

DTXS Silk Road Investment Holdings Company Limited

大唐西市絲路投資控股有限公司

(Incorporated in Bermuda with limited liability)

SHARE OPTION SCHEME

Conditionally adopted pursuant to the written resolution of
DTXS Silk Road Investment Holdings Company Limited passed on [*]

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Scheme, each of the following words and expressions shall, unless the context requires otherwise, have the following meaning:

"Adoption Date"	means [*] (being the date on which this Scheme is conditionally adopted by resolutions of the Shareholders in general meeting);
"associate(s)"	has the meaning ascribed thereto under the Listing Rules;
"Auditors"	means the auditors of the Company for the time being;
"Board"	means the board of Directors or a duly authorised committee of the board of Directors;
"Business Day"	means any day on which securities are traded on the Stock Exchange;
"chief executive"	has the meaning ascribed thereto under the Listing Rules;
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules;
"Company"	means DTXS Silk Road Investment Holdings Company Limited, a limited liability company Incorporated in Bermuda whose Shares are listed on the Stock Exchange;
"Connected Person(s)"	has the meaning ascribed thereto under the Listing Rules;
"Controlling Shareholder"	has the meaning ascribed thereto under the Listing Rules;
"Director"	means any director of the Company for the

	time being:
"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 Participant who accepts an Offer in accordance with the terms of this Scheme or (where the context so permits) his Personal Representative(s);
"Group"	means the Company and its Subsidiaries;
"HK\$"	means Hong Kong dollars, the lawful currency for the time being of Hong Kong;
"Hong Kong"	means the Hong Kong Special Administrative Region of the People's Republic of China;
"Listco Connected Person"	means any director, the chief executive or any Substantial Shareholder of the Company or any of their respective associates;
"Listing Committee"	means the listing committee of the Stock Exchange;
"Listing Rules"	means the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time);
"Offer"	means an offer of the grant of an Option made in accordance with paragraph 4;
"Offer Date"	means the date on which an Offer is made to a Participant, which must be a Business Day;
"Option"	means a right to subscribe for Shares pursuant to this Scheme and the Offer Letter (as defined in paragraph 4.2) hereof;
"Option Period"	means a period to be determined and notified by the Board to the Grantee during which the Option may be exercised, which period shall commence on the Offer Date and expire in any event not later than the last day of the 10-year period after the Offer Date (subject to the provisions for early termination contained in paragraph 7);
"Option Price"	means the amount of HK\$1.00 payable for

	each acceptance of Offer;
"Participant(s)"	means any directors and employees of the Company or its subsidiaries (including persons who are granted Options under this Scheme as an inducement to enter into employment contracts with the Group) who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of the Subsidiaries;
"Personal Representative(s)"	means the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised);
"RMB"	means Renminbi, the lawful currency of the People's Republic of China;
"Scheme"	means this share option scheme in its present or any amended form;
"Shareholders"	means the shareholders of the Company for the time being;
"Shares"	means fully paid ordinary shares in the capital of the Company (or, if there has been a sub-division, consolidation, reduction, re-classification or reconstruction of the share capital of the Company, ordinary shares forming part of the equity share capital of the Company of such revised amount as shall result from such sub-division, consolidation, reduction, re-classification or reconstruction of such ordinary shares from time to time);
"Stock Exchange"	means The Stock Exchange of Hong Kong Limited;
"Subscription Price"	means the price at which each Share subject to an Option may be subscribed for on the exercise of that Option, subject to paragraph 5 and paragraph 9;
"Subsidiary"	means a subsidiary (within the meaning of the Companies Ordinance, Chapter 622 of the Laws of Hong Kong) of the Company for the time being;
"Substantial Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules;

"Termination Date"	means close of business of the Company on the date which falls ten (10) years after the Adoption Date; and
"%"	means per cent.

1.2 In this Scheme, unless the context otherwise requires:

- 1.2.1 paragraph headings are inserted for convenience only and do not affect its interpretation;
- 1.2.2 references to paragraphs are to paragraphs of this Scheme;
- 1.2.3 words in the singular include the plural and vice versa;
- 1.2.4 words denoting the masculine gender include the feminine gender; and
- 1.2.5 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.

