

CHINA GAS HOLDINGS LIMITED

**RULES RELATING TO THE 2026 SHARE AWARD PLAN
(NEW SHARES ONLY)**

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1. DEFINITIONS AND INTERPRETATION

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

Adoption Date means the date on which the conditions to the adoption of the Plan as set out in paragraph 14.1 are satisfied;

Associate(s) shall have the meaning ascribed thereto under the Listing Rules;

Award means a provisional award of the Awarded Shares made in accordance with paragraph 3;

Award Notice means the notice to be sent to the Trustee upon the making of an Award containing the particulars referred to in paragraph 3.4;

Awarded Share(s) means the Share(s) provisionally awarded to a Selected Participant pursuant to an Award;

Board means the board of Directors from time to time;

Business Day means a day (other than Saturday, Sunday or public holiday) on which the Stock Exchange is open for the trading and on which banks are open for business in Hong Kong;

Bye-laws means the bye-laws of the Company as adopted or amended from time to time;

Company means China Gas Holdings Limited, a company incorporated in Bermuda with limited liability;

Committee means the person(s) from time to time delegated by the Board with the power and authority to administer the Plan in accordance with the rules herein;

Connected Person shall have the meaning ascribed thereto under the Listing Rules;

Core Connected Person shall have the meaning ascribed thereto under the Listing Rules;

Director(s) mean the director(s) of the Company for the time being;

Earliest Vesting Date shall have the meaning ascribed thereto in paragraph 3.4(c), which shall be a date not less than 12 months from the date of grant of the Award to the relevant Selected Participant unless otherwise permitted under the Listing Rules;

Eligible Participant(s) means any person belonging to the following classes of participants:

(a) Employee Participant;

(b) Related Entity Participant; and

(c) Service Provider,

and, for the purposes of this Plan, the Award may be made to any company wholly owned by one or more of the above participant or any trust which the settlor is the above participant;

Employee Participant(s) means any director and employee of the Company or any other member of the Group;

Excluded Participant(s) means any person who is resident in a place where the award of the Awarded Shares and/or the award of the Returned Shares and/or the vesting and transfer of Shares pursuant to the terms of the Plan is not permitted under the laws and regulations of such place or where in the view of the Board or the Committee or the Trustee (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such person;

Grant Notice shall have the meaning ascribed thereto in paragraph 3.5;

Group means the Company, its Subsidiaries and any entities under the management control of the Settlor or any of its Subsidiaries from time to time, and “member of the Group” means any or a specific one of them;

Group Contribution means such contribution in the form of money or otherwise made by the Company or any of its Subsidiaries.

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 Committee shall have the meaning ascribed thereto under the Listing Rules;

Listing Rules means the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;

Original Trustee means Tricor Trust (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and having its registered office at Room 1921, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong;

Other Distributions shall have the meaning ascribed thereto in paragraph 6.2(a);

Partial Lapse shall have the meaning ascribed thereto in paragraph 7.3;

Personal Representative(s) means the person or persons who, in accordance with the laws of succession applicable to a deceased Selected Participant, is or are entitled to collect and receive the Awarded Shares which have been vested in such Selected Participant and formed part of his estate;

Plan means this share award plan constituted by the rules hereof, in its present form or as may be altered from time to time in accordance with paragraph 11;

Plan Mandate Limit shall have the meaning ascribed thereto in paragraph 8.1;

Related Entity means the holding companies, fellow subsidiaries or associated companies of the Company;

Related Entity Participant(s) means directors and employees of the Related Entity;

Remuneration Committee means the remuneration committee of the Board for the time being;

Reply Slip shall have the meaning ascribed thereto in paragraph 7.4(b);

Residual Cash means being cash remaining in the trust fund in respect of an Awarded Share (including interest income derived from deposits maintained with licensed banks in Hong Kong, and sale proceeds which have not been applied in the acquisition of Shares);

Returned Shares means such Awarded Shares which are not vested and/or forfeited in accordance with the terms of the Plan (whether as a result of a Total Lapse or a Partial Lapse or otherwise), or such Shares being deemed to be Returned Shares;

Selected Participant means any Eligible Participant for whom Shares have been provisionally set aside pursuant to an Award or (where the context so permits and as referred to in paragraph 6.3) his Personal Representative;

Service Provider(s) means subject to compliance with the applicable laws, legislations and regulations (including the applicable Listing Rules), any person who provides services to the Company or other members of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group;

Service Provider Sub-limit shall have the meaning ascribed thereto in paragraph 8.1;

Share means an ordinary share of HK\$0.01 each in the capital of the Company, or if there has been a sub-division, consolidation, reclassification or reconstruction or reduction or reorganisation of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company as shall result from any of such sub-division, consolidation, re-classification or re-construction or reduction or reorganisation, and **Shares** shall be construed accordingly;

Shares Pool shall have the meaning ascribed thereto in paragraph 5.1;

Shareholder(s) means the holder(s) of Share(s);

Stock Exchange means The Stock Exchange of Hong Kong Limited or, if the context so requires, other principal stock exchange in Hong Kong for the time being or such other stock exchange which is the principal stock exchange (as determined by the Board) on which the Shares are for the time being and from time to time listed or traded;

Subsidiary means a company which is for the time being and from time to time a subsidiary (within the meaning of Division 4 of Part 1 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere, and **Subsidiaries** shall be construed accordingly;

Total Lapse shall have the meaning ascribed thereto in paragraph 7.2;

Trust Deed means the amended and restated trust deed entered into by the Company as settlor and the Trustee as trustee on [] 2026 in respect of Shares held or to be held by the Trustee subject to the terms thereof and other trust fund (if any), as amended from time to time;

Trustee means the Original Trustee or other trustee or trustees as shall be appointed pursuant to and in accordance with the terms of the Trust Deed;

Vesting Date means in relation to any Selected Participant, the date on which the legal and beneficial ownership of the Awarded Shares are vested in such Selected Participant pursuant to an Award as referred to in paragraph 6.1; and

Vesting Notice shall have the meaning ascribed thereto in paragraph 7.4(a);

Vesting Period means in relation to any Selected Participant, the period commencing on the date on which the Awarded Shares have been provisionally set aside pursuant to an Award to such Selected Participant as referred to in paragraph 5.1 and ending on the Vesting Date (both dates inclusive).

1.2 In these rules:

- (a) the headings are for ease of reference only and shall be ignored in construing these rules of the Plan;
- (b) references to paragraphs or sub-paragraphs are references to paragraphs or sub-paragraphs hereof;
- (c) words importing the singular include the plural and vice versa;
- (d) words importing one gender include both genders and the neuter and vice versa;
- (e) references to persons include bodies corporate and unincorporated;
- (f) references to any statutory provisions or rules prescribed by any statutory bodies shall include the same as from time to time amended, consolidated and re-enacted; and
- (g) references to any statutory body shall include the successor thereof and any body established to replace or assume the functions of the same.

2. PURPOSES, ADMINISTRATION AND DURATION

2.1 The purpose of the Plan is, through an award of Shares, to:

- (a) recognise and reward the contribution of certain Eligible Participants (other than Excluded Participants) to the growth and development of the Group and to give incentives thereto in order to retain them for the continual operation and development of the Group; and
- (b) attract suitable personnel for further development of the Group.

2.2 The Plan shall be subject to the administration of the Board or the Committee, where applicable, whose decisions on all matters arising in relation to the Plan or its interpretation or effect shall be final, conclusive and binding on all persons who may be affected thereby, provided that such administration shall not prejudice the powers of the Trustee as provided under the Trust Deed; and for avoidance of doubt, the Remuneration Committee shall have powers on recommending and/or deciding (on and subject to the terms and conditions provided under this Plan) the selection of the Selected Participants, the number of Awarded Shares to be awarded to the respective Selected Participants and other related matters as expressly provided under this Plan or in accordance with the applicable laws, legislation and regulations (including the applicable Listing Rules). In the event that a Selected Participant or his associate is a member of the Board, such person will abstain from voting on any approval by the Board of an Award to such Selected Participants. For the avoidance of doubt, reference to the Committee in the Plan and the delegation of powers and authorities to the Committee herein shall only be applicable to the extent such Committee has been duly delegated by the Board with the power and authority to administer the Plan in accordance with the rules herein. The Board will select and appoint members of the Committee based on clear and objective criteria, including (i) professional competence and relevant experience in corporate governance, compliance and human resources; (ii) independence; and (iii) integrity and track record in discharging fiduciary duties. The appointment of such persons will be subject to formal approval by the Board to ensure that the delegation is appropriate and consistent with good governance practices. Safeguards will be adopted to ensure transparency and to avoid conflicts of interest. In particular, (i) the members of the Committee will be required to act strictly in accordance with the Scheme Rules and under the oversight of the Board; (ii) any material decision relating to grants to Directors or senior management will remain subject to review and approval by the Remuneration Committee, comprising all independent non-executive Directors; and (iii) the members

of the Committee will be required to abstain from participating in decisions where they have a personal interest.

