

CCIAM Future Energy Limited
信能低碳有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 145)

SHARE OPTION SCHEME

(Adopted by an ordinary resolution passed by the shareholders of the Company at the annual general meeting of the Company on [2 June] 2023)

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1. DEFINITIONS AND INTERPRETATION

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

“Adoption Date”	[2 June] 2023, the date on which adoption of this Scheme was approved by the Shareholders;
“associate”	has the meaning ascribed to it under the Listing Rules;
“Auditors”	the auditors of the Company for the time being;
“Board”	the board of directors of the Company for the time being and from time to time or a duly authorised committee thereof;
“Business Day”	any day on which Shares are available for trading on the Stock Exchange;
“chief executive”	has the meaning ascribed to it under the Listing Rules;
“close associate”	has the meaning ascribed to it under the Listing Rules;
“Company”	CCIAM Future Energy Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the Stock Exchange (stock code: 145);
“connected person”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“core connected person”	has the meaning ascribed to it under the Listing Rules;
“Date of Grant”	in respect of an Option, the date (which shall be a Business Day) on which the Offer is made to a Participant, whether or not the Offer is subject to the Shareholders’ approval;

“Grantee”	any Participant who accepts an Offer in accordance with the terms of this Scheme, or (where the context so permits) a person entitled to any such Option pursuant to a permitted transfer under paragraph 8.2 or in consequence of the death of the original Grantee, including the legal personal representative of the original Grantee;
“Group”	the Company and the Subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“INED”	an independent non-executive director of the Company for the time being and from time to time;
“inside information”	has the meaning ascribed to it in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as may be amended from time to time;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as may be amended from time to time;
“Offer”	the offer of an Option made in accordance with paragraph 4;
“Offer Date”	the date on which the Board resolves to make an Offer of a Share Option to an Eligible Participant, which must be a business day;
“Option”	an option to subscribe for Shares pursuant to this Scheme and for the time being subsisting;
“Option Period”	in respect of an Option, the period during which the Grantee may exercise the Option, which is determined and notified by the Board to the Grantee at the time of making an Offer and must not be more than 10 years from the Date of Grant subject always to the provisions of paragraphs 4 and 6;

“Participant”	any participant of the Scheme (as determined by the Board pursuant to paragraph 3) who is a director or employee of the Company or any Subsidiary (including any person who is granted any Option as an inducement to enter into any employment contract with the Company or such Subsidiary);
“Remuneration Committee”	remuneration committee as set up by the Board;
“Scheme”	this share option scheme in its present form or as amended from time to time in accordance with the provisions hereof;
“Scheme Mandate Limit”	has the meaning ascribed to it in paragraph 10.1;
“Shareholder”	holder of the Shares;
“Shares”	the ordinary share(s) of the Company;
“share scheme”	has the meaning ascribed to it under Chapter 17 of the Listing Rules;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to paragraph 5;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary (within the meaning ascribed to it under the Listing Rules) of the Company, whether incorporated in Hong Kong or elsewhere;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules; and
“Supplementary Guidance”	supplementary guidance on rule 17.03(13) of the Listing Rules issued by the Stock Exchange on 5 September 2005, as may be amended or updated from time to time by the Stock Exchange.

- 1.2 Paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme. References herein to “paragraphs” are to paragraphs of this Scheme. Words importing the singular include the plural and vice versa, words importing a gender or the neuter include both genders and the neuter, and references to persons include bodies corporate or unincorporate.
- 1.3 References in this Scheme to any document are to that document as amended, consolidated, supplemented, novated or replaced from time to time.
- 1.4 References (express or implied) in this Scheme to ordinances, statutory or regulatory provisions and the Listing Rules shall be construed as references to those ordinances, statutory or regulatory provisions and the Listing Rules as respectively amended or re-enacted or as their application is modified by other provisions (whether before or after the Adoption Date) from time to time and shall include any provisions of which there are re-enactments (whether with or without modification) and any orders, regulations, instruments, other subordinate legislation or practice notes under the relevant ordinances, statutory or regulatory provisions or the Listing Rules.
- 1.5 In construing this Scheme:
- (a) the rule known as the ejusdem generis rule shall not apply and, accordingly, general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
 - (b) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

2. PURPOSE, DURATION AND ADMINISTRATION

- 2.1 The purpose of this Scheme is to reward Participants who have contributed or will contribute to the Group and to encourage longer term commitment of Grantees to the Group and to better align their interests with those of the Shareholders, which can contribute towards enhancing the value of the Company and the Shares for the benefit of the Company and its Shareholders as a whole.