2 CONDITIONS

2.1 This Scheme is conditional on:

- 2.1.1 the Listing Committee granting approval for the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any such Options; and
- 2.1.2 the passing of the resolution(s) by the Shareholders at a general meeting of the Company to (1) approve and adopt this Scheme; (2) authorising the Board to grant Options under this Scheme; and (3) authorising the Board to allot and issue Shares pursuant to the exercise of any Options to be granted pursuant to this Scheme.

2.2 If the conditions set out in paragraph 2.1 are not satisfied on or before the expiry of six months after the Adoption Date:

- 2.2.1 this Scheme shall immediately terminate;
- 2.2.2 any Option granted or agreed to be granted pursuant to this Scheme and any Offer of such a grant shall be of no effect;
- 2.2.3 no person shall be entitled to any rights or benefits or be under any obligations in respect of this Scheme or any Option; and
- 2.2.4 any amount(s) paid by any Grantee(s) in respect of the Option Price shall be refunded (without interest) by the Company.

2.3 A certificate of a Director certifying that the conditions set out in paragraph 2.1 have been satisfied and the date on which such conditions were

satisfied or that such conditions have not been satisfied as of any particular date and the exact date of the "Adoption Date" shall be conclusive.

3 PURPOSE, DURATION AND ADMINISTRATION

3.1 The purpose of this Scheme is to (i) recognize and reward the contributions that the Participants have made to the Group; (ii) provide incentive to or reward Participants for their contribution to, and continuing efforts to, work towards the growth and development of, and promote the interests of, the Group; and (iii) attract and retain talents to promote the sustainable development of the Group. The basis of eligibility of any of the Participants to the grant of Options shall be determined by the Board from time to time on the basis of the Board's opinion as to his contribution or potential contribution to the development and growth of the Group.

3.2 In assessing whether Options are to be granted to any Participant, the Board shall take into account various factors, including but not limited to, the nature and extent of contributions provided by such Participant to the Group, the special skills or technical knowledge possessed by them which is beneficial to the continuing development of the Group, the positive impacts which such Participant has brought to the Group's business and development and whether granting Options to such Participant is an appropriate incentive to motivate such Participant to continue to contribute towards the betterment of the Group.

In assessing the eligibility of the Participant(s), the Board will consider all relevant factors as appropriate. Set out below are the principal factors that the Board will consider:

- (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities;
- (b) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
- (c) his/her contribution made or expected to be made to the growth of the Group and the positive impacts which he/she may bring to the Group's business and development;
- (d) his/her educational and professional qualifications, and knowledge in the industry; and
- (e) the incentivization effect of granting Options to him/her as a motivation to continue to contribute towards the betterment of the Group.

3.3 Subject to the fulfilment of conditions in paragraph 2.1 and the termination provisions in paragraph 14, this Scheme shall be valid and effective until the Termination Date, after which period no further Options shall 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.

- 3.4 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.

4 GRANT OF OPTIONS

- 4.1 Subject to the terms of this Scheme, the Board shall be entitled but shall not be bound at any time within the period of 10 years after the Adoption Date to make an Offer to any Participant, taking into account such factors as the Board may at its discretion consider appropriate, as the Board may in its absolute discretion select to subscribe for such number of Shares, being a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof, subject to paragraphs 4.5, 4.6, 4.7 and 8, as the Board may determine at the Subscription Price. The Board may in its absolute discretion specify such conditions as it thinks fit when making an Offer to a Participant (including, without limitation, as to performance criteria or condition which must be satisfied by the Participant and/or the Company and/or its Subsidiaries, before an Option may be exercised), provided that such criteria or conditions shall not be inconsistent with any other terms and conditions of this Scheme and the Listing Rules.

- 4.2 Each Offer shall be in writing made to a Participant by letter ("**Offer Letter**") and shall:

- 4.2.1 state the name, address and position of the Grantee;
- 4.2.2 state the Offer Date;
- 4.2.3 specify a date, being a date not later than 28 days after the Offer Date by which the Participant must accept the Offer or be deemed to have declined it;
- 4.2.4 state the method and procedures for accepting the Offer and that an acceptance of the Offer must be accompanied by payment of the Option Price;
- 4.2.5 state that the Option Price is not refundable (except in the case of paragraph 4.13) and shall not in any circumstances be, or be deemed to be, a part payment of the Subscription Price;
- 4.2.6 specify the number of Shares to which the Offer relates;
- 4.2.7 specify the Subscription Price;
- 4.2.8 specify the Option Period, and the date or dates during the Option Period upon which the Option shall first become exercisable;
- 4.2.9 specify the Expiry Date in relation to that Option;
- 4.2.10 specify any other conditions which must be satisfied before the

Option may be exercised, including without limitation such performance targets as the Board may determine from time to time as fair and reasonable but not being inconsistent with this Scheme and the Listing Rules;

4.2.11 the clawback mechanism for the Company to recover or withhold any Option granted to any Participant (if any) in the event of, for example, serious misconduct, a material misstatement in the Company's financial statements or other special circumstances as identified by the Board;

4.2.12 require the 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

4.2.13 subject to the above, be made in such form as the Board may from time to time prescribe.

