

Dated [•] 2025

STAR SHINE HOLDINGS GROUP LIMITED
應星控股集團有限公司

SHARE OPTION SCHEME

(Adopted at the extraordinary general meeting held on [•] 2025)

Star Shine Holdings Group Limited
(Incorporated in the Cayman Islands with limited liability)

SHARE OPTION SCHEME

1. Definitions

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

“Adoption Date”	means [•] 2025 (the date on which this Scheme is conditionally adopted by resolution of the Company in general meeting);
“associates”	as such term is defined under the Listing Rules;
“Auditor”	means the auditor for the time being of the Company;
“Board”	means the board of directors of the Company or a duly authorized committee thereof for the time being;
“Business Day”	means a day (other than a Saturday or a Sunday) on which licensed banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities;
“chief executive”	as such term is defined under the Listing Rules;
“close associate”	as such term is defined under the Listing Rules;
“Company”	means Star Shine Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange;
“connected person”	as such term is defined under the Listing Rules;
“day”	means calendar day;
“electronic communication”	means a communication by means of guided or unguided electromagnetic energy or both;

“Employee Participants”	means directors (including executive, non-executive or independent non-executive directors), chief executive and employees of the Company or any of its subsidiaries (including persons who are granted Options under this Scheme as an inducement to enter into employment contracts or director’s service contracts with the Company or any of its subsidiaries), provided that the Board shall have absolute discretion to determine whether or not one falls within such category;
“Existing Scheme”	means the share option scheme adopted by the Company at its general meeting on 16 December 2020, which became effective on 13 January November 2021;
“Grantee”	means any Participant who accepts an Offer in accordance with the terms of this Scheme or (where the context permits) the personal representative(s) entitled to any such Option in consequence of the death of the original Grantee;
“Group”	means the Company and its subsidiaries from time to time;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange (as may be amended, supplemented or modified from time to time);
“month”	means calendar month;
“Offer”	means the offer of the grant of an Option to be made by the Board in accordance with paragraph 5;
“Offer Date”	means the date on which an Offer is made to a Participant;
“Option(s)”	means right(s) granted to the Participants to subscribe for Shares or (as the case may be) be transferred Treasury Shares (if any) pursuant to the terms of this Scheme;

“Option Period”	means a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular Option is granted in accordance with this Scheme;
“Participants”	means Employee Participants;
“Remuneration Committee”	means the remuneration committee of the Company;
“Share(s)”	means ordinary share(s) in the capital of the Company with par value of HK\$0.01 each;
“Shareholder(s)”	means holder(s) of the Shares;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Subscription Price”	means the price per Share at which a Grantee may subscribe for Shares or (as the case may be) be transferred Treasury Shares on the exercise of an Option pursuant to paragraph 6;
“subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance of Hong Kong (Chapter 622 of the Laws of Hong Kong) or the local companies law, act and/or ordinance where the subject company was incorporated) of another company whether incorporated in Hong Kong or elsewhere;
“this Scheme”	means this share option scheme in its present or any amended form;
“Treasury Share(s)”	Share(s) repurchased and held by the Company in treasury (if any), as authorized or permitted by the laws and regulations of the Cayman Islands and/or the articles of association of the Company; and
“%”	means per cent.

- 1.2. Paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme. Unless the context otherwise requires, references to paragraphs or sub-paragraphs are to paragraphs or sub-paragraphs of this Scheme; words importing the singular include the plural and vice versa; words importing gender include every gender; and references to persons include corporations and unincorporates. References to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended, consolidated or re-enacted, or as its operation is modified by any other statute or statutory provision (whether with or without modification), and shall include any subsidiary legislation enacted under the relevant statute.

2. Purpose of this Scheme and Basis of Eligibility of the Participants

- 2.1. The purpose of this Scheme is for the Company to:

- (a) recognise and acknowledge the contributions that Participants have or may have made or may make to any member(s) of the Group (whether directly or indirectly);
- (b) attract, retain and motivate Participants to strive for future developments and expansion of the Group;
- (c) enhance the Group's business and employees relationship; and/or
- (d) provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to the Participants.

