatement in the audited financial statements of the Company that requires a restatement; or
- (b) any Grantee being guilty of fraud or persistent or serious misconduct, or in respect of a Grantee who is an Employee Participant, such Grantee ceases to be an Employee Participant by reason of termination of his employment on the grounds that he has been guilty of fraud or persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or any member of the Group into disrepute), regardless of whether there is any accounting restatement or a material error in calculating or determining the performance metrics or other criteria; or
- (c) in respect of a Grantee other than an Employee Participant,

- (i) such Grantee or his associate has committed any material breach of any contract entered into between the Grantee or his associate on the one part and any member of the Group on the other part; or
- (ii) such Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or
- (iii) such Grantee could no longer make any contribution to the growth and development of any member of the Group by reason of the cessation of its relations with the Group or by any other reason whatsoever; or
- (d) if a Grant or the exercise of any Option is linked to any performance targets and the Directors are of the opinion that there occur any circumstances that show or lead to any of the prescribed performance targets having been assessed or calculated in a materially inaccurate manner,

the Directors may by notice in writing to the Grantee concerned (i) claw back such number of Option (to the extent not being exercised) granted as the Directors may consider appropriate; or (ii) extend the Vesting Period (regardless of whether the initial Vesting Date has occurred) in relation to all or any of the Option (to the extent not being exercised) to such longer period as the Directors may consider appropriate. The Option that is clawed back pursuant to this paragraph 5.4 will be regarded as cancelled and the Option so cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the Refreshed Limit, as the case may be).

- 5.5 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 5.4(b) or that any event referred to in paragraph 5.4(c) has occurred shall be conclusive and binding on all persons who may be affected thereby.
- 5.6 Transfer of employment of a Grantee who is an Employee Participant from one 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 Employee Participant 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.

## **6. SUBSCRIPTION PRICE**

- 6.1 The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to paragraph 10, be at the discretion of the Directors, provided that it shall not be less than the highest of:
  - (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date;
  - (b) the average closing price of the Shares as stated in the Stock Exchange's daily

LR17.03(9)  
LR17.03E

quotations sheets for the five Business Days immediately preceding the Offer Date; and

- (c) the nominal value of a Share.

## **7. EXERCISE OF OPTION**

- 7.1 (a) Subject to paragraph 7.1(b) below, an Option shall be personal to the Grantee and shall not be transferable or assignable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any Option or enter into any agreement so to do.
- (b) Subject to (1) written consent being given by the Directors (which consent may or may not be given by the Directors at their absolute discretion), and (2) waiver being granted by the Stock Exchange, a Grantee may transfer Option held by him to a vehicle (such as a trust or a private company, “**Participant Vehicle**”) on an application made by the Grantee to the Company, provided that all of the following conditions are met:
- (i) such transfer is made (and will, after the transfer, continue to be) for the benefit of such Grantee and/or his family member(s) for the purpose of estate planning or tax planning or such other reasons or purposes as the Directors and the Stock Exchange consider to be justifiable;
  - (ii) the holding by the Participant Vehicle of the Option so transferred shall continue to meet the purpose of this Scheme and comply with the requirements of Chapter 17 of the Listing Rules;
  - (iii) the Grantee and the Participant Vehicle shall consent and undertake to the Company (and to the Stock Exchange, if appropriate or as required by the Stock Exchange) that no changes in the beneficiaries or discretionary objects of the trust or the ultimate beneficial owners of the Participant Vehicle shall be made unless prior written consents shall be obtained from the Directors and (where necessary) the Stock Exchange; and
  - (iv) the Grantee and the Participant Vehicle shall consent and undertake to the Company (and to the Stock Exchange, if appropriate or as required by the Stock Exchange) that the Participant Vehicle shall comply with paragraph 7.1 (a) and other provisions of this Scheme shall apply, mutatis mutandis, to the Participant Vehicle as if it were a Grantee.
- (c) In connection with the application for a transfer of Option under paragraph 7.1(b), the Grantee shall (i) provide information on the beneficiaries or discretionary objects of the trust or the ultimate beneficial owners of the Participant Vehicle, as well as such other information as may be required by the Directors or the Stock Exchange, and (ii) consent to the disclosure of the said information to the Stock Exchange and/or in any announcement, circular and/or report to be published by the Company.