4.3 The Offer shall be personal to the Participant concerned and shall not be transferable or assignable. It shall remain open for acceptance by the Participant concerned (and by no other person, including his Personal Representative(s)) for a period as stated in the Offer Letter provided that no such Offer shall be open for acceptance after the Termination Date or after this Scheme has been terminated.

4.4 An Option shall be deemed to have been granted and accepted by the Grantee and to have taken effect when the duplicate Offer Letter constituting acceptances of the Options duly signed by the Grantee, together with a remittance in favour of the Company of the Option Price by way of consideration for the grant thereof, is received by the Company on or before the relevant acceptance date (i.e. a date not later than 28 days after the Offer Date). Such payment shall in no circumstances be refundable. To the extent that the Offer to grant an Option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

4.5 No Offer shall be made after an inside information (as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)) event has occurred or an inside information matter has been the subject of a decision or inside information has come to the Company's knowledge, until (and including) the trading day after such inside information has been published. In particular, during the period commencing 30 days immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company 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 publish an announcement of its results for any year or 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 actual publication of the results announcement, no Option may be granted. The period during which no Option may be granted will cover any period of delay in the publication of results announcement. An Offer may not be made to a Participant who is subject to the Model Code for

Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (“**Model Code**”) during the periods or times in which such Participant is prohibited from dealing in the Shares pursuant to the Model Code, or any corresponding code or securities dealing restrictions adopted by the Company.

- 4.6 Subject to paragraph 4.7, no Option shall be granted to any Participant (“**Relevant Participant**”) if, at the relevant time of grant, the number of Relevant Shares (as defined in paragraph 4.11) would exceed 1% of the total number of Shares in issue at such time, unless:
- 4.6.1 such grant has been duly approved by the Shareholders in general meeting, at which the Relevant Participant and his close associates (or associates if the Relevant Participant is a Connected Person) abstained from voting;
 - 4.6.2 a circular regarding the grant has been despatched to the Shareholders disclosing the identity of the Relevant Participant, the number and terms of the Options to be granted (and Options or options or share awards previously granted to such Relevant Participant in the 12-month period), the purpose of granting the Options to the Relevant Participant and an explanation as to how the terms of the Options serve such purpose; and
 - 4.6.3 the number and terms (including the Subscription Price) of such Options are fixed before the Shareholders’ approval in general meeting of the Company at which the same are approved.
- 4.7 Where an Option is to be granted to a Listco Connected Person, the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is also a proposed Grantee of the Option.
- 4.8 Where an Option is to be granted to a Substantial Shareholder or an independent non-executive Director (or any of their respective associates), and the grant will result in the number and value of the Relevant Shares (as defined in paragraph 4.11) exceeding 0.1% of the total number of Shares in issue at the relevant time of grant (excluding any awards lapsed in accordance with the terms of this Scheme), such grant shall not be valid unless:
- 4.8.1 a circular containing the details of the grant has been despatched to the Shareholders;
 - 4.8.2 the grant has been approved by the Shareholders in general meeting (taken on a poll), at which the Grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of the Company have abstained from voting in favour at such meeting, and in accordance with the Listing Rules; and
 - 4.8.3 the number and terms (including the Subscription Price) of such Options are fixed before the general meeting of the Company at which the same are approved.

The circular to be issued by the Company to its Shareholders pursuant to paragraph 4.8.1 shall contain the following information:

- (A) the details of the number and terms of the Options or options or share awards to be granted to each Participant which must be fixed before the Shareholders' meeting;
- (B) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee of the Options or options or share awards) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and its Shareholders as a whole, and their recommendation to the independent Shareholders 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.

4.9 For the purpose of calculating the limit in paragraphs 4.6 and 4.8, Options that have already been lapsed in accordance with paragraph 7 shall not be counted.