- 2.2. In determining the basis of eligibility of each Participant, the Board would mainly take into account the experience of the Participant on the Group's business, the length of service of the Participant with the Group, the amount of contribution or potential contribution the Participant has made or is likely to make towards the success of the Group, the Participant's individual performance, their time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, and such other factors as the Board may at its discretion consider appropriate.

3. Conditions

This Scheme shall take effect upon satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders in general meeting to:
 - (i) approve the adoption of this Scheme and to authorise the Board to grant Options to subscribe for Shares hereunder and to allot and issue Shares or (as the case may be) to transfer Treasury Shares (if any), pursuant to the exercise of any Options granted under this Scheme; and
 - (ii) approve the termination of the Existing Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options granted under this Scheme.

4. Duration and Administration

- 4.1. Subject to paragraphs 3 and 16, this Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options will be granted but in all other respects, subject to the compliance with the provisions under the Listing Rules, the provisions of this Scheme shall 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 which are granted during the life of this Scheme may continue to be exercisable in accordance with their terms of issue.
- 4.2. This Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) shall be final and binding on all parties.
- 4.3. Subject to the compliance with the requirements of the Listing Rules and the provisions of this Scheme, the Board shall have the right (i) to interpret and construe the provisions of this Scheme; (ii) to determine the persons who will be awarded Options under this Scheme and the number of Shares to be issued and/or (as the case may be) the number of Treasury Shares to be transferred under the Option; (iii) to determine the Subscription Price; (iv) to make such appropriate and equitable adjustments to the terms of the Options granted under this Scheme as it deems necessary; and (v) to make such other decisions, determinations or regulations as it shall deem appropriate in the administration of this Scheme.

5. Grant of Options

- 5.1. On and subject to the requirements of the Listing Rules and the terms of this Scheme, the Board shall be entitled at any time within 10 years as on and from the Adoption Date to make an Offer to any Participants as the Board may in its absolute discretion select, and subject to any such conditions as the Board may at its absolute discretion think fit, to subscribe for such number of Shares as the Board may (subject to paragraphs 9 and 10) determine at the Subscription Price.
- 5.2. A grant of Options may not be made:
- (a) after inside information (having the meaning as defined in the Securities and Futures Ordinance (Cap 571 of Laws of Hong Kong) (as amended from time to time) has come to the Company's knowledge until (and including) the trading day after the Company has announced the information in accordance with the requirements of the Listing Rules; or
 - (b) during the period commencing 30 days immediately preceding the earlier of (i) the date of the Board meeting (as such date is first notified by the Company to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year or 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 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 the results announcement.
- 5.3. An Offer shall be made to a Participant by letter in such form as the Board may from time to time determine (the "**Offer Letter**") requiring 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 shall remain open for acceptance by the Participant concerned for a period of 28 days from the Offer Date, provided that no such Offer shall be open for acceptance as on and after the 10th anniversary from the Adoption Date or as on and after the date when this Scheme has been terminated in accordance with the provisions hereof, whichever is the earlier.

- 5.4. An Offer shall be deemed to have been accepted by the Grantee and the Option to which the Offer relates shall be deemed to have been granted and to have taken effect on the Offer Date when the duplicate of the Offer Letter (as defined in sub-paragraph 5.3) comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1 by way of consideration for the granting thereof is received by the Company within the period as stipulated in sub-paragraph 5.3. Such remittance shall in no circumstances be refundable or be considered as part of the Subscription Price.
- 5.5. Any Offer may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of such number of Shares as representing board lot(s) for dealing in Shares on the Stock Exchange or an integral multiple thereof and the number of Shares in respect of which the Offer is accepted is clearly stated in the duplicate of the Offer Letter received by the Company as mentioned in sub-paragraph 5.4. To the extent that the Offer is not accepted within the period and in the manner stipulated in sub-paragraph 5.4, it will be deemed to have been irrevocably declined and the Offer shall automatically lapse and become null and void.
- 5.6. Subject to the provisions of this Scheme and the Listing Rules, the Board may when making the Offer impose any conditions, restrictions or limitations in relation to the Option as it may at its absolute discretion think fit.

6. Subscription Price

Subject to any adjustments made pursuant to paragraph 11, the Subscription Price in respect of each Share issued or each Treasury Share transferred pursuant to the exercise of Options granted hereunder shall be a price determined by the Board and notified to a Participant and shall be at least the higher of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; and
- (b) 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 Offer Date.