LR17.03(10)  
LR17.03(17)

- (d) Any breach of the provisions under paragraph 7.1(a) by a Grantee shall entitle the Company to cancel all unvested Option granted to such Grantee and to cancel any vested Option granted to such Grantee to the extent not already exercised. LR17.03(14)

7.2 Subject to paragraphs 3.4 and 16.9 and the fulfillment 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 in the circumstances and in the manner as set out in paragraphs 7.3 and 7.4 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 the number of Shares in respect of which the Option remains unexercised is less than one board lot or where the Option is exercised in full, shall be for a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each such notice shall be accompanied by a remittance for the full amount of the aggregate Subscription Price for Shares in respect of which the notice is given. Within 21 days (7 days in the case of an exercise pursuant to paragraph 7.3(c)) after receipt of the notice and, where appropriate, receipt of the certificate of the Auditors or the independent financial advisers pursuant to paragraph 10, the Company shall accordingly allot and 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 7.3(a), to the estate of the Grantee) fully paid and issue to the Grantee (or his estate in the event of an exercise by his Personal Representative as aforesaid) a share certificate for the Shares so allotted and issued.

7.3 Subject as hereinafter provided, 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 Employee Participant and in the event of his ceasing to be an Employee Participant by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his Personal Representative(s) or, as appropriate, the Grantee may exercise the Option (to the extent vested and not already exercised) in whole or in part in accordance with the provisions of paragraph 7.2 within a period of 12 months following the date of cessation of employment which date shall be the last day on which the Grantee was at work with the Company or the relevant Subsidiary whether salary is paid in lieu of notice or not, or such longer period as the Directors may determine. In respect of the Option that has met the Vesting Period (or such shorter vesting period as referred to in paragraph 4.10) but have not been vested because the performance targets (if any) stated in the Offer have not been satisfied, the Directors may, by reference to the level of attainment of the prescribed performance targets and other equitable factors, determine that the Grantee or, his Personal Representative, may exercise such number of Options and within such time as the Directors may consider appropriate, subject to any conditions or limitations as they may impose. For the avoidance of doubt, save as provided in the foregoing, all Options (including unvested option and option vested but not already exercised) shall lapse on the date of expiry of such period as stipulated in this paragraph above;

- (b) if the Grantee is an Employee Participant and in the event of his ceasing to be an Employee Participant or termination of his employment for any reason LR17.03(12)

other than his death, ill-health or retirement in accordance with his contract of employment (but not due to the reason under paragraph 5.4(b)) before exercising the Option in full, all Options (including unvested Option and Option vested but 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 vested and not already exercised) in whole or in part in accordance with the provisions of paragraph 7.2 within such period as the Directors may determine following the date of such cessation or termination. The date of cessation or termination as aforesaid shall be the last day on which the Grantee was actually at work with the Company or the relevant Subsidiary whether salary is paid in lieu of notice or not;

- (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, the Company shall use all reasonable 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 Option granted to them, Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to Shareholders, the Grantee shall, notwithstanding any other terms on which his Option was granted, be entitled to exercise the Option (to the extent vested and 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 7.2 at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, all Options (including unvested option and option vested but not already exercised) shall lapse automatically on the date which such offer (or, as the case may be, the revised offer) closed or the relevant record date for entitlements under the scheme of arrangement, as the case may be; LR17.03(12)
- (d) in the event of a resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two (2) Business Days before the date on which such resolution is to be considered and/or passed, exercise his Option (to the extent vested and not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of paragraph 7.2 and the Company shall allot and issue to the Grantee the Shares in respect of which such Grantee has exercised his Option not less than one (1) Business Day before the date on which such resolution is to be considered and/or passed 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 resolution. Subject thereto, all Options (including unvested Option and Option vested but not already exercised) then outstanding shall lapse and determine on the commencement of the winding-up; and LR17.03(10)  
LR17.03(12)