4.10 Any change in the terms of any Option granted to a Substantial Shareholder or an independent non-executive Director (or any of their respective associates) which would result in the number and value of the Relevant Shares exceeding that set out in paragraph 4.8 shall not be valid unless:

4.10.1 a circular regarding the change has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules; and

4.10.2 the change has been approved by the Shareholders in general meeting (taken on a poll), at which all Connected Persons of the Company are abstained from voting in favour at such meeting.

4.11 For the purposes of paragraphs 4.6 and 4.8, "Relevant Shares" shall mean Shares issued and to be issued upon exercise of all Options or options or share awards (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the Relevant Participant referred to in paragraph 4.6 or 4.8 (as the case may be) in the 12-month period up to and including the Offer Date of the relevant Option referred to in paragraph 4.6 or 4.8 (as the case may be).

4.12 Any change in the terms of Options granted to a Participant who is a Director, chief executive or Substantial Shareholder or an independent non-executive Director, or any of their respective associates, must be approved by the Shareholders in the manner as set out in Rule 17.04(4) of the Listing Rules if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of this Scheme).

- 4.13 Any Offer may be accepted in respect of all or less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. To the extent that an Offer is not accepted within the time stated in the Offer for that purpose, it will be deemed to have been irrevocably declined.
- 4.14 In the cases referred to in paragraphs 4.6 to 4.8, where an Option has not been approved in accordance with the relevant provision herein, the Option Price paid by a Participant relating to such Option shall be refunded (without interest) by the Company.

5 SUBSCRIPTION PRICE

- 5.1 Subject to paragraphs 5.2 and 9, the Subscription Price shall be a price determined by the Board (subject to any necessary consent or approval being obtained) and notified to a Participant and shall be at least the highest of:
- 5.1.1 the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the Options, which must be a Business Day; and
 - 5.1.2 the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the date of grant of the Options;
- provided that in the event of fractional prices, the Subscription Price per Share shall be rounded upwards to the nearest whole cent.
- 5.2 Where a relevant Option is to be granted under paragraph 4.6 or 4.8, for the purposes of paragraphs 5.1.1 and 5.1.2, the date of the Board meeting at which the grant was proposed shall be taken to be the Offer Date for such relevant Option, and the provisions of paragraph 5.1 shall apply *mutatis mutandis*.

6 EXERCISE OF OPTION

- 6.1 An Option shall be personal to the Grantee and shall not be assignable nor transferable, and 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 or attempt to do so, except as permitted under the Listing Rules provided that the purpose of this Scheme will be met and the requirements of Chapter 17 of the Listing Rules (including but not limited to a waiver from the Stock Exchange, where applicable) will be complied. Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee.
- 6.2 Subject to, among other things, the fulfilment of all terms and conditions attached to the Options, including the attainment of any performance targets (if any), an Option may be exercised according to the terms of this Scheme and the relevant Offer Letter in whole or in part by the Grantee (or

his Personal Representative(s)) before its expiry by giving notice in writing to the Company stating that the Option is to be exercised and the number of Shares in respect of which it is exercised, provided that the number of Shares shall be equal to the size of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. Such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given. The payment of the Subscription Price may be made at the election of the Grantee (i) in cash or by cheque, (ii) to the extent permitted by the Board, in Shares having a fair market value (as valued by the valuer to be appointed by the Company) equal to the aggregate Subscription Price for the Shares in respect of which the notice is given and satisfying such other requirements as may be imposed by the Board; provided, that such Shares have been held by the Grantee for no less than six months (or such other period as established from time to time by the Board in order to avoid adverse accounting treatment applying generally accepted accounting principles), (iii) partly in cash and, to the extent permitted by the Board, partly in such Shares or (iv) if there is a public market for the Shares at such time, through the delivery of irrevocable instructions to a broker to sell Shares obtained upon the exercise of the Option and to deliver promptly to the Company an amount out of the proceeds of such sale equal to the aggregate Subscription Price for the Shares in respect of which the notice is given. Within 28 days after receipt of the notice and the remittance and (where appropriate) receipt of the Auditor's or the independent financial adviser's certificate under paragraph 9, the Company shall allot and issue the relevant Shares to the Grantee (or his Personal Representative(s) or his nominee referred to in paragraph 6.1) credited as fully paid and issue to the Grantee (or his Personal Representative(s) or his nominee referred to in paragraph 6.1) a share certificate in respect of the Shares so allotted.