7. Exercise of Options and Vesting Period

- 7.1. An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option, unless a waiver is granted by the Stock Exchange. Where the Grantee is a company, any change of its controlling shareholder or any substantial change in its management (which is to be determined by the Board at its absolute discretion) will be deemed to be a sale or transfer of interest aforesaid. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any outstanding Options or part thereof of such Grantee in accordance with sub-paragraph 8(f) without incurring any liability on the part of the Company.
- 7.2. For the avoidance of doubt, there is no performance target stipulated under the terms of this Scheme which a Grantee is required to achieve before any Option granted under this Scheme can be exercised. However, the Board has the discretion to require at the time of grant of an Option any particular Grantee to achieve such performance targets as the Board may then specify in the Offer Letter (as defined in sub-paragraph 5.3) before such Option granted can be exercised by such Grantee. The performance targets may include financial targets and management targets which shall be determined based on the (i) individual performance; (ii) performance of the Group; and/or (iii) performance of the departments or business line managed by the Grantee. An Option may be exercised in whole or in part in the manner as set out in the Offer Letter and sub-paragraph 7.3 by the original Grantee (or the personal representative(s) of the deceased Grantee) (i) giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised; each such notice must be accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given; within 28 days after receipt of the notice and the remittance and where appropriate, receipt of the certificate from the independent financial adviser or the Auditor (as the case may be) pursuant to paragraph 11, the Company shall allot the relevant number of Shares and/or (as the case may be) transfer the relevant number of Treasury Shares to the original Grantee (or the personal representative(s) of the deceased Grantee) credited as fully paid and (to the extent permitted under the Company's articles of association and applicable laws, rules and regulations) issue to the original Grantee (or the personal representative(s) of the deceased Grantee) a share certificate in respect of the Shares so allotted and/or (as the case may be) Treasury Shares so transferred; or (ii) following such other procedures adopted by the Board and notified to the Grantee from time to time.

7.3. Subject to as hereinafter provided and subject to the terms and conditions upon which such Option was granted, the Option may be exercised by the Grantee at any time during the business hours of the Company (i.e. Monday to Friday, 9:00 a.m. to 5:00 p.m., Hong Kong time) on a Business Day within the Option Period provided that:

- (a) in the event of the Grantee ceases to be a Participant for any reason other than on the Grantee's death or the termination of the Grantee's employment, directorship, office or appointment on one or more of the grounds specified in sub-paragraph 8(d), the Grantee may exercise the Option up to the Grantee's entitlement at the date of cessation (to the extent he is entitled to exercise at the date of cessation but not already been exercised) within the period of three months (or such longer period as the Board may determine) following the date of such cessation, which date shall be the last actual working day with the relevant company whether salary is paid in lieu of notice or not, or the last date of office or appointment as director, chief executive or employee of the relevant company, as the case may be, in the event of which, the date of cessation as determined by a resolution of the Board or governing body of the relevant company shall be conclusive;
- (b) in the event the Grantee dies before exercising the Option in full and none of the events which would be a ground for termination of the Grantee's employment, directorship, office or appointment under sub-paragraph 8(d) arises, the personal representative(s) of the deceased Grantee shall be entitled, within a period of 12 months or such longer period as the Board may determine from the date of death, to exercise the Option up to the entitlement of such Grantee at the date of death (to the extent which has become exercisable and not already been exercised) or, if appropriate, make an election pursuant to sub-paragraph 7.3(c), (d) or (e);
- (c) if a general or partial offer, whether by way of takeover offer, share repurchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders, 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 Options granted to them, the Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the Grantee shall, notwithstanding any other terms on which his/her Options were granted, be entitled to exercise the Option (to the extent which has become exercisable and not already been exercised) to its full extent or to the extent specified in the Grantee's notice to the Company at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be;