LR17.03(12)



(e) if the Grantee shall have transferred his Option to a Participant Vehicle under paragraph 7.1(b):

(i) the provisions of paragraphs 7.3(a) and 7.3(b) shall apply to the Participant Vehicle and to the Option held by such Participant Vehicle, *mutatis mutandis*, as if such Option had been granted to and held by the relevant individual Grantee, and such Option (including unvested Option and Option vested but not already exercised) shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs 7.3(a) and 7.3(b) shall occur with respect to the relevant individual Grantee; and

(ii) the Option (including unvested Option and Option vested but not already exercised) held by the Participant Vehicle shall lapse and determine on the date the Participant Vehicle ceases to be wholly owned by the relevant individual Grantee (or, where the Participant Vehicle is a trust of which the relevant individual Grantee and/or his family member(s) is/are beneficiary(ies) or discretionary object(s), on the date the relevant individual Grantee and/or his family member(s) cease(s) to be beneficiary(ies) or discretionary object(s)) provided that the Directors may in their absolute discretion decide that such Option or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

7.4 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 the then existing fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (“**Exercise Date**”) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Exercise Date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered on the register of members of the Company as the holder thereof.

LR17.03(10)  
LR17.03(15)

## **8. EARLY TERMINATION OF OPTION PERIOD**

8.1 The Option Period in respect of any Option shall automatically terminate and that Option (including unvested Option and Option vested but not already exercised) shall lapse on (and will not in any event be vested and/or exercisable with effect from) the earliest of:

LR17.03(12)

(a) the expiry of the Option Period; and

(b) the expiry of any of the periods referred to in paragraph 7.3.

## **9. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION**

9.1 Subject to paragraph 9.2, the maximum number of Shares which may be allotted and

LR17.03(3)  
LR17.03B(1)

issued (excluding treasury shares) in respect of all Options to be granted under this Scheme, and all share options and all share awards to be granted under any other Share Schemes (“**Scheme Mandate Limit**”) shall not exceed ten (10) per cent. of the total number of Shares in issue (excluding treasury shares) as at the date of approval of this Scheme. Unless approval from the Shareholders in general meeting is obtained, no option or award may be granted under this Scheme or any other Share Schemes if the grant of such option or award will result in the limit referred to in this paragraph 9.1 being exceeded. The total number of Shares which may be issued pursuant to the Scheme Mandate Limit shall be 100,290,500 Shares.

- 9.2 (a) Without prejudice to paragraph 9.2(b) and subject to paragraph 9.3, the Company may seek approval of its Shareholders in general meeting to refresh the Scheme Mandate Limit (“**Refreshed Limit**”) under this Scheme after three years from the date of Shareholders’ approval for the last refreshment (or, as the case may be, the Adoption Date), provided that the total number of Shares which may be allotted and issued (excluding treasury shares) in respect of all Options to be granted under this Scheme and all share options and all share awards to be granted under any other Share Schemes shall not exceed ten (10) per cent. of the total number of Shares in issue (excluding treasury shares) as at the date of approval of the Refreshed Limit. LR17.03C (1)(a), (2)
- (b) Without prejudice to paragraph 9.2(a), the Company may seek separate approval of its Shareholders in general meeting to grant Option under this Scheme beyond the Scheme Mandate Limit or, if applicable, the Refreshed Limit to Eligible Participant(s) specifically identified by the Company before such approval is sought. The number and terms of Options (and/or options or awards under any other Share Schemes) to be granted to such participant shall be fixed before Shareholders’ approval. In respect of any Option to be granted, the date of the board meeting for proposing such Grant should be taken as the date of Grant for the purpose of calculating the Subscription Price under paragraph 6.1. LR17.03C(3)
- 9.3 (a) Any refreshment of the Scheme Mandate Limit within three years from the date of Shareholders’ approval for the last refreshment (or, as the case may be, the Adoption Date) shall be approved by Shareholders in general meeting subject to the following provisions: LR17.03C (1)(b)
- (i) at the general meeting for considering and approving the proposed resolution of the Refreshed Limit, any controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding INEDs) and the chief executive of the Company and their respective associates) shall abstain from voting in favour of the relevant resolution; and
- (ii) the Company shall comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules (or the successor provisions then prevailing).
- (b) The requirements under paragraph 9.3(a)(i) and (ii) 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 as set out in Rule 13.36(2)(a) of the Listing LR17.03C (1)(c)

Rules (or the successor provisions then prevailing) such that the unused part of the Scheme Mandate Limit (as a percentage of the relevant class of shares in issue) 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.