- 6.3 The Board may, in its discretion, require at the time of grant any particular Grantee to achieve such performance targets as the Board may then specify in the grant before any Options granted under this Scheme to such Grantee can be exercised. If performance targets are imposed on a Grantee upon the grant of Options, the Board will have regard to the purpose of this Scheme in assessing such performance targets with reference to all relevant factors as and when appropriate. Set out below are the principal factors that the Board will consider: sales performance (e.g. revenue), operating performance (e.g. operation efficiency in terms of cost control), financial performance (e.g. profits, cash flow, earnings, market capitalization, return on equity) of the Group, individual overall performance indicators (e.g. strategic driving abilities, talent development capabilities, inter-departmental cooperation and team work capabilities), corporate sustainability parameters (e.g. timeliness and accuracy in handling customer feedback, adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal business procedures), the satisfaction of which shall be assessed and determined by the Board at its sole discretion.

The finance and human resources departments will propose the performance targets (if any) of each Grantee to the Board or the Remuneration Committee (as the case may be) for consideration, who will then assess the reasonableness and suitability and confirm such performance targets. In relation to the Options granted to the directors and

senior management of the Company, the performance targets, or the absence of such, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules. The Group will utilize its internal assessment system to appraise and evaluate the performance targets applicable to each grant of Options on a case-by-case basis. The Company will consider the past contributions of a Participant with reference to the factors set out above and form an internal assessment as regards the future value that such Participant may bring to the growth and development of the Group. The assessment involves the consideration and appraisal of the Participant's expected contribution with reference to such Participant's nature of duties (e.g. whether in a sale role, management role or a support role), position within the Group (e.g. whether overall Group level targets or specific performance indicators should be adopted) and other features including geographical location, corporate culture and business strategy focus. Specific weightings will be given to the factors above in order to provide a fair and objective appraisal of the Participants before the grant of Options, such that the grants will be on a fair and reasonable basis and in the interest of the Company and its Shareholders as a whole.

Notwithstanding the above, an Option may be exercised by the Grantee (or his Personal Representative(s) or his nominee referred to paragraph 6.1) at any time during the Option Period:

Provided that:

- 6.3.1 subject to sub-paragraphs 6.3.2, 6.4 and 7.1.5, where the Grantee of an outstanding Option ceases to be a Participant for any reason, the Option may be exercised within six months after the date of such cessation, which date shall be his last actual working day with the Company or any Subsidiary whether salary is paid in lieu of notice or not;
- 6.3.2 subject to sub-paragraphs 6.4 and 7.1.5, where the Grantee of an outstanding Option dies or becomes permanently disabled or retires in accordance with applicable labour laws and regulations or his/her contract of employment before exercising the Option in full or at all, the Option may be exercised up to the entitlement of such Grantee or, if appropriate, an election made pursuant to sub-paragraphs 6.3.3, 6.3.4 or 6.3.6 by his Personal Representative(s), within six months after the date of his/her death or permanent disability or retirement or such longer period as the Board may determine;
- 6.3.3 subject to sub-paragraphs 6.4 and 7.1.5, if a general offer by way of a take-over is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Company shall forthwith notify all the Grantees and any Grantee (or his Personal Representative(s) or his nominee referred to in paragraph 6.1) may by notice in writing to the Company within 14 days after such offer becoming or being declared unconditional exercise the Option to its full

extent or to the extent specified in such notice during the 6 months starting on the later of (i) the date of the Company's notification to the Grantees; and (ii) the date on which the person making the offer obtains control of the Company;