- (d) 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 (other than any event contemplated in sub-paragraph 7.3(c)), the Company shall give notice thereof to the Grantee on the same date as it dispatches the notice which is sent to each Shareholder or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the original Grantee (or the personal representative(s) of the deceased Grantee) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of two months thereafter and the date on which such compromise or arrangement is sanctioned by the Court, exercise any of his Options (to the extent which has become exercisable and not already been exercised) whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under this Scheme. The Company may require the original Grantee (or the personal representative(s) of the deceased Grantee) to transfer or otherwise deal with the Shares issued and/or (as the case may be) Treasury Shares transferred as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and
- (e) in the event a notice is given by the Company to its Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, 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 dispatches such notice to convene the general meeting, give notice thereof to all Grantees. Each original Grantee (or the personal representative(s) of the deceased Grantee) may by notice in writing to the Company (such notice to be received by the Company no later than two Business Days prior to the proposed general meeting (excluding any period(s) of closure of the Company's share registers)) exercise the Option (to the extent which has become exercisable and not already been exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares and/or (as the case may be) transfer the relevant Treasury Shares to the Grantee credited as fully paid.

- 7.4. The Shares to be allotted and/or (as the case may be) the Treasury Shares to be transferred upon the exercise of an Option will be subject to all the provisions of the memorandum and articles of association of the Company for the time being in force and will rank pari passu in all respects with the fully paid Shares in issue on the date of their allotment and issue (or in the case of the Treasury Shares, the date of their transfer to the Grantee), and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue (or in the case of the Treasury Shares, on or after the date of their transfer to the Grantee) 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 date of allotment and issue (or in the case of the Treasury Shares, before the date of their transfer to the Grantee), provided always that when the date of exercise of the Option falls on a date upon which the register of Shareholders is closed, then the exercise of the Option shall become effective on the first Business Day in Hong Kong on which the register of Shareholders is re-opened. A Grantee shall not be entitled to vote in any general meeting of the Company in respect of any of those outstanding Options yet to be exercised held by him unless he has exercised his Option(s) in accordance with the provisions of this Scheme. Once a Grantee has exercised his Option(s) in accordance with the provisions of this Scheme, he shall be entitled to vote in respect of those fully paid Shares allotted or (as the case may be) fully paid Treasury Shares transferred to him upon the exercise of his Option(s) in accordance with the memorandum and articles of association of the Company for the time being in force.
- 7.5. Save for the circumstances prescribed below, the vesting period for Options shall not be less than 12 months.

The Board may at its discretion grant a shorter vesting period to a Participant in the following circumstances:

- (a) grants of “make-whole” Option(s) to new joiners as Participants to replace the share options or share awards they forfeited when leaving the previous employers;
- (b) grants of Options to a Participant whose employment is terminated due to death or occurrence of any out-of-control event;
- (c) grants of Options to a Participant that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons had to wait for the subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;

- (d) grants of Options to a Participant with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; or
- (e) grants of Options to a Participant with performance-based vesting conditions in lieu of time-based vesting criteria as determined in the conditions of grant.

8. Lapse of Options

An Option shall lapse automatically and not be exercisable (to the extent not already been exercised) on the earliest of:

- (a) the expiry of the Option Period (subject to the provisions of sub-paragraph 4.1 and paragraph 16);
- (b) the expiry of the periods referred to in sub-paragraphs 7.3(a) to 7.3(c);
- (c) subject to the scheme of arrangement or compromise becoming effective, the expiry of the period referred to in sub-paragraph 7.3(d);
- (d) the date on which the Grantee ceases to be an employee, a director or a chief executive of the relevant company (as the case may be) by reason of the termination of his employment, directorship, office or appointment on the grounds that he has been guilty of misconduct, or has been in breach of any material term of the relevant employment contract, service contract or engagement contract (as the case may be), or appears either to be unable to pay or have no reasonable prospect to be able to pay debts, or has become bankrupt or insolvent, or has been served a petition for bankruptcy or winding-up, or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board or the board of the relevant company, as the case may be) on any other ground on which an employer would be entitled to terminate his employment, directorship, office or appointment at common law or pursuant to any applicable laws or under the relevant employment contract, service contract or engagement contract (as the case may be) with the relevant company (as the case may be), in the event of which a resolution of the board of directors or governing body of the relevant company (as the case may be) to the effect that the employment, directorship, office or appointment of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph 8(d) shall be conclusive;
- (e) the close of the two Business Days prior to the general meeting of the Company held for the purpose of approving the voluntary winding-up of the Company as referred to in sub-paragraph 7.3(e) or the date of the commencement of the winding-up of the Company;

- (f) the date on which the Board exercises the Company's right to cancel the Option at any time after a Grantee commits a breach of sub-paragraph 7.1; or
- (g) the date on which an Option is cancelled by the Board as provided in paragraph 15.