- 9.4 For the purpose of calculating the Scheme Mandate Limit or the Refreshed Limit, as the case may be, Options lapsed in accordance with the terms of this Scheme and options and awards lapsed in accordance with the terms of any other Share Schemes will not be regarded as utilized. Note (1) to LR17.03B
- 9.5 If the Company conducts any share consolidation or subdivision after the Scheme Mandate Limit or the Refreshed Limit (as the case may be) has been approved in general meeting, the maximum number of Shares that may be allotted and issued in respect of all Options (excluding treasury shares) to be granted under this Scheme and all share options and all share awards to be granted under any other Share Schemes under the Scheme Mandate Limit or the Refreshed Limit, as the case may be, as a percentage of the total number of issued Shares (excluding treasury shares) at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share. Note (2) to LR17.03B
- 9.6 (a) Subject to paragraph 9.7, where any Grant of Option (and/or options or awards under any other Share Schemes) to a Grantee under this Scheme would result in the Shares issued and to be issued (excluding treasury shares) in respect of all Options, share options and share awards granted to such person under this Scheme and any other Share Schemes (excluding any share options and share awards lapsed in accordance with the terms of this Scheme or any other Share Schemes) in the 12-month period up to and including the date of such Grant representing in aggregate over one (1) per cent. of the total number of Shares in issue (excluding treasury shares), such Grant shall be subject to separate approval of the Shareholders in general meeting with such Grantee and his close associates (or his associates if the Grantee is a connected person of the Company) abstaining from voting. LR17.03(4)  
LR17.03D(1)
- (b) The number and terms of Options (and/or options or awards under any other Share Schemes) to be granted to such Grantee must be fixed before Shareholders' approval. In respect of any Option to be granted, the date of the board meeting for proposing such Grant should be taken as the date of Grant for the purpose of calculating the Subscription Price under paragraph 6.1.
- 9.7 Without prejudice to paragraph 4.2, where any Grant of Option (and/or options or awards under any other Share Schemes) to an INED or a substantial shareholder of the Company or any of their respective associates under this Scheme would result in the Shares issued and to be issued (excluding treasury shares) in respect of all Options, share options and share awards granted to such person under this Scheme and any other Share Schemes (excluding any share options and share awards lapsed in accordance with the terms of this Scheme or any other Share Schemes) in the 12-month period up to and including the date of such Grant representing in aggregate over 0.1 per cent. of the total number of Shares in issue (excluding treasury shares), such further grant of Option shall be approved by Shareholders in general meeting. The Grantee, his associates and all LR17.03(4)  
LR17.04(3)  
LR17.04(4)

core connected persons of the Company shall abstain from voting in favour of the relevant resolution at such general meeting, provided that any connected person may vote against the relevant resolution at the general meeting so long as his intention to do so has been expressly stated in the relevant circular to Shareholders. In such connection, the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules (or the successor provisions then prevailing). The provisions under paragraph 9.6(b) shall mutatis mutandis apply to this paragraph 9.7.