- 6.3.4 subject to sub-paragraphs 6.4 and 7.1.5, if a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the Company shall forthwith give notice to all the grantees on the same date as it gives notice of the meeting to the Shareholders summoning the meeting to consider such a scheme of arrangement and any Grantee (or his Personal Representative(s) or his nominee referred to in paragraph 6.1) may thereafter (but within 14 days after the record date for entitlements under such scheme of arrangement) by notice in writing to the Company exercise the Option to its full extent or to the extent specified in such notice;
- 6.3.5 subject to sub-paragraphs 6.4 and 7.1.5, other than a general offer or a scheme of arrangement contemplated in sub-paragraphs 6.3.3 and 6.3.4, if a compromise or arrangement between the Company and its Shareholders 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, the Company shall give notice thereof to the Grantee (together with a notice of the existence of the provisions of this paragraph) on the same date it despatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement and any Grantee may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given (such notice to be received by the Company not later than two business days prior to the proposed meeting), exercise his Option to its full extent or to the extent specified in the notice and 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 meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise of the Option credited as fully paid and register the Grantee as holder thereof; and
- 6.3.6 subject to sub-paragraphs 6.4 and 7.1.5, 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 other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, 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 (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee (or his Personal Representative(s) or his nominee referred to in paragraph 6.1) shall be entitled to exercise all or any of his Options within three months after the date of the resolution (provided that such exercise and the issue or transfer

of any Shares is authorised by the liquidator and/or the court (as appropriate)) by giving notice in writing to the Company; in the event the Company is being wound up by the court, each Grantee (or his Personal Representative(s) or his nominee referred to in paragraph 6.1) shall be entitled to exercise all or any of his Options within two months after the date of the winding-up order (provided that such exercise and the issue or transfer of any Shares is authorised by the liquidator and/or the court (as appropriate) by giving notice in writing to the Company whereupon the Company shall as soon as possible and, in any event, no later than seven Business Days immediately following the date of such written notices referred to above, allot the relevant Shares to the Grantee credited as fully paid.

- 6.4 A Grantee is required to hold an Option for not less than 12 months from the Offer Date before it can be exercised. A vesting period shorter than 12 months may be granted to the Participants at the discretion of the Board (or the Remuneration Committee where the arrangements relate to grants of Options to the directors and/or senior management of the Company) in any of the following specific circumstances: (i) grants of “make-whole” Options to Participants who newly joined the Group to replace the share awards or options they forfeited when leaving the previous employers; (ii) grants of Options with specific and objective performance-based vesting conditions in lieu of most time-based vesting criteria; (iii) grants that are made in batches during a year for administrative or compliance reasons, which may include Options that should have been granted earlier but had to wait for a subsequent batch, in such cases, the vesting date may be adjusted to take account of the time from which the Options would have been granted if not for such administrative or compliance requirements; and (iv) grants of Options with a mixed or accelerated vesting schedule such that the Options may vest evenly over a period of 12 months.
- 6.5 The Shares to be allotted upon the exercise of an Option shall not carry voting rights or any right of a shareholder in respect of Shares 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 and issued upon the exercise of an Option shall be subject to the Company's bye-laws and the laws of Hong Kong for the time being in force and shall rank *pari passu* in all respects with the fully-paid Shares in issue of the Company as at the date of allotment and will entitle the holders to 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, in particular but without prejudice to the generality of the foregoing, in respect of voting, transfer and other rights including those arising on a liquidation of the Company and rights in respect of any dividend or other distributions paid or made on or after the date of issue.

7 LAPSE OF OPTION

- 7.1 The right to exercise an Option (to the extent not already exercised) shall terminate immediately upon the earliest of:
- 7.1.1 the Expiry Date relevant to that Option;

- 7.1.2 the expiry of any of the periods referred to in paragraph 6.3.1, 6.3.2, 6.3.3, 6.3.5 or 6.3.6;
- 7.1.3 the date on which the scheme of arrangement of the Company referred to in paragraph 6.3.5 becomes effective;
- 7.1.4 the date of commencement of the winding-up of the Company; or
- 7.1.5 Clawback mechanism

the date on which the Grantee ceases to be a Participant by reason of such Grantee's resignation from the employment of the Company or any of its Subsidiaries or the termination of his or her employment or contract on any one or more of the grounds that he or she has been guilty of serious misconduct, his or her wilful disobedience or non-compliance with the terms of his or her employment, service agency, consultancy, engagement contract or lawful orders or instructions given by any member of the Group, has been liable for a material misstatement in the Company's financial statements, has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, has been charged, convicted or held liable for any offence under the relevant securities laws in Hong Kong or any other applicable laws or regulations from time to time, has been convicted of any criminal offence involving his or her integrity or honesty, or in relation to an employee of the Group (if so determined by the Board) or any other ground on which an employee would be entitled to terminate his employment summarily at common law or pursuant to any applicable laws or under the Grantee's service contract with the Group. A resolution of the Board to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph 7.1.5 shall be conclusive.

The Company shall owe no liability to any Grantee for the lapse of any Option under this paragraph 7.