The Company shall owe no liability to any Grantee for the lapse of any Option under this paragraph 8.

9. Maximum Number of Shares Available for Subscription

Subject to the Listing Rules:

- (a) The total number of Shares which may be issued together with the total number of Treasury Shares which may be transferred (if any) in respect of all Options to be granted under this Scheme shall not (when aggregated with any Shares subject to any other share option scheme(s) and share award scheme(s) of the Company that involve(s) the issuance of new Shares and/or transfer of Treasury Shares) in aggregate exceed 126,000,000 Shares, representing 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the date of approval of this Scheme by the Shareholders ("**Scheme Mandate Limit**"), unless the Company obtains an approval from its Shareholders pursuant to sub-paragraphs 9(b) to 9(e).
- (b) The Company may seek approval of its Shareholders in general meeting for refreshing the Scheme Mandate Limit set out in sub-paragraph 9(a) under this Scheme after three years from the date of Shareholders' approval for the adoption of this Scheme or the last refreshment.
- (c) Any refreshment within any three year period must be approved by Shareholders subject to that:
 - (i) any controlling Shareholders and their associates (or if there is no controlling Shareholder, directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under sub-paragraphs 9(c)(i) and 9(c)(ii) above do not apply if the refreshment is made immediately after an issue of Shares 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 the Scheme Mandate Limit (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of Shares, rounded to the nearest whole Share.

- (d) The total number of Shares which may be issued together with the total number of Treasury Shares which may be transferred (if any) in respect of all Options to be granted under this Scheme (when aggregated with any other options and awards to be granted under any other share option scheme(s) and share award scheme(s) of the Company that involve(s) the issuance of new Shares and/or transfer of Treasury Shares) under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) as at the date of approval of the refreshed Scheme Mandate Limit. The Company shall send to its Shareholders a circular containing all such information as may be required under the Listing Rules.
- (e) The Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided the Options in excess of the Scheme Mandate Limit are granted only to Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send to its Shareholders a circular containing the name of each specified Participant who may be granted such Options, the number and terms of the Options to be granted to each Participant, and the purpose of granting Options to the specified Participants with an explanation as to how the terms of the Options serve such purpose and all such information as may be required under the Listing Rules. The number and terms of Options to be granted to such Participants must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

10. Maximum Entitlement of Shares of Each Participant

- 10.1. The maximum number of Shares in respect of which Options may be granted to a single Participant under this Scheme in any 12-month period up to and including the date of such grant shall not (when aggregated with any Shares subject to any other share option scheme(s) and share award scheme(s) that involve(s) the issuance of new Shares and/or transfer of Treasury Shares but excluding those which have lapsed in accordance with terms of the relevant scheme(s)) exceed 1% of the Shares in issue (excluding Treasury Shares, if any) (the “**Individual Limit**”), unless the Company obtains an approval from its Shareholders pursuant to paragraph 10.2.
- 10.2. The Company may seek separate approval by its Shareholders in general meeting for granting Options to a single Participant beyond the Individual Limit referred to in paragraph 10.1 provided that:
- (a) such Participant and his/her/its close associates (or associates if the Participant is a connected person of the Company) abstains from voting on the relevant resolution;
 - (b) the Company sends to its Shareholders a circular containing the identity of such Participant, the number and terms of the Options to be granted (and options and awards of new Shares previously granted to such Participant in the 12-month period) and all such other information as may be required under the Listing Rules; and
 - (c) the number and terms of the Options to be granted to such Participant must be fixed before Shareholders’ approval.

In respect of any such Options to be granted, the date of the meeting or resolution of the Board for proposing and approving such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price.

- 10.3. Any grant of Options to a Participant who is a director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive directors of the Company (excluding any independent non-executive Director who is the proposed Grantee).
- 10.4. Any change in the terms of Options granted to a Participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by Shareholders in the manner as required under 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).