- 2.3 A Selected Participant shall ensure that the acceptance, vesting and the holding of any Awarded Shares under the Plan and the exercise of all rights attaching thereto are valid and comply with all laws, legislation and regulations (including the applicable Listing Rules) including all applicable exchange control, fiscal and other laws to which he is subject. The Board or the Committee may, as a condition precedent of making an Award, require an Eligible Participant to produce such evidence as it may reasonably require for such purpose.
- 2.4 Subject to paragraph 12, the Plan shall be valid and effective for a term of 10 years commencing from the Adoption Date, and after the expiry of such 10-year term, no further Awards may be made but these rules of the Plan shall remain in full force and effect to the extent necessary to give effect to any Awards made prior thereto and the administration of the trust property held by the Trustee pursuant to the Trust Deed.
- 2.5 The Plan constitutes a share scheme of the Company involving issue of new shares under Rule 17.02 to 17.11 of the Listing Rules in force as at the Adoption Date.

3. AWARD OF SHARES

- 3.1 The Board or the Committee shall, subject to and in accordance with these rules of the Plan, be entitled (but shall not be bound) to, at any time during the continuation of the Plan, make an award (the **Award**) out of the Shares Pool to any of the Eligible Participants (as it shall in its absolute discretion select but excluding any Excluded Participant) such number of Shares, fully paid or credited as fully paid, as the Board or the Committee shall, subject to paragraph 8, determine pursuant to these rules of the Plan. For the avoidance of doubt until so selected, no Eligible Participant shall be entitled to participate in the Plan.
- 3.2 Without prejudice to paragraph 5.2, the making of an Award to any Connected Person shall be subject to compliance by the Company of the applicable requirements under the Listing Rules.
- 3.3 (a) The eligibility of any of the Eligible Participants to an Award shall be determined by the Board or the Committee in its sole and absolute discretion from time to time on the basis of the Board's or the Committee's opinion as to his contribution and/or future contribution to the development and growth of the Group.
- (b) In determining the basis of eligibility of each Eligible Participant, the Board or the Committee would take into account of, where applicable, the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group (if the Eligible Participant is an employee or a director of any member of the Group), the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Eligible Participant has established with the Group (if the Eligible Participant is a Service Provider of any member of the Group), and the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.
- (c) For Employee Participants, where applicable, assessing factors include: the individual performance, commitment, responsibilities or employment conditions according to the prevailing market practice, the length of engagement with the Group and the individual contribution or potential contribution to the development and growth of the Group.

- (d) Related Entity Participants are directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company. These participants provide essential support to the Company's operations by engaging in natural gas sourcing and supply, infrastructure development and operation, technical and engineering support, and joint business development initiatives. The Group relies on sustained cooperation with its Related Entities to support its day-to-day operations, execute its strategic initiatives and expand its business reach. The directors and employees of these Related Entities play an integral role in the Group's operational activities and contribute to the Group's business objectives through their participation in specific work projects and collaborative initiatives from time to time. Such collaborations generate significant synergistic effects within the Company's network, accelerating overall development, optimising the Group's business operations and enhancing overall sustainable growth.
- (e) Service Providers include any person who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group. The table below sets out each category of Service Providers, their scope of services and the criteria to be considered when assessing their eligibility and contributions:

Category	Contribution of the Service Providers	Eligibility criteria for Service Providers and metrics for assessing their contributions
Business consultants	<p>Business consultants under this category would be individuals and/or businesses, providing business consulting services to the Group, in relation to the Company's principal business activities involving sale of natural gas, gas connection, engineering design and construction, sale of liquefied petroleum gas, value-added services (which include the sale of kitchen-focused household products and services, value-added services provided to corporate customers, customer pipeline maintenance and the sale of value-added products and services for government-led projects), electricity and new energy, biomass energy and any other principal business activities the Company may engage in from time to time.</p> <p>Their scopes of services include, but are not limited to, providing strategic advisory services to the Group such as formulation and review of corporate strategy; providing advisory services in relation to the planning, development and execution of infrastructure and business development projects; and advising on operational process optimisation, cost reduction initiatives, quality</p>	<p>Eligibility for Awards in respect of such business consultants is determined by reference to (i) their contribution to the Group's business development and future prospects; and (ii) the quality and nature of services provided. In assessing such contribution, the Board will have regard to, among other things, the tangible commercial benefits derived from the consultant's collaboration with the Group and the quality and significance of the business opportunities introduced by the consultant to the Group.</p> <p>The Board or the Committee assesses the contribution of business consultants with reference to the following metrics (where applicable): (i) the number and value of business opportunities or concession projects introduced or facilitated by the consultant; (ii) demonstrable cost savings or revenue enhancement attributable to the consultant's advisory services; (iii) the quality and timeliness of deliverables; and (iv) the strategic</p>

management improvements, safety and compliance enhancements, and best practice implementation.

significance of projects in which the consultant has been involved in.

Such business consultants typically provide services pursuant to consultancy agreements or retainer arrangements with a term of not less than 12 months, renewable on an annual or multi-year basis, with fee arrangements structured as retainer fees. The recurring nature of such services is inherent in the Group's ongoing need for specialised expertise in its principal business activities as the Group continues to expand its gas distribution network and value-added services across the PRC and to develop new business segments.

Marketing and professional service providers

Marketing and professional service providers under this category includes persons or entities that provide marketing, public relations, investor relations and corporate communications related services, and other professional services such as market intelligence, data analytics and customer research services and governmental and regulatory advisory services, to members of the Group.

Eligibility for Awards in respect of such service providers is determined by reference to (i) their professional qualifications and relevant expertise; (ii) the nature, scope and duration of their engagement with the Group; (iii) the degree to which their activities are aligned with the Group's market positioning and strategic objectives; and (iv) the measurable impact of their contribution on the Group's operational efficiency, including any demonstrable reduction in costs or increase in turnover and profit.

Their scopes of services include, but are not limited to, enhancing the Group's brand promotion and market influence; maintaining relationships with clients and stakeholders; assisting in sales negotiations and contract signings; and conducting market research and industry analysis to identify and evaluate business opportunities for the Group.

For marketing and professional service providers, the Board assesses their contribution with reference to the following metrics (as applicable): (i) measurable improvements in brand awareness, market positioning or stakeholder engagement metrics; (ii) the quality, reach and effectiveness of communications campaigns; and (iii) the consistency and reliability of service delivery over the engagement period.

Such providers typically provide services pursuant to annual service agreements or project-based retainers that are renewed on a recurring basis. Fees are payable as retainer fees commensurate with the scope of services provided. The continuing nature of these services allows the Group to maintain its market presence and stakeholder relationships, which require continuous and professional management in the ordinary course of business.

For the avoidance of doubt, Service Providers may not include (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity, and (iii) any person or company having an affiliation with any member of the Board.

- (f) For each category of Service Providers, assessing factors include, where applicable: the individual performance of relevant Service Providers, the length of business relationship with the Group, the materiality and nature of the business relationship with the Group, track record in the quality of services provided to and/or cooperation with the Group and the scale of business dealings with the Group with regard to factors such as the actual or expected improvement to the Group which is or may be attributable to the Service Providers. In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis and in its ordinary and usual course of business, the Board or the Committee shall take into consideration, where applicable, the length and type of services provided and the recurrences and regularity of such services, the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group from time to time.
- (g) For Related Entity Participant, assessing factors include, where applicable: (i) the years of service of the Related Entity Participant; (ii) the significance of the Related Entity Participant's role in enhancing the Group's business prospects; (iii) anticipated future contribution to the long term-development of the Group; (iv) the actual or anticipated positive contributions made by the Related Entity Participant to the Group's business development, whether in terms of financial performance or financial position; (v) whether the Related Entity Participant has assisted the Group in accessing new markets or expanding its market share; and (vi) the materiality and nature of the business relationships between the Group and its holding companies, fellow subsidiaries, or associated companies, together with the Related Entity Participant's contribution within such entities, to the extent that such contribution may benefit the Group's principal businesses through a collaborative relationship.