- 9.8 Any change in the terms of Option granted to any Grantee who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by Shareholders in general meeting in the manner as set out in paragraph 9.7, if the initial grant of the Option requires such approval (except where the changes take effect automatically under the existing terms of this Scheme). Note (1) to LR17.04
- 9.9 The requirements for the Grant to a Director or a chief executive of the Company set out in paragraph 9.7 do not apply where the Grantee is only a proposed Director or proposed chief executive of the Company. Note (2) to LR17.04
- 9.10 For the purpose of seeking the approval of the Shareholders under paragraphs 9.2, 9.3, 9.6, 9.7 and 9.8, the Company shall send a circular to its Shareholders containing the information required under the Listing Rules and within such time as may be specified in the Listing Rules, and where the Listing Rules shall so require, the vote at the Shareholders' meeting convened to obtain the requisite approval shall be taken on a poll with those persons required under the Listing Rules abstaining from voting. LR17.03C(2),(3)  
LR17.03D(1),(2)  
LR17.04(3), (4), (5)  
LR17.06

## **10. ADJUSTMENTS TO THE SUBSCRIPTION PRICE**

- 10.1 In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or this Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation or sub-division of the Shares, or reduction of the share capital of the Company, then, in any such case the Company shall instruct the Auditors or an independent financial adviser to certify in writing the adjustment to one or more of the following items (if any), which adjustment shall in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee: LR17.03(13)
- (a) the number or nominal amount 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) the number of Shares comprised in an Option or which remains comprised in an Option,

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

- (i) any such adjustment shall give the Grantee the same proportion of issued share capital of the Company (rounded to the nearest whole Share) as that to which Note to LR17.03(13)

such Grantee was entitled immediately prior to such adjustment;

- (ii) no such adjustment may be made to the extent that a Share would be issued at less than its nominal value;
- (iii) the issue of Shares or other securities of the Group as consideration in a transaction may not be regarded as a circumstance requiring any such adjustment; and
- (iv) any such adjustment shall be made in compliance with the Listing Rules and such applicable rules, codes, guidance notes and/or interpretation of the Listing Rules (including but not limited to the supplementary guidance as set out in Appendix 1 to the Frequently Asked Questions FAQ13 — No.1-20 issued by the Stock Exchange) from time to time promulgated by the Stock Exchange.

In respect of any adjustment referred to in this paragraph 10.1, other than any adjustment made on a capitalisation issue, the Auditors or such independent financial adviser shall confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

- 10.2 If there has been any alteration in the capital structure of the Company as referred to in paragraph 10.1, the Company shall, upon receipt of a notice from a Grantee in accordance with paragraph 7.2, 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 10.1.
- 10.3 In giving any certificate under this paragraph 10, the Auditors or the independent financial adviser appointed under paragraph 10.1 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 and all persons who may be affected thereby.

## **11. CANCELLATION OF OPTION**

- 11.1 Subject to paragraph 7.1, paragraph 5.4 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 and the approval of the Directors.
- 11.2 Where the Company cancels any unvested Option granted to a Grantee or any vested (but not yet exercised) Option and grants new Option(s) to the same Grantee, the grant of such new Option(s) may only be made with available Scheme Mandate Limit or the Refreshed Limit, as the case may be, approved by the Shareholders pursuant to paragraph 9.2 or 9.3. The Option cancelled shall be regarded as utilized for the purpose of calculating the Scheme Mandate Limit or the Refreshed Limit, as the case may be.

LR17.03(14)

Note to  
LR17.03(14)

## **12. SHARE CAPITAL**

- 12.1 The exercise of any Option shall be subject to the Shareholders 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 of the Company to allot and issue the Shares 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 10.1 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 OF THIS SCHEME**

- 14.1 Subject to paragraphs 14.2 and 14.3, this Scheme may be altered in any respect by a resolution of the Directors except that: LR17.03(18)

- (a) any alterations to the terms and conditions of this Scheme which are of a material nature, including but not limited to the provisions of this Scheme as to the definitions of “Eligible Participant(s)”, “Grantee”, “Option Period” and “Termination Date” in paragraph 1.1;
- (b) the provisions of this Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees or prospective Grantees;

shall not be altered except with the sanction of a resolution of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the holders of the Shares under the articles of association for the time being of the Company for a variation of the rights attached to the Shares. Note (1) to LR17.03(18)

- 14.2 Any change to the terms of any Option granted to a Grantee must be approved by the Directors, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be) if the initial grant of the Option was approved by the Directors, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be), in accordance with the terms of this Scheme and Chapter 17 of the Listing Rules. The foregoing provisions of this paragraph 14.2 shall not apply where the alterations take effect automatically under the existing terms of this Scheme. Note (2) to LR17.03(18)