8 MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- 8.1 Subject to paragraphs 8.3 and 8.4, at the time of adoption by the Company of this Scheme, the aggregate number of Shares which may be issued upon exercise of all Options or option(s) or share award(s) to be granted under this Scheme and all schemes existing at such time ("**Existing Schemes**") of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date ("**Scheme Mandate Limit**").
- 8.2 For the purposes of calculating this Scheme Mandate Limit under paragraph 8.1, the number of Shares which would be issued on the exercise in full of the Options or options or share awards under the Existing Schemes but not cancelled, lapsed or exercised; the number of Shares which have been issued and allotted pursuant to the exercise of any Options

or options or share awards under the Existing Schemes, Shares which are the subject matter of any Options or options or share awards that have already lapsed or cancelled or not exercised in accordance with the terms of the relevant Existing Scheme(s) shall not be counted.

- 8.3 The Scheme Mandate Limit may be refreshed at any time by obtaining approval of the Shareholders in general meeting after three years from Adoption Date or the date of Shareholders' approval for the last refreshment, provided that:

8.3.1 this Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of issued Shares as at the date of Shareholders' approval of the refreshing of this Scheme Mandate Limit. Options previously granted under any Existing Schemes (including Options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed. A circular regarding the proposed refreshing of this Scheme Mandate Limit must be despatched to the Shareholders containing the number of Options or options or share awards that were already granted under the existing Scheme Mandate Limit and the reason for the refreshment.

8.3.2 Any refreshment to this Scheme Mandate Limit within any three-year period must be approved by the Shareholders, where any Controlling Shareholders and their associates (or if there is no Controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting and in accordance with the requirements under the Listing Rules.

8.3.3 The requirements under paragraph 8.3.2 do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of this Scheme Mandate Limit (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of this Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share.

- 8.4 Without prejudice to paragraph 8.3, the Company may seek separate approval from the Shareholders in the general meeting for granting Options or options or shares awards under the Existing Schemes which will result in this Scheme Mandate Limit or, if applicable, the extended limits referred to in paragraph 8.3, being exceeded, provided that:

8.4.1 the grant is to Participants specifically identified by the Company before the approval is sought;

8.4.2 a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the name of each specified Participant who may be granted such Options or options or share awards, the number and terms of the

Options or options or share awards to be granted to each Participant, and the purpose of granting options or awards to the specified Participants with an explanation as to how the terms of the Options or options or share awards serve such purpose; and

8.4.3 the number and terms of Options or options or share awards to be granted to such Participant be fixed before Shareholders' approval.

8.5 This Scheme Mandate Limit referred to in paragraph 8.1 (or as increased in accordance with paragraphs 8.3 and/or 8.4, as the case may be) shall be adjusted, in such manner as the Auditors or 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 in accordance with paragraph 9 whether by way of capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of share capital of the Company. If the Company conducts a share consolidation or subdivision after this Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Options or options or share awards to be granted under all of the Existing Scheme(s) under this Scheme Mandate Limit 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.

9 EFFECT OF ALTERATIONS TO SHARE CAPITAL

9.1 In the event of any alteration to the capital structure of the Company whilst any Option may become or remain exercisable, arising from any capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, adjustment (if any) shall be made to:

9.1.1 the number of Shares subject to the Option so far as unexercised; and/or

9.1.2 the Subscription Price for the Shares subject to the Option so far as unexercised;

or any combination thereof as the Auditors or the independent financial adviser to the Company shall at the request of the Company certify in writing to the Board either generally or as regards any particular Grantee that it is in his opinion fair and reasonable and that the adjustments are in compliance with Rules 17.03(13) of the Listing Rules and the notes thereto, provided that no such certification is required in respect of any adjustments made on a capitalisation issue.

9.2 Any such adjustments must give a Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as to which that Grantee was previously entitled, and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the

Stock Exchange but no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the Auditors or the independent financial adviser to the Company in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. Any adjustment to be made in accordance with this paragraph shall comply with the Listing Rules and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time.

- 9.3 In respect of any adjustments required by paragraph 9.1, other than any made on a demerger, special dividend, or capitalisation issue, the Auditors or the approved independent financial adviser, as the case maybe, 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 note thereto and/or such other requirement prescribed under the Listing Rules from time to time.