3.4 The Board or the Committee shall notify the Trustee by a notice in writing (the **Award Notice**) in substantially the form set out in Appendix 1 or such form and substance as adopted by the Board or the Committee from time to time upon the making of an Award under the Plan and, in the Award Notice, the Board or the Committee shall specify the following:

- (a) the name, address, identity number and position of the relevant Selected Participant and whether the Selected Participant is a Connected Person;
- (b) the number of Awarded Shares provisionally awarded to the relevant Selected Participant pursuant to such Award;
- (c) the earliest date (**Earliest Vesting Date**) and other subsequent date(s), if any, on which the Trustee may vest the legal and beneficial ownership of the Awarded Shares (or the relevant portions thereof) or the net proceeds thereof in the relevant Selected Participant under paragraph 6.1;
- (d) the condition(s) and/or performance target(s), if any, that must be duly fulfilled by the relevant Selected Participant before any of the Awarded Shares (or the net sales proceeds thereof) may be transferred to and vested in such Selected Participant under such Award, including (where applicable) the payment that shall be made by such Selected Participant and the schedule thereof for such Awarded Shares;

- (e) the condition(s) and/or performance target(s) of the Selected Participant, if any, that must be duly altered or waived by the Board or the Committee before any of the Awarded Shares (or the net sales proceeds thereof) may be transferred to and vested in such Selected Participant under such Award;
- (f) whether the Awarded Shares or any part thereof should be satisfied by way of issuance of new Shares (and if so, the subscription price thereof, if any) or by applying any Returned Shares; and
- (g) such other terms and conditions of such Award as may be imposed by the Board or the Committee which are not inconsistent with these rules of the Plan and the Trust Deed on either the Trustee (with the prior written consent of the Trustee unless the same has already been provided for in the Trust Deed) and the relevant Selected Participant, or any of them before the Awarded Shares (or the net sale proceeds thereof) may be transferred to and vested in such Selected Participant.

3.5 The Board or the Committee shall notify the Selected Participant by a notice in writing (the **Grant Notice**) in substantially the form set out in Appendix 2 or such form and substance as adopted by the Board or the Committee from time to time after an Award has been provisionally made to such Selected Participant and the Grant Notice shall contain substantially the same information as that set out in the Award Notice provided that nothing contained in such Grant Notice shall be construed as conferring any rights, interests, benefits and title to and in the Awarded Shares on such Selected Participant before the vesting of the legal and beneficial ownership of such Awarded Shares (or the net sale proceeds thereof) in the Selected Participant in accordance with these rules of the Plan. An Award shall be deemed to be unconditionally declined in its entirety by a Selected Participant unless the Selected Participant shall within five (5) Business Days after receipt of such Grant Notice from the Board or the Committee notify the Company in writing that he would accept such Award. The Company shall forward a copy thereof to the Trustee as soon as reasonably practicable after receipt of the acceptance form duly signed by the relevant Selected Participant.

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

- (a) an Award or, as the case may be, any instruction of the Board or the Committee to the Trustee for the purpose of increasing the Shares in the Shares Pool (e.g. by way of issue and allotment of new Shares) may not be made or given when inside information has come to the Company's knowledge until such inside information has been published in accordance with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and
- (b) the Board or the Committee may not make any Award to any Eligible Participant or give any instruction to the Trustee for the purpose of increasing the Shares in the Shares Pool (e.g. by way of issue and allotment of new Shares) during the periods or times when such an Award is prohibited under the Listing Rules, any corresponding code or securities dealing restrictions adopted by the Company and all applicable laws from time to time. Without limiting the generality of the foregoing, no Award may be made and no instruction may be given by the Board or the Committee for the purpose of increasing the Shares in the Shares Pool (e.g. by way of issue and allotment of new Shares) during the period commencing 30 days immediately before the earlier of:
 - (i) the date of the board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

- (ii) the deadline for the Company to announce its results for any year 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.

3.7 Subject to the Listing Rules, the Board or the Remuneration Committee may from time to time, at its discretion, determine the Earliest Vesting Date and other subsequent date(s), if any, upon which the Awarded Shares (or the net sale proceeds thereof) held by the Trustee upon trust and which are referable to a Selected Participant shall vest in that Selected Participant. The Vesting Date in respect of any Award shall be not less than 12 months from the date of grant of the Award unless otherwise permitted under the Listing Rules, provided that for Employee Participants, the Vesting Date may be less than such 12 months in the following circumstances:

- (a) grants of “make whole” Awards to new Employee Participants to replace share awards such Employee Participants forfeited when leaving their previous employers;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
- (c) grants of Awards with performance-based vesting conditions provided in the terms of the Plan, in lieu of time-based vesting criteria;
- (d) grants of Awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee Participant, in which case the Vesting Date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;
- (e) grants of Awards with a mixed vesting schedule such that the Awards vest evenly over a period of 12 months; or
- (f) grants of Awards with a total vesting and holding period of more than 12 months.

3.8 Notwithstanding the provisions of paragraph 3.7, but subject to paragraph 7.2, at any time prior to a Vesting Date, unless the Board or the Committee otherwise determines at its sole and absolute discretion, in respect of a Selected Participant who:

- (a) died, all the Awarded Shares of the Selected Participant shall be deemed to be vested on the Selected Participant on the day immediately prior to his death; or
- (b) (in the case of a Selected Participant who is an Employee) retired at his normal retirement date, all the Awarded Shares of the Selected Participant shall be deemed to be vested on the Selected Participant on the day immediately prior to his normal retirement date; or
- (c) (in the case of a Selected Participant who is an Employee) retired at an earlier retirement date (with prior written agreement given by the Company or the Subsidiary or the Related Entity), all the Awarded Shares of the Selected Participant shall be deemed to be vested on the Selected Participant on the day immediately prior to his earlier retirement date.

3.9 Subject to paragraph 6.3, in the event of the death of a Selected Participant, the Trustee shall hold the vested Awarded Shares and the dividends and other distributions declared and made in respect of the vested Awarded Shares (hereinafter referred to as **Benefits**) upon trust and to transfer the same to the

Personal Representative(s) of the Selected Participant and the Trustee shall hold the Benefits or so much thereof as shall not be transferred or applied under the foregoing powers within:

- (a) two years of the death of the Selected Participant (or such longer period as the Trustee and the Board or the Committee shall agree from time to time) or
- (b) the Trust Period (as defined in the Trust Deed),

(whichever is the shorter) upon trust to transfer the same to the Personal Representative(s) of the Selected Participant (as notified by the Board or the Committee in writing together with such documents or evidence of the appointment of the Personal Representative(s) under applicable law as may be reasonably required by the Trustee, whereupon the Trustee shall be discharged from all duties and liabilities in respect of the Selected Participant) or, if the Benefits would otherwise become *bona vacantia*, the Benefits shall be forfeited and cease to be transferable and such Benefits shall be held as Returned Shares (for shares) and income of the trust fund (for cash) for the purposes of the Plan. Notwithstanding the foregoing, the Benefits held upon the trusts hereof shall until transfer is made in accordance herewith be retained and otherwise dealt with by the Trustee in every way as if they had remained part of the trust fund of the trust constituted by the Trust Deed.

- 3.10 An Award shall be personal to the Selected Participant and shall not be transferable or assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to an Award or enter or purport to enter into any agreement to do so. Any breach of the foregoing by any Selected Participant shall entitle the Company at its sole and absolute discretion to cancel the Award made to such Selected Participant, and the Board or Committee shall notify the Trustee in writing accordingly. Such cancelled Award will be regarded as utilised for the purpose of calculating the Plan Mandate Limit and the Service Provider Sub-limit.