- 14.3 Any change to the authority of the Directors or the administrators of this Scheme to alter the terms of this Scheme must be approved by the Shareholders in general meeting. Note (4) to LR17.03(18)

- 14.4 The terms of this Scheme and/or any Option amended pursuant to this paragraph 14 shall comply with the applicable requirements under Chapter 17 of the Listing Rules. Note (3) to LR17.03(18)

- 14.5 Where the terms of this Scheme are amended, the Company shall, immediately upon such changes taking effect, provide to all Grantees all details relating to changes in the terms of this Scheme during the life of this Scheme. LR17.02(3)

## **15. TERMINATION**

15.1 This Scheme shall terminate on the date (“**Termination Date**”), which is the earlier of:

LR17.03(16)

- (a) the tenth (10) anniversary date of the Adoption Date;
- (b) the date when an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of an amalgamation, reconstruction or a scheme of arrangement); and
- (c) such date of early termination as determined by the Directors by a resolution of the Directors,

PROVIDED THAT such termination shall not affect any subsisting rights of any Grantee hereunder.

15.2 Upon termination of this Scheme, no further Option 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 Option (to the extent vested and not already exercised) granted prior thereto or otherwise as may be required in accordance with the provisions of this Scheme. Option (to the extent not already exercised) granted prior to such termination shall continue to be valid and (subject to vesting in accordance with the terms of the Offer) exercisable in accordance with this Scheme.

## **16. MISCELLANEOUS**

16.1 This Scheme shall not form part of any contract of employment or letter of appointment between the Company, any Subsidiary on the one part and any Eligible Participant on the other part. The rights and obligations of any Eligible Participant under the terms of his office or employment shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such Eligible Participant 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 The Company shall comply with Chapter 14A of the Listing Rules for providing

Note to  
LR17.06B

financial assistance (if any) to any Grantee who is a connected person for purpose of facilitating such Grantee's subscription of Shares under the Option.

- 16.6 Any notice or other communication in connection with this Scheme from any person may be given by sending the same by (a) prepaid post or by personal delivery to, in the case of the Company, its head office and principal place of business in Hong Kong or such other address as notified to the sender from time to time, and in the case of an Eligible Participant or a Grantee, his address as notified to the sender from time to time, (b) email to the designated email address of the recipient, or (c) fax to the designated fax number of the recipient. Any notice or other communication served shall be deemed to have been served (i) if by post, 24 hours after the same was put in the post, (ii) if by email, when the relevant receipt of such email being read is given, or where no read receipt is requested by the sender, at the time of sending, provided that no delivery failure notification is received by the sender within 24 hours of sending such email, or (iii) if by fax, when the relevant delivery receipt is received by the sender.
- 16.7 Any notice or other communication if sent by an Eligible Participant or a Grantee shall be irrevocable and shall not be effective until actually received by the Company.
- 16.8 A Grantee shall, before accepting an Offer or exercising his Option, obtain all necessary consents that may be required to enable him to accept the Offer or to exercise the Option and the Company to allot and issue to him in accordance with the provisions of this Scheme the Shares falling to be allotted and issued upon the exercise of his Option. By accepting an Offer or exercising his Option, the Grantee thereof is deemed to have represented to the Company that he 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 Option. 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 Neither Company nor the Directors nor any member of the Group shall be responsible for any failure by any Grantee to obtain any consent or approval required for such Grantee to participate in this Scheme or for any tax, duty, expenses, fees or any other liability to which he may become subject as a result of his participation in this Scheme.
- 16.10 A Grantee shall pay all tax and discharge all other liabilities to which he may become subject as a result of his participation in this Scheme or the exercise of any Option.
- 16.11 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.
- 16.12 Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such. To the extent that any provision or provisions are unenforceable they shall be deemed to be deleted from these rules of this Scheme, and any such deletion shall not affect the enforceability of the rules of this Scheme as remain



not so deleted.

- 16.13 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong and the Hong Kong courts shall be the exclusive venue for resolving dispute relating to or arising from this Scheme.

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