10 SHARE CAPITAL

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 to such approval, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

11 DISPUTES

Any dispute arising in connection with this Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price, or otherwise) shall be referred to the decision of the Auditors or the independent financial adviser to the Company who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final and binding. The costs of the Auditors or the independent financial adviser to the Company shall be borne equally by the Company and the relevant Grantee.

12 ALTERATION OF THIS SCHEME

- 12.1 Subject to paragraphs 12.2 to 12.4, this Scheme may be altered in any respect by resolution of the Board except that:

- (a) any alteration to the provisions of this Scheme which are of a material nature; and
- (b) any alteration to the provisions of this Scheme relating to the matters governed by Rule 17.03 of the Listing Rules to the advantage of Grantees;

must be approved by a resolution of the Shareholders in general meeting.

- 12.2 Any change to the terms of the Options granted to a Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration

Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), unless the alterations take effect automatically under the existing terms of this Scheme.

- 12.3 Any change to the authority of the Board in relation to any alterations to the terms of this Scheme must be approved by the Shareholders in general meeting.
- 12.4 The amended terms of this Scheme or the Options must comply with Chapter 17 of the Listing Rules.

13 CANCELLATION OF OPTIONS GRANTED

- 13.1 The Board may cancel an Option granted but not exercised at any time after the Grantee has committed a breach of the provisions of paragraph 6.1.
- 13.2 Save for paragraph 13.1 which shall entitle the Company to cancel the Option(s) granted to the relevant Grantee to the extent not already exercised and subject to Chapter 17 of the Listing Rules, any Options granted but not exercised may not be cancelled unless with the prior written consent of the relevant Grantee and the approval of the Directors.
- 13.3 Options may only be granted to a Participant in place of his cancelled Options under the available Scheme Mandate Limit (excluding the cancelled Options) from time to time.
- 13.4 Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit under paragraph 8.1.

14 TERMINATION

- 14.1 The Company, by resolution in general meeting, or the Board may at any time terminate the operation of this Scheme and in such event no further Option will be offered but in all other respects the provisions of this Scheme shall remain in full force and effect and Options granted prior to such termination shall either continue to be valid and exercisable or any Options exercised but remaining outstanding (i.e. where the Shares corresponding to such Options have not been issued) prior thereto or otherwise as may be required in accordance with this Scheme.
- 14.2 Details of the Options granted, including Options exercised or outstanding, under this Scheme shall be disclosed in the circular to Shareholders seeking approval of the new scheme to be established or refreshment of scheme mandate limit under any Existing Scheme after the termination of this Scheme.

15 DISCLOSURE IN ANNUAL AND INTERIM REPORTS

The Company will disclose details of this Scheme in its annual and interim reports in accordance with the Listing Rules in force from time to time.

16 MISCELLANEOUS

- 16.1 Notwithstanding any provision of any other paragraph of this Scheme:
- 16.1.1 this Scheme shall not form part of any contract of employment between the Company or any Subsidiary (as appropriate) and any Participant and the rights and obligations of any 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 a Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason; and
- 16.1.2 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.
- 16.2 The Company shall bear the costs of establishing and administering this Scheme.
- 16.3 Any notice or other communication between the Company and a Grantee shall be addressed to the recipient and sent by personal delivery or by prepaid post or by email to, in the case of the Company, its principal place of business in Hong Kong or as otherwise notified to the Grantee from time to time and, in the case of the Grantee, his residential address as notified to the Company from time to time.
- The Company: DTXS Silk Road Investment Holdings Company Limited
- Email: hwong@dtxs.com
- 16.4 Any notice or other communication between the Company and a Grantee shall be deemed to have been received:-
- 16.4.1 in the case of delivery by hand, when delivered;
- 16.4.2 in the case of prepaid post, on the second day following the day of posting; or
- 16.4.3 in the case of an email, on the date of transmission provided that the sender has an automated transmission confirmation indicating that the email was duly transmitted and received.
- 16.5 In the case of a notice served by the Company by post, in proving service it shall be sufficient to prove that the envelope containing the notice was properly addressed and stamped and was deposited in a post box or at the post office.
- 16.6 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of an Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result

of his participation in this Scheme. The Company shall not be responsible for the lapse of any Options granted to any Participant by reason of the lapse of the Options granted as referred to in paragraph 7.1.

- 16.7 This Scheme and all Options granted under this Scheme shall be governed by and construed in accordance with the laws of Hong Kong.