4. PERFORMANCE TARGETS AND PURCHASE PRICE

- 4.1 The Board and the Committee have the discretion to impose specific performance targets as and when appropriate depending on the role of each Eligible Participant and the annual business results of the Group. In this regard, the performance targets imposed by the Board and the Committee may be drawn from financial performance measures (such as revenue growth, net profit and return on equity), operational and business development measures (such as customer base expansion, growth in sales volume and project completion milestones) and individual performance measures specific to the Eligible Participant's role within or engagement with the Group. The target levels for such measures will be set by the Board and the Committee at the time of grant by reference to, among other things, the Group's annual budget, business plan and prevailing market conditions. The Board and the Committee will assess whether the applicable performance targets have been satisfied by reviewing the Group's audited annual financial statements, management accounts, operational reports and such other evidence as the Board and the Committee consider appropriate.
- 4.2 The purchase price in respect of any Awarded Shares, if any, shall be such price as determined at the sole and absolute discretion of the Board or the Committee before vesting of an Award.

5. POOL OF AWARDED SHARES

- 5.1 Upon the receipt of an Award Notice, the Trustee shall set aside from the Shares Pool the Awarded Shares provisionally awarded to the Selected Participant to whom such Award Notice relates pending the transfer and vesting of the Awarded Shares under the Award to which such Award Notice relates in accordance with paragraph 6. The Trustee shall hold the Awarded Shares so set aside during the Vesting Period on the terms of the Trust Deed. The Trustee may, at any time during the continuation of the Plan and the Trust Deed, set aside the appropriate number of Awarded Shares out of a pool of

issued Shares, fully paid or credited as fully paid, for the time being and from time to time held by the Trustee pursuant to the Trust Deed (the **Shares Pool**) comprising the following:

- (a) such Shares as may be subscribed for by the Trustee in accordance with paragraph 5.2 by utilising the Group Contribution and Other Distributions in accordance with paragraph 5.2, but subject to the limit set out in paragraph 8;
- (b) such Shares as may be allotted or issued to the Trustee as a holder of Shares, whether by way of scrip dividend or otherwise;
- (c) such Shares which remain unvested and revert to the Trustee pursuant to paragraph 7; and
- (d) Returned Shares.

5.2 The following provisions of this paragraph 5.2 shall provide for and govern the subscription for the Awarded Shares by utilising the Group Contribution:

- (a) At any time during any particular financial year, the Board or the Committee, after having regard to all relevant circumstances and affairs of the Group (including without limitation the Group's business and operational conditions, its business plans and cashflow requirements currently and in the near future), may from time to time cause to be paid to the Trustee from the Company's resources such amount of moneys which may be utilised by the Trustee to subscribe for Shares which will constitute the Shares Pool.
- (b) After receiving (a) the Group Contribution; or (b) any Other Distributions referred to in paragraph 6.2(a); or (c) any proceeds arising from such sales as mentioned in paragraph 6.2(b), the Trustee shall apply the same towards the purchase of the maximum number of board lots of Shares, respectively at the prevailing market price (unless otherwise determined by the Board or the Committee).
- (c) Where any Award is specified to be satisfied by an allotment and issue of new Shares to the Trustee, such allotment and issue should only be made upon fulfilment of the following conditions:
 - (i) the Company having obtained Shareholders' approval to authorise the Directors to allot and issue new Shares provided that:
 - (A) the total number of Shares to be allotted and issued to the Trustee under this Plan shall not exceed the limit specified in paragraph 8; and
 - (B) where any Award is proposed to be made to a Connected Person and the relevant Award of the Awarded Shares is to be satisfied by an allotment and issue of new Shares, the Award shall comply with paragraph 8.3 and the applicable requirements of the Listing Rules; and
 - (ii) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Shares which may be allotted and issued by the Company to the Trustee pursuant to this Plan.
- (d) Where any Award is proposed to be satisfied by an allotment and issue of new Shares to the Trustee, the Board or the Committee shall notify the Trustee in writing upon the satisfaction of the conditions referred to in paragraphs 5.2(c)(i) and (ii) and, subject to paragraph 5.3, the Board or the Committee shall instruct the Trustee in writing to apply to, and the Trustee shall within ten (10) Business Days after actual receipt of such instruction apply to, the Company

for the allotment and issue of the appropriate number of new Shares. If the conditions referred to in paragraphs 5.2(c)(i) and (ii), or any of them, cannot be satisfied, the Board or the Committee shall forthwith notify and instruct the Trustee and pay or procure to be paid the Group Contribution to the Trustee. Upon the receipt of the instruction and Group Contribution from the Company, the Trustee shall, subject to paragraph 5.3, satisfy any shortfall, actual or contingent, in the Awarded Shares by purchasing the relevant number of Shares on the Stock Exchange in accordance with paragraph 5.2(b), provided that if any Award is proposed to be made to a Connected Person, any allocation of funds by the Company to the Trustee for this purpose shall satisfy all applicable requirements of Chapter 14A of the Listing Rules.

- (e) If:
 - (i) the Group Contributions received by the Trustee have been applied for the subscription for such number of Shares which reaches the maximum number of issued Shares as provided under paragraph 8; or
 - (ii) there are any excess Group Contributions after all the said subscription,
the excess Group Contributions shall be returned by the Trustee to the Company as soon as reasonably practicable after completion of all such subscription.
- (f) For the avoidance of doubt, Shares purchased and/or subscribed for under this paragraph 5.2 shall form part of the capital of the trust fund of the trust constituted by the Trust Deed.

5.3 If any proposed subscription for Shares under paragraph 5.2 shall fall on any day on which the Board or the Committee is restricted from making any Award or giving any instruction as referred to in paragraph 3.6, the Trustee shall not effect the relevant subscription. The Trustee shall notify the Board or the Committee in writing at least three (3) Business Days in advance of a proposed date of subscription under paragraph 5.2 and the Board or the Committee shall instruct the Trustee in writing at least two (2) Business Days prior to such proposed date of subscription if such subscription has to be postponed by reason of this paragraph 5.3, whereupon such subscription shall be postponed to such date as notified by the Board or the Committee in writing (and in case the Shares are not traded on the Stock Exchange on such date, the next Business Day on which the Shares are traded on the Stock Exchange).

6. VESTING OF THE AWARDED SHARES

- 6.1 Subject to paragraphs 6.2(e) and 7, the Trustee shall transfer to and vest in any Selected Participant the legal and beneficial ownership of the Awarded Shares (or the net sale proceeds thereof) to which such Selected Participant is entitled under the relevant Award as soon as practicable after the latest of:
- (a) the Earliest Vesting Date as specified in the Award Notice to which such Award relates;
 - (b) the receipt by the Trustee of the requisite information and documents stipulated by the Trustee within the stipulated period; and
 - (c) where applicable, the date on which the condition(s) and/or performance target(s) (if any) to be attained or paid by such Selected Participant as specified in the related Award Notice have been attained or paid and notified to the Trustee by the Board or the Committee in writing.
- 6.2 During the Vesting Period:
- (a) any dividends and other distributions declared and made in respect of any Awarded Shares (**Other Distributions**) shall belong to the Trustee and the relevant Selected Participant shall

not have any right whatsoever in such Other Distributions in respect of any Awarded Shares or otherwise unless and until the relevant Awarded Shares are vested in such Selected Participant in accordance with paragraph 6.1. Such Other Distributions shall be applied to subscription for and/or purchase of Shares for the purpose of satisfying any further Awards by the Board or the Committee in accordance with paragraph 5.1 and, upon termination of the Plan, shall be treated and dealt with as income of the trust fund under the Trust Deed generally and the Trustee shall be entitled to use and/or transfer such Other Distributions in any manner as directed by the Board or the Committee at its sole and absolute discretion;