- 10.5. In the event of any alteration in the capital structure of the Company whether by way of capitalisation issue, rights issue, consolidation or subdivision of Shares, or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements (other than as a result of an issue of Shares as consideration in a transaction), the maximum number of Shares referred to in sub-paragraphs 9 and 10.1 will be adjusted in such manner which must give a Grantee the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which the Grantee was previously entitled, provided that no such adjustments shall be made the effect of which would be to enable a Share to be issued or Treasury Shares to be transferred (as the case may be) at less than its nominal value. In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Auditor (acting as experts and not as arbitrators) shall confirm to the directors of the Company in writing that the adjustments satisfy the requirements mentioned above in this sub-paragraph 10.5 and those set out in the note to Rule 17.03(13) of the Listing Rules.
- 10.6. Where any grant of Options to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued together with Treasury Shares transferred or to be transferred (if any) in respect of all options and awards granted under this Scheme and any other share scheme(s) of the Company that involve(s) the issuance of new Shares and/or transfer of Treasury Shares (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares (excluding Treasury Shares), such grant of Options shall be approved by Shareholders in general meeting in accordance with the requirements of Chapter 17 of the Listing Rules.

11. Reorganisation of capital structure

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation issue, rights issue, subdivision or consolidation of Shares, or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements excluding any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in respect of a transaction to which the Company is a party, such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Shares subject to the Option so far as unexercised; and/or
- (ii) the Subscription Price; and/or

(iii) the method of exercise of the Option (if applicable),

as an independent financial adviser or the Auditor shall at the request of the Board certify in writing to the directors of the Company (other than any such adjustments made on a capitalisation issue), either generally or as regards any particular Grantee, to be in their opinion fair and reasonable and that any such alterations shall satisfy the requirements set out in the note to Rule 17.03(13) of the Listing Rules and shall give a Grantee the same proportion of the issued share capital of the Company, rounded to the nearest whole share, as that to which the Grantee was previously entitled prior to the adjustment, provided that no such alterations shall be made the effect of which would be to enable a Share to be issued or a Treasury Share to be transferred at less than its nominal value. Any such adjustments shall be in compliance with the Listing Rules and such applicable codes, guidance notes and interpretation of the Listing Rules from time to time promulgated. The capacity of the independent financial adviser or the Auditor 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. The costs of the independent financial adviser or the Auditor shall be borne by the Company.

12. Share Capital

The exercise of any Option shall be subject to the Shareholders in a general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

13. 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 Auditor or an independent financial adviser appointed by the Company who shall act as experts and not as arbitrators and whose decision shall be final and binding.

14. Alteration of this Scheme

14.1. The provisions of this Scheme may be altered in any respect by resolution of the Board at its absolute discretion except that any alterations to the provisions of this Scheme as to:

- (a) the definitions of “Grantee”, “Option Period” and “Participant” in sub-paragraph 1.1;
- (b) the provisions of paragraphs and sub-paragraphs 4.1, 5.1, 5.2, 5.3, 6, 7, 8, 9, 10, 11 and this paragraph 14;

- (c) the terms and conditions of this Scheme which are of a material nature; and
- (d) all such other matters set out in Rule 17.03 of the Listing Rules

to the advantage of the Participants must be approved by 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 affected Grantees as would be required of the Shareholders under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.

- 14.2. 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 of the Company and/or 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 of the Company and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of this Scheme.
- 14.3. The amended terms of this Scheme or the Options must still comply with the relevant requirements of the Listing Rules.
- 14.4. Any change to the authority of the directors of the Company or scheme administrators to alter the terms of this Scheme must be approved by the Shareholders in general meeting.