- (b) if the Company offers to Shareholders new Shares or other securities for subscription by way of rights, options or warrants and no amount is required to be payable by the Shareholders for such rights, options or warrants, the Trustee may (after obtaining a written consent from the Board or the Committee) (i) sell any nil-paid rights, options or warrants allocated to it in respect of the Awarded Shares held by the Trustee if there is an open market for such rights, options or warrants, or (ii) take steps to exercise such nil-paid rights, options or warrants by applying the Group Contributions in the form of cash then held by the Trustee. The net proceeds of such sale (if so sold) shall be applied to subscription for and/or purchase of Shares for the purpose of satisfying any further Awards by the Board or the Committee in accordance with paragraph 5.2 and, upon termination of the Plan, shall be treated and dealt with as income of the trust fund under the Trust Deed generally. For the avoidance of doubt, no Selected Participants shall have any right to, or interest in, any nil-paid rights, options or warrants (or the underlying Shares, or the proceeds of sale of any such nil-paid rights, options or warrants) allocated under such offer, or any Shares arising from the exercise of such nil-paid rights, options or warrants;
- (c) if the Company offers to the Shareholders new shares or other securities for subscription by way of rights, options, warrants or other open or preferential offer and consideration is required to be paid for the taking up and/or the exercise of such rights, options, warrants or open or preferential offer, the Trustee may (after obtaining a written consent from the Board or the Committee) (i) decline to take up, purchase and/or subscribe for such rights, options, warrants or open or preferential offer, or (ii) take steps to take up, purchase and/or subscribe (in whole or in part) for such rights, options, warrants or open or preferential offer by applying the Group Contributions in the form of cash then held by the Trustee. For the avoidance of doubt, no Selected Participants shall have any right to, or interest in, any such offer;
- (d) without prejudice to sub-paragraph (a) above, with respect to any dividends declared by the Company and in connection with which the Company allows its Shareholders to elect to receive Shares in lieu of cash (as provided for in the relevant announcement and/or circular of the Company), then in respect of the Awarded Shares provisionally set aside for any Selected Participant which have not vested, the Trustee (after obtaining a written consent from the Board or the Committee) shall determine whether it shall elect to receive Shares in lieu of cash or cash in respect of such dividends, and any such scrip dividend or cash dividend so elected and received by the Trustee shall be treated as and constitute Other Distributions referred to in paragraph 6.2(a). For the avoidance of doubt, no Selected Participants shall have any right to give any direction to, or make any claim against, the Trustee in relation to the making of the said election; and
- (e) 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 Shareholders other than the offeror, any persons controlled by the offeror and any persons acting in association or concert with the offeror), and such offer becomes or is declared unconditional prior to the vesting of the Awarded Shares in the relevant Selected Participants pursuant to paragraph 6.1, the Selected Participant shall be entitled to, subject to the direction of the Board

or the Committee, be vested with all of his Awarded Shares at any time before the expiry of the period of ten (10) Business Days following the date on which the offer becomes or is declared unconditional. Unless shortening of vesting period is permitted in accordance with these rules of the Plan, the Board shall not shorten the vesting period of any Awarded Shares to less than 12 months due to such offer.

- 6.3 In the event that a Selected Participant dies prior to the Vesting Date of the Award relating to such Selected Participant, and such Award has not lapsed or been cancelled by reason of paragraphs 3.8 or 7, the Awarded Shares under such Award shall be held by the Trustee on behalf of the Personal Representative(s) of such Selected Participant and the Trustee shall transfer to such Personal Representative(s), as notified by the Board or the Committee in writing together with such documents or evidence of the appointment of the Personal Representative(s) under applicable law as may be reasonably required by the Trustee, such Awarded Shares within a reasonable time after the receipt by the Trustee of the aforesaid documents, whereupon the Trustee shall be discharged from all duties and liabilities in respect of such Selected Participant.

7. LAPSE OF AWARDS AND RETURNED SHARES

- 7.1 In the event that any Selected Participant who is an Employee Participant or Related Entity Participant ceases to be an Employee Participant or Related Entity Participant by virtue of a corporate reorganisation of the Group or the Related Entity, then any Award made to such Selected Participant shall forthwith lapse and be cancelled.
- 7.2 In the event (i) a Selected Participant ceases to be an Employee Participant or Related Entity Participant other than for reason as provided in paragraph 3.8, or (ii) the Subsidiary or Related Entity by which a Selected Participant is employed or, in respect of a deceased or retired Selected Participant under paragraph 3.8, was employed immediately prior to his death or retirement, ceases to be a Subsidiary or Related Entity of the Company (or of a member of the Group), or (iii) the Board or the Committee shall at its absolute discretion determine in respect of a Service Provider that (a) the Service Provider or his associate has committed any breach of any contract entered into between the Service Provider or his associate on one part and any member of the Group or any Related Entity on the other part as the Board or the Committee may in its absolute discretion determine; or (b) the Selected Participant has been guilty of misconduct, or has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally, or has been convicted any criminal offence involving his integrity or honesty; or (c) the Selected Participant could no longer make any contribution to the growth and development of any member of the Group or the Related Entity by reason of the cessation of its relationship with the Group or its Related Entity or by any other reasons whatsoever; or (iv) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) (each of these, an event of **Total Lapse**), the Award shall automatically lapse forthwith and all the Awarded Shares shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Plan.
- 7.3 In the event (i) a Selected Participant is found to be an Excluded Participant or (ii) (subject to paragraph 3.9) a Selected Participant fails to return duly executed transfer documents prescribed by the Trustee (or such later date as may be determined by the Board or the Committee at its sole and absolute discretion having to all relevant circumstances) for the relevant Awarded Shares within the stipulated period (whether in the ordinary vesting pursuant to the vesting timetable set out in paragraph 3.7 or on such other dates as provided in or determined in accordance with these rules of the Plan) (each of these, an event of **Partial Lapse**), the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting

Date (or in the circumstances as set out in paragraph 3.8, shall no longer be deemed to have vested) but the Awarded Shares shall become Returned Shares and the dividends and other distributions declared and made in respect of the deemed vested Awarded Shares shall form part of the income of the trust fund for the purposes of the Plan.

- 7.4 Except in the circumstances as set out in paragraph 3.8 in respect of the death of a Selected Participant or retirement of a Selected Participant at his normal retirement date or earlier by agreement with the Company or the Subsidiary or the Related Entity, or a Total Lapse,
- (a) subject to sub-paragraph (c) and barring any unforeseen circumstances, unless otherwise agreed between the Board or the Committee and the Trustee, by not less than 30 days prior to any Vesting Date, the Trustee shall send to the relevant Selected Participant (via the Company) a vesting notice (the **Vesting Notice**) in substantially the form set out in Appendix 3 or such form and substance as adopted by the Board or the Committee from time to time together with such prescribed transfer documents and checklist of information and/or documents which require the Selected Participant to execute and/or provide as well as to decide whether the relevant Awarded Shares (or any portion thereof) shall be sold to effect the transfer and/or sale of the Awarded Shares on or as soon as practicable after the relevant Vesting Date;
 - (b) subject to the receipt by the Trustee no later than the date falling seven (7) Business Days before the relevant Vesting Date of (i) the reply slip attached to the Vesting Notice (the **Reply Slip**) and prescribed transfer documents and requisite information and/or documents prescribed by the Trustee and duly signed by the Selected Participant within the period stipulated in the Vesting Notice/checklist referred to in paragraph 7.4(a) hereof, and (ii) a confirmation from the Company that all vesting conditions having been fulfilled, in accordance with the instructions of the Company, the Trustee shall as soon as practicable transfer the relevant Awarded Shares to the relevant Selected Participant and/or sell the relevant Awarded Shares and pay the net sale proceeds thereof to the relevant Selected Participant; and
 - (c) in the event that the number of Business Days between the date of the Award Notice and the Earliest Vesting Date is less than 30 days, the Trustee shall (within five (5) Business Days from the date of it being notified by the Board of the making of the Award in accordance with paragraph 3.4) send to the relevant Selected Participant (via the Company) a Vesting Notice together with such prescribed transfer documents and checklist of information and/or documents which require the Selected Participant to execute and/or provide as well as decide whether the relevant Award Shares (or any portion thereof) shall be sold to effect the transfer and/or sale of the Awarded Shares on or as soon as practicable after the relevant Vesting Date.
- 7.5 The Trustee shall hold Returned Shares exclusively for the benefit of all or one or more of the Eligible Participants (excluding any Excluded Participants) as the Board or the Committee shall in its absolute discretion at any time determine and select in writing as the Selected Participant(s).
- 7.6 In the event that the Board or the Committee determines in its sole and absolute discretion that any condition(s) and/or performance target(s) to be duly fulfilled by such Selected Participant as specified in the related Award Notice has not been duly fulfilled or has not been waived by the Board or the Committee, the Board or the Committee shall be entitled to determine at its sole and absolute discretion that the Award made to such Selected Participant shall lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Plan.
- 7.7 If any Award shall lapse in accordance with this paragraph 7, the Board or the Committee shall notify the Trustee in writing accordingly.

8. PLAN LIMIT

- 8.1 The aggregate maximum number of Shares (the **Plan Mandate Limit**) (i) to be issued and allotted by the Company for the purpose of the Plan; and (ii) to be issued and allotted by the Company under any other share schemes from time to time, shall not exceed 10% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Plan Mandate Limit. The aggregate maximum number of Shares (the **Service Provider Sub-limit**) to be subscribed for by the Trustee by applying the Group Contribution pursuant to paragraph 5.2 for the Awards to be awarded to all Service Providers pursuant to the Plan shall not exceed 1% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sub-limit. The Board or the Committee shall not instruct the Trustee to subscribe for any Shares for the purpose of the Plan when such subscription will result in the Plan Mandate Limit or the Service Provider Sub-limit being exceeded.
- 8.2 Awards lapsed in accordance with the paragraph 7 of the Plan will not be regarded as utilised for the purpose of calculating the Plan Mandate Limit or the Service Provider Sub-limit. If the Company conducts any capitalisation issue, rights issue, share consolidation, share sub-division or capital reduction, unutilised Plan Mandate Limit or the Service Provider Sub-limit shall be adjusted accordingly, with reference to the total number of issued Shares at the date immediately before and after such event, such that the Selected Participants will be entitled to the same proportion of the Company's equity capital, rounded to the nearest whole Share, as that to which such Selected Participants was previously entitled, but no such adjustments may be made to the extent that a share would be issued at less than its nominal value (if any). In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Company's auditors must confirm to the Directors in writing that the adjustments satisfy the requirements under the Note to Rules 17.03(13) of the Listing Rules.
- 8.3 Any grant of Awards to any Director or chief executive of the Company, or any of his respective associates, shall be subject to the prior approval of the Remuneration Committee (excluding any member who is a proposed recipient of the grant of the Award) and the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of Awards). Any grant of Awards to any substantial Shareholder, or any of his respective associates, shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of Awards). In addition:
- (a) where any grant of Awards (excluding grant of share options) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of his respective associates, would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of this Plan) 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 Shares in issue (excluding treasury shares) at the date of such grant; or
 - (b) where any grant of Awards to an independent non-executive Director or substantial Shareholder, or any of his respective associates, would result in the number of Shares issued and to be issued upon exercise of all Awards granted (together with all options granted under any share option schemes of the Company) (excluding any Awards lapsed in accordance with the terms of the Plan) 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 Shares in issue (excluding treasury shares) at the date of such grant,

such further grant of Awards must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules. In particular, the Company shall send a circular to the Shareholders. The relevant Selected Participant, his associates and all core

connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

- 8.4 The maximum number of Shares, in a 12-month period up to and including the date of grant of the Award, which may be subject to grant of an Award or Awards to a Selected Participant together with any Shares issued or to be issued under any options granted to such Selected Participant under any share option schemes of the Company shall not (i) in aggregate exceed 1% of the share capital of the Company in issue (excluding treasury shares); and (ii) exceed any limits applicable to such Selected Participant under the Listing Rules, unless otherwise permitted under the Listing Rules.
- 8.5 The Company may seek approval by its Shareholders in general meeting for refreshing the Plan Mandate Limit and/or the Service Provider Sub-limit in accordance with the applicable Listing Rules.

9. VOTING RIGHTS REGARDING SHARES IN SHARES POOL AND SELECTED PARTICIPANTS HAVING NO RIGHTS

- 9.1 The Trustee shall not exercise the voting rights in respect of any Shares held under the trust constituted by the Trust Deed (including but not limited to any Shares in the Shares Pool, the Awarded Shares, the Returned Shares, any bonus Shares and scrip Shares). In particular, the Trustee holding unvested Shares under the Plan, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.
- 9.2 The Selected Participants shall not have any right to receive any Awarded Shares set aside for them pursuant to paragraph 4 unless and until the Trustee has transferred and vested the legal and beneficial ownership of such Awarded Shares to and in the Selected Participants in accordance with the terms hereof. For the avoidance of doubt:
- (a) a Selected Participant shall only have a contingent interest in the Awarded Shares which are referable to him subject to the vesting of such Shares in accordance with paragraph 6.1;
 - (b) a Selected Participant shall have no rights in the Residual Cash or any of the Returned Shares;
 - (c) no instruction may be given by a Selected Participant to the Trustee in respect of the Awarded Shares and/or the Other Distributions and/or such other properties or assets of the trust constituted by the Trust Deed;
 - (d) a Selected Participant shall have no rights in the fractional share arising out of consolidation of Shares (and such Shares shall be deemed as Returned Shares for the purposes of the Plan);
 - (e) subject to paragraph 3.8, where a Selected Participant ceases to be an Employee on the relevant Vesting Date, the award of the Awarded Shares in respect of the relevant Vesting Date shall lapse, such Awarded Shares shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company, any Subsidiary, any Related Entity, any Director or the Trustee; and
 - (f) in the case of the death of a Selected Participant, the Benefits shall be forfeited if no transfer of the Benefits to the Personal Representatives of the Selected Participant is made within the period prescribed in paragraph 3.9 and 6.3, and the Personal Representatives of the Selected Participant shall have no claims against the Company, any Subsidiary, any Related Entity, any Director or the Trustee.
- 9.3 Subject to paragraphs 9.1 and 9.2 above, the Awarded Shares to be vested to the Selected Participants shall be identical to all existing issued Shares and shall be subject to all the provisions of the Bye-laws

of the Company for the time being in force, and such Shares shall rank pari passu in all respects with the existing fully paid Shares in issue.

10. DISPUTES

Any dispute arising in connection with the Plan shall be referred to the decision of the Board or the Committee who shall act as experts and not as arbitrators and whose decisions shall be final, conclusive and binding on all persons who may be affected thereby.

11. ALTERATION OF THESE RULES OF THE PLAN

Subject to the below, the Board or the Committee may amend any of the provisions of the Plan or any Awards granted under the Plan at any time and in any respect. No amendment shall be made to any provisions of the Plan or any Awards to the extent that such amendment has a material adverse effect on any subsisting rights of a Selected Participant at that date in respect of Awards already granted to such Selected Participant but not yet vested or lapsed or forfeited, without such Selected Participant's consent, provided that no such consent shall be required if the Board or the Committee determines that such amendment either: (i) is necessary or desirable in order for the Company, the Plan or the Award to satisfy any applicable laws, legislations or regulations (including the applicable Listing Rules) or to meet the requirements of, or avoid adverse consequences under, any applicable accounting standard; or (ii) is not reasonably likely to diminish materially the benefits provided under such Award, or that any such diminishment can be reasonably compensated or otherwise justified. Any amendment or alteration to the terms of any Award the grant of which was subject to the approval of a particular body shall be subject to approval by that same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of the Plan.

Notwithstanding the aforesaid, any alterations to the terms and conditions of the Plan which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Selected Participants must be approved by Shareholders in general meeting.

Any change to the authority of the Directors or scheme administrators to alter the terms of the scheme must be approved by Shareholders in general meeting.

The amended terms of the Plan must comply with all applicable laws, legislations and regulations (including the applicable Listing Rules).

12. TERMINATION

12.1 The Plan shall terminate on the earlier of:

- (i) on the 10th anniversary date of the Adoption Date; and
- (ii) such date of early termination as determined by the Board or the Committee and notified to the Trustee in writing, provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder.

12.2 If, at the date of the termination of the Plan, the Trustee holds any Share which has not been set aside pursuant to paragraph 3 in favour of any Selected Participant or retains any unutilised funds received as the Group Contribution or otherwise, then the Trustee shall, within twenty-eight (28) Business Days (on which the trading of the Shares has not been suspended) after receiving actual notice of such termination (or such longer period as the Board or the Committee may otherwise determine), sell such Shares and remit the proceeds of sale (after making appropriate deductions in respect of stamp duty

and other costs, liabilities and expenses in accordance with the Trust Deed) together with such unutilised funds to the Company, unless otherwise instructed by the Board or the Committee.

12.3 Upon termination of the Plan:

- (a) Subject to the decision of the Board or the Committee and paragraph 3.8, all the Awarded Shares shall become vested in the Selected Participant on such date of termination, save in respect of any event of Total Lapse;
- (b) Returned Shares and such non-cash income remaining in the trust fund shall be sold by the Trustee, within twenty-eight (28) Business Days (on which the trading of the Shares has not been suspended) after receiving actual notice of such termination (or such longer period as the Board or the Committee may otherwise determine), unless otherwise instructed by the Board or the Committee;
- (c) Residual Cash, net proceeds of sale referred to in paragraph 12.3(b) hereof and such other funds remaining in the trust constituted by the Trust Deed (after making appropriate deductions in respect of all disposal costs, liabilities and expenses in accordance with the Trust Deed) shall be remitted to the Company forthwith after the sale. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than its interest in the proceeds of sale of such Shares pursuant to Paragraph 12.3(b) hereof), excluding (for the avoidance of doubt) any transfer of Shares to another share award scheme of the Company or otherwise any transfer in compliance with the applicable laws, legislations and regulations (including the applicable Listing Rules).