15. Cancellation of the Options Granted

The Board may, with the consent of the relevant Grantee, at any time at its absolute discretion cancel any Option granted. Where the Company cancels Options and makes an Offer of the grant of new Options to the same Participant, the Offer of the grant of such new Options may only be made under this Scheme with available Scheme Mandate Limit approved by the Shareholders as mentioned in paragraph 9. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

16. Termination of this Scheme and Clawback Mechanism

- 16.1. 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 Options will be offered but in all other respects the provisions of this Scheme shall remain in full force and effect to the extent necessary to (i) give effect to the exercise of any Options granted prior thereto; or (ii) issue the Shares which are not yet issued and/or (as the case may be) to transfer the Treasury Shares which are not yet transferred to the Participants in accordance with the provisions of this Scheme. Any outstanding Options granted under this Scheme prior to such termination shall continue to be valid and exercisable in accordance with the provisions of this Scheme and their terms of issue. Details of the Options granted (including Options exercised or outstanding) and (if applicable) Options that become void or unexercisable as a result of such termination are required under the Listing Rules to be disclosed in the circular to the Shareholders seeking approval of the first new share option scheme or share award scheme that involve(s) the issuance of new Shares to be established or refreshment of scheme mandate limit under any existing share option scheme or share award scheme that involve(s) the issuance of new Shares after such termination.
- 16.2. Upon the occurrence of any of the following events in relation to a Grantee (and whether an event is to be regarded as having occurred for the purpose of this paragraph is subject to the sole determination of the Board), the Board may, at its sole discretion, propose that no further Options shall be granted to such Grantee and/or to claw back such Options granted to such Grantee and such Options shall lapse automatically:
- (a) the Grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance or has breached any non-competition or non-disclosure agreement entered into with any member of the Group;
 - (b) the Grantee has contravened the relevant laws and regulations of the applicable jurisdiction and/or the provisions of the articles of association or constitutional documents of any member of the Group;
 - (c) the Grantee has, during his/her tenure of office, been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of any member of the Group;
 - (d) the Grantee has been sanctioned by the Stock Exchange, or was subject to any disciplinary actions imposed by the Securities and Futures Commission or has been convicted of any criminal offence; or

- (e) the Grantee has failed to discharge, or failed to discharge properly his/her duties, or fail to comply with the internal policy of any member of the Group and/or his/her employment agreement with the Company or any member of the Group and which, in the sole opinion of the Board, resulted in serious loss in asset to any member of the Group and/or other serious and adverse consequence to any member of the Group.

17. Miscellaneous

- 17.1. This Scheme shall not form part of any contract of employment or directorship, service contract or engagement contract between the relevant member(s) of the Group and any Participant and the rights and obligations of any Participant under the terms of his employment, directorship or appointment 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 employment, directorship or appointment for any reason.
- 17.2. 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.
- 17.3. The Company shall bear the costs of establishing and administering this Scheme.
- 17.4. Any notice or other communication between the Company and a Grantee may be given, in the case of the Company, by sending the same by prepaid post or by personal delivery to its principal place of business or address in Hong Kong or such other address as notified to the Grantees from time to time and, in the case of the Grantee, (i) by sending the same by prepaid post or by personal delivery to his correspondence address in Hong Kong or such other address as notified to the Company from time to time or (ii) to the extent permitted by and in accordance with the Listing Rules and any other applicable laws, by electronic communication including by transmitting the same to any electronic number, address or website as notified to the Company from time to time or by placing the same on the Company's website and/or the website of the Stock Exchange.
- 17.5. Any notice or other communication served by post:
 - (a) by the Company shall be deemed to have been served 24 hours after the same was put in the post; and
 - (b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.

17.6. Any notice or other communication served by personal delivery shall be deemed to have been served on the date of delivery.

17.7. Any notice or other communication served by electronic communication by the Company shall be deemed to have been served:

- (a) in the case of placing on the Company's website and/or the website of the Stock Exchange, on the day on which the same is published on such website; and
- (b) in any other case, on the day on which the same is transmitted to the Grantee if no notification has been received by the Company within 24 hours after the transmission that the electronic communication has not reached the Grantee,

or at such later time as may be prescribed by the Listing Rules or any other applicable laws. Any failure in transmission of the electronic communication which is beyond the Company's control shall not invalidate the effectiveness of the notice or communication being served.

17.8. All allotments and issue of Shares and/or (as the case may be) transfer of Treasury Shares shall be subject to any necessary consents under any relevant enactment or regulations in force from time to time in Hong Kong or elsewhere, and a Grantee shall be responsible for obtaining any governmental or other official consent or approval that may be required by any country or jurisdiction in order to permit the grant or exercise of the Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or approval or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme.

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

17.10. This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the Listing Rules and the laws of Hong Kong in force from time to time.