12.4 For the avoidance of doubt, the temporary suspension of the granting of any Award shall not be construed as a decision to terminate the operation of the Plan.

13. MISCELLANEOUS

13.1 These rules of the Plan shall not form part of any contract of employment between the Company or any Subsidiary or any Related Entity and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his office or employment shall not be affected by his participation in the Plan or any right which he may have to participate in it and the Plan shall afford such Eligible Participant no additional rights to compensation or damages in consequence of the termination of his office or employment for any reason.

13.2 The Company shall bear the costs and expenses of establishing, administering and implementing the Plan (including, for the avoidance of doubt, the Trustee's fees and costs, any transaction levy, investor compensation levy, brokerage, trading fee, trading tariff, stamp duty and any other tax and expenses of whatsoever nature payable on the part of a Selected Participant or the Trustee in respect of any sale, purchase, vesting or transfer of, or subscription for, Shares pursuant to the Plan), but excluding any costs, expenses, levies and taxes which are determined by the Board or the Committee (in their absolute discretion) to be payable due to reasons, factors or circumstances which are personal or pertaining to the relevant Selected Participant(s) or otherwise unrelated to the making of the relevant Award under the Plan and which shall be payable by the relevant Selected Participant(s).

13.3 Any notice or other communication between the Company, the Board or the Committee, any Selected Participant and/or the Trustee may be given by sending the same by electronic mail, electronic system/platform provided by third-party vendor as selected by the Board or the Committee, prepaid post or by personal delivery to:

- (a) in the case of the Company or the Board or the Committee, the principal place of business of the Company in Hong Kong;

- (b) in the case of the Trustee, its registered office or principal place of business in Hong Kong or such other address as notified by the Trustee to the Company from time to time; and
- (c) in the case of any Selected Participant, his last known address as notified by such Selected Participant to the Company from time to time or, if none or incorrect or out of date, his last place of employment with the Group or the Related Entity or the Company's principal place of business from time to time.

13.4 Any notice or other communication:

- (a) if sent by any Selected Participant, shall be irrevocable and shall not be effective until actually received by the Company, the Board or the Committee and the Trustee (as the case may be);
- (b) if sent to any Selected Participant shall be deemed to be given or made three (3) days after the date of posting, if sent by local postage pre-paid registered mail to an address in Hong Kong; and five (5) days after the date of posting, if sent by postage pre-paid registered airmail to an address outside Hong Kong; and when delivered, if delivered by hand; and
- (c) if sent to the Trustee, shall be irrevocable and shall not be effective until actually received by the Trustee.

13.5 The Plan shall not confer on any person any legal or equitable rights against the Company, any Subsidiary, any Related Entity, any Director and the Trustee, or any of them, directly or indirectly or give rise to any cause of action at law or in equity against the Company, any Subsidiary, any Related Entity and the Trustee, or any of them.

13.6 A Selected Participant shall, before accepting an Award and taking the transfer and vesting of the related Awarded Shares (or the net sale proceeds thereof) to and in him, obtain all necessary consents under all applicable laws, legislations and regulations (including the applicable Listing Rules) that may be required to enable him to accept such Award and take such transfer and vesting of the related Awarded Shares (or the net sale proceeds thereof), as the case may be, in accordance with these rules of the Plan. By accepting an Award, the Selected Participant is deemed to have represented to the Company and the Trustee that he has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of an Award by a Selected Participant. A Selected Participant shall indemnify each of the Company, any Subsidiary, any Related Entity, any Director and the Trustee fully against all claims, demands, liabilities, actions, proceedings, fees, costs and expenses which any of the Company, any Subsidiary, any Related Entity, any Director and the Trustee may suffer or incur (whether alone or jointly with other party or parties) for or in respect of any failure or any alleged failure on the part of such Selected Participant to obtain any necessary consent or to pay tax or other liabilities or to complete any necessary filing or notification in relation to or in connection with his acceptance of the Award and taking the transfer and vesting of the related Awarded Shares (or the net sale proceeds thereof) to and in him.

13.7 A Selected Participant shall pay all tax and discharge all liabilities to which he may become subject or liable as a result or consequence of his participation in the Plan, acceptance of any Award made hereunder, and taking the transfer and vesting of the related Awarded Shares (or the net sale proceeds thereof) to and in him, or any of the foregoing.

13.8 A Selected Participant shall indemnify each of the Company, any Subsidiary, any Related Entity, any Director and the Trustee fully against all claims, demands, liabilities, actions, proceedings, fees, costs and expenses which any of them may suffer or incur (whether alone or jointly with other party or parties) for or in respect of any liability to pay or account for any taxes, including any withholding liability in connection with any taxes, in relation to or in connection with his acceptance of the Award and taking the transfer and vesting of the related Awarded Shares (or the net sale proceeds thereof) to

and in him, and to give effect to this, the Trustee or the Company may, notwithstanding anything else herein contained (but subject to applicable law):

- (a) reduce or withhold the number of the Selected Participant's Awarded Shares underlying the Award (the number of Awarded Shares underlying the Award that may be reduced or withheld shall be limited to the number of Awarded Shares that have a fair market value on the date of withholding that, in the reasonable opinion of the Board or the Committee, is sufficient to cover such liability);
- (b) sell, on the Selected Participant's behalf, such number of Awarded Shares to which the Selected Participant becomes entitled under the Plan and retain the proceeds and/or pay them to the relevant authorities or government agency;
- (c) deduct or withhold, without notice to the Selected Participant, the amount of any such liability from any payment to the Selected Participant made under the Plan or from any payments due from the Company, any Subsidiary, any Related Entity, any Director or the Trustee to the Selected Participant; and/or
- (d) require the Selected Participant to remit to the Company, any Subsidiary, any Related Entity, any Director or the Trustee in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by the Company, any Subsidiary, any Related Entity, any Director or the Trustee on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

For the avoidance of doubt, the Trustee shall not be obliged to transfer any Awarded Shares (or the net sale proceeds thereof) to a Selected Participant unless and until the Selected Participant satisfies the Trustee and the Company that such Selected Participant's obligations under this paragraph 13.8 have been met.

- 13.9 The Selected Participant shall be responsible for any applicable tax reporting obligations to any relevant tax authorities, and to notify the Trustee in a timely manner of any tax reporting obligations that the Trustee may have to enable the Trustee to fulfil such reporting obligations, including, to the extent permissible under all applicable laws, legislations and regulations (including the applicable Listing Rules), providing the Trustee with all information and documents required by the relevant tax authorities to fulfil its Common Reporting Standard (CRS) and Foreign Account Tax Compliance Act (FACTA) reporting obligations.
- 13.10 The Trustee may rely on the Award Notices and instructions and directions in writing, or any of them, given to it by the Board or the Committee from time to time under the Plan, and the contents thereof, without further and/or independent inquiry or verification, and may assume the same and the transactions contemplated thereby to be in compliance with all applicable laws, rules, regulations, codes, and guidelines, whether statutory, regulatory, administrative or otherwise and whether having the force of law, and these rules of the Plan and the Trust Deed.
- 13.11 In respect of the administration of the Plan, the Company shall comply with all applicable disclosure regulations including without limitation those imposed by the Listing Rules from time to time.

14. CONDITIONS

14.1 The Plan is conditional upon:

- (a) the passing of an ordinary resolution by the Shareholders at a general meeting to approve the adoption of the Plan and to authorise the Directors to grant Awards hereunder and to allot,

issue and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of the Plan; and

- (b) the approval for the listing of, and permission to deal in, such number of Shares representing the Plan Mandate Limit (as defined in paragraph 8.1) to be allotted and issued by the Company pursuant to the grant of the Awards in accordance with the terms and conditions of the Plan.

14.2 If the conditions referred to in paragraph 14.1 are not satisfied on or before the date falling sixty (60) days after the date of the general meeting held for the purpose of approving the Plan (or such other date as determined by the Board or the Committee), the Plan shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Plan.

14.3 Reference in paragraph 14.1(b) to the Listing Committee of the Stock Exchange formally granting the listing and permission referred to therein shall include any such listing and permission which are granted subject to the fulfilment of any condition precedent or condition subsequent.

14.4 A certificate of a Director that the conditions set out in paragraph 14.1 have been satisfied and the date on which such conditions were satisfied or that such conditions have not been satisfied as of any particular date and the exact date of the Adoption Date shall be conclusive evidence of the matters certified.

15. GOVERNING LAW

15.1 The Plan shall operate subject to the Bye-laws.

15.2 The Plan shall be governed by and construed in accordance with the laws of Hong Kong.

***** End of these rules of the Plan *****

APPENDIX 1

FORM OF THE AWARD NOTICE

[Letterhead of China Gas Holdings Limited]

PRIVATE AND CONFIDENTIAL

[Date]

To: Tricor Trust (Hong Kong) Limited

Dear Sir,

Share Award Scheme adopted on [●]

Award Notice

We refer to the share award scheme adopted by the Company on [●] (the “**Share Award Scheme**”). Except as otherwise defined, capitalised terms used herein shall have the same meaning as defined in the rules of the Share Award Scheme (the “**Scheme Rules**”).

Pursuant to paragraph 3.4 of the Scheme Rules, we hereby inform you that the board of directors of the Company (the “**Board**”) [and/or the Committee] decided on [●] to make an Award to the following Selected Participants under the Share Award Scheme, with the Earliest Vesting Date [and other subsequent date(s)] being [●]:

Selected Participants(s)

Selected Participant 1

Selected Participant 2

Name:

Address:

Identity Number:

Position:

Connected Person: [Yes/No]

[Yes/No]

The Awarded Shares [shall be satisfied by way of [●] new Shares issued/to be issued by the Company] / [shall be satisfied by applying [●] Returned Shares] / [shall be satisfied partly by [●] new Shares issued/to be issued by the Company and partly by applying [●] Returned Shares].

These Awarded Shares are being awarded to the Selected Participants on and subject to the terms and conditions of the Share Award Scheme, including, without limitation, the vesting conditions and/or performance targets set out in the Scheme Rules [and the vesting conditions and/or performance targets set out below], which provide that the Awarded Shares being awarded will, subject to the Selected Participant’s acceptance, become vested in him/her in the proportion and on the dates as follows:

[insert vesting schedule from scheme rules or as determined by the Board (if any)]

[The grant is being made subject to the condition that the grantee shall pay the administration fee in sum of HK\$[●] in full to the Company on the date the grantee signs and returns the Vesting Notice.] /

[The grant is being made subject to the condition that the Selected Participants shall pay the administration fee, at such amount as the Company shall deem just, to the Company on the date the grantee signs and returns the Vesting Notice.]

[The grant is also being made subject to the following conditions:

[Insert any additional terms and conditions (e.g. any consideration payable by the grantee prior to the vesting?); or conditions and/or performance targets that must be altered or waived by the Board or the Committee before any Award Shares may be vested]]

Yours faithfully

For and on behalf of

China Gas Holdings Limited

Name:

Position:

APPENDIX 2

FORM OF THE GRANT NOTICE

PRIVATE AND CONFIDENTIAL

[Date]

[Name, address, identity number and position of Selected Participant]

Dear Sir,

Share Award Scheme adopted on [●]

Grant Notice

We refer to the share award scheme adopted by the Company on [●] (the “**Share Award Scheme**”). Except as otherwise defined, capitalised terms used herein shall have the same meaning as defined in the rules of the Share Award Scheme (the “**Scheme Rules**”).

We are pleased to inform you that the board of directors of the Company (the “**Board**”) [and/or the Committee] decided on [●] to grant you [●] Awarded Shares under the Share Award Scheme, with the Earliest Vesting Date [and other subsequent date(s)] being [●].

The Awarded Shares [shall be satisfied by way of [●] new Shares issued/to be issued by the Company] / [shall be satisfied by applying [●] Returned Shares] / [shall be satisfied partly by [●] new Shares issued/to be issued by the Company and partly by applying [●] Returned Shares].

These Awarded Shares are being granted to you on and subject to the terms and conditions of the Share Award Scheme, including, without limitation, the vesting conditions and/or performance targets set out in the Scheme Rules [and the vesting conditions and/or performance targets set out below], which provide that the Awarded Shares being granted to you will, subject to your acceptance, become vested in you in the proportion and on the dates as follows:

[insert vesting schedule from scheme rules or as determined by the Board (if any)]

[The grant is being made subject to the condition that you shall pay the administration fee in sum of HK\$[●] in full to the Company on the date you sign and return the Vesting Notice.] /

[The grant is being made subject to the condition that you shall pay the administration fee, at such amount as the Company shall deem just, to the Company on the date you sign and return the Vesting Notice.]

[The grant is also being made subject to the following conditions:

[Insert any additional terms and conditions (e.g. any consideration payable by the grantee prior to the vesting?); or conditions and/or performance targets that must be altered or waived by the Board or the Committee before any Award Shares may be vested]]

The grant of the Awarded Shares to you referred to above will only be effective if you sign and return the attached acceptance form to us within five (5) Business Days after the date of this notice. If you fail to do this, the grant of the Awarded Shares to you referred to above will be deemed to be unconditionally declined in its entirety and you will not have any right or claim against the Company, any other member of the Group, the

Board, the trust constituted by the Trust Deed or the Trustee or with respect to those or any other Awarded Shares or any right thereto or interest therein in any way.

Yours faithfully

For and on behalf of

China Gas Holdings Limited

Name:

Position:

Copy: The Trustee
Tricor Trust (Hong Kong) Limited

To: China Gas Holdings Limited

Copy: The Trustee
Tricor Trust (Hong Kong) Limited

Acceptance Form

I, _____ (holder of [*insert description of identity document*] numbered [*insert number*]), confirm my acceptance of the Awarded Shares being granted to me by the Board on behalf of the Company. I agree and accept that such Awarded Shares are being granted to me on and subject to the terms and conditions of the Scheme and the Grant Notice and I agree to be bound thereby.

Date:

APPENDIX 3

FORM OF THE VESTING NOTICE

[Letterhead of China Gas Holdings Limited]

PRIVATE AND CONFIDENTIAL

[Date]

[Name, address, identity number and position of Selected Participant]

Dear Sirs,

Share Award Scheme adopted on [●]

Vesting Notice

We refer to the share award scheme adopted by the Company on [●] (the “**Share Award Scheme**”). Except as otherwise defined, capitalised terms used herein shall have the same meaning as defined in the rules of the Share Award Scheme (the “**Scheme Rules**”).

In accordance with the vesting conditions set out in [the Grant Notice], [insert number] Awarded Shares (the “**Vesting Shares**”) granted to and accepted by you and currently being held by the Trustee under the trust constituted by the Trust Deed (the “**Trust**”) will become vested in you on [insert date] (the “**Vesting Date**”), subject to [you remaining an Eligible Participant on such date] [and all of the other conditions set out in the Grant Notice being satisfied].

The Vesting Shares will only vest in you if you complete, sign and return the attached reply slip to us not later than [●] (being seven [7] Business Days before the Vesting Date). If you fail to do this, the Vesting Shares will be forfeited in accordance with the terms of the Scheme Rules and you will not have any right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those Vesting Shares or any right thereto or interest therein in any way.

Yours faithfully
For and on behalf of
China Gas Holdings Limited

Name:

Position:

Copy: The Trustee
Tricor Trust (Hong Kong) Limited

To: China Gas Holdings Limited

Copy: The Trustee
Tricor Trust (Hong Kong) Limited

Reply Slip

I, _____ (holder of [insert description of identity document] numbered [insert number]), hereby authorise you to instruct the Trustee to procure the transfer of the Vesting Shares referred to in the above Vesting Notice to me by depositing them into the following securities account/bank account on the Vesting Date:

For Vesting Shares

Name of custodian/broker: _____

CCASS No. of custodian/broker: _____

Contact Person of custodian/broker: _____

Telephone number of custodian/broker: _____

Account Name: _____

(Note: The Account must be in the sole name of the Selected Participant)

Account Number: _____

Signed by the Selected Participant

Selected Participant's Signature verified
by the Company

Name:

Name:
Authorised Signatory of the Company