- 2.2 This Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to this Scheme or its interpretation or effect shall (save as otherwise provided herein) be final and binding on all parties. Subject to the terms of this Scheme, the Board shall have the right to:
- (a) interpret and construe the provisions of this Scheme;
 - (b) determine the persons (if any) to whom the Company shall offer Options, and the number of Shares in respect of the Options offered and the Subscription Price;
 - (c) subject to paragraphs 12 and 15, make such adjustments to the terms of the Options granted under this Scheme to the relevant Grantee as the Board deems appropriate with written notification of such adjustment to the relevant Grantee; and
 - (d) make such other decisions or determinations as it deems appropriate in relation to the Offers and/or the administration of this Scheme provided that the same are not inconsistent with the provisions of this Scheme and the Listing Rules.

Without prejudice to the generality of the foregoing, the Board may delegate the administration of the exercise of the Options and the delivery of Shares thereafter to third party professional service providers as it thinks fit.

- 2.3 This Scheme shall take effect subject to the passing of the resolution by the Shareholders to approve and adopt this Scheme and to authorise the Board to grant Options under this Scheme and to allot and issue Shares pursuant to the exercise of any Options.
- 2.4 Subject to paragraph 17, this Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options shall be offered or granted but the provisions of this Scheme shall remain in full force and effect in all other respects. Options granted during the life of this Scheme shall continue to be exercisable in accordance with their terms of grant after the end of the 10-year period.

3. PARTICIPANTS AND ELIGIBILITY

In determining the eligibility of each Participant, the Board shall consider the experience of the Participant on the Group's business, the length of employment or office of the Participant with the Group, the amount of support, assistance, guidance, advice or efforts the Participant has given or will give towards the Group's success and any other factor that allows the Board to assess the amount of contribution made or to be made by the Participant to the Group.

4. GRANT OF OPTIONS

- 4.1 Subject to the terms of this Scheme and the Listing Rules, the Board shall be entitled at any time within 10 years after the Adoption Date to make an Offer to any Participant as the Board may at its absolute discretion select to take up an Option pursuant to which such Participant may, during the Option Period, subscribe for such number of Shares as the Board may determine at the Subscription Price. The Offer shall specify the terms on which the Option is to be granted. Such terms may at the discretion of the Board, include, among other things, (i) the vesting period of the Option; (ii) a performance target that must be achieved before the Option can be exercised in whole or in part; and (iii) any other terms, all of which may be imposed (or not imposed) either on a case-by-case basis or generally.
- 4.2 An Offer shall be made to a Participant by letter in such form as the Board may from time to time determine 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 for a period of 28 days from the Date of Grant provided that no such Offer shall be open for acceptance after the expiry of the Option Period or after this Scheme has been terminated in accordance with the terms hereof or after the Participant to whom the Offer is made has ceased to be a Participant.
- 4.3 Every Offer is conditional upon the Listing Committee (as defined in the Listing Rules) of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which fall to be issued pursuant to the exercise of the Option to be granted. If this condition is not satisfied on or before the date following 30 days after the Date of Grant, any Option granted or agreed to be granted pursuant to the Offer shall be of no effect and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Offer.
- 4.4 No Offer shall be made to, nor shall any Offer be capable of acceptance by, any Participant at a time when the Participant would or might be prohibited from dealing in the Shares by the Listing Rules or by any other applicable rules, regulations or law.

- 4.5 An Offer is deemed to be accepted when the Company receives from the Grantee the offer letter signed by the Grantee specifying the number of Shares in respect of the Option accepted and a remittance to the Company of HK\$1.00 as consideration for the grant of Option. Such remittance is not refundable in any circumstances.
- 4.6 Any Offer may be accepted in whole or in respect of less than the number of Shares in respect of the Option offered provided that it is accepted in a whole board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. To the extent that the Offer is not accepted in the manner indicated in paragraph 4.5 within 28 days from the date on which the offer letter is delivered to the Participant, it shall be deemed to have been irrevocably declined by such Participant.
- 4.7 An Offer may not be made after inside information has come to the Company's knowledge until (and including) the trading day after the Company has announced the information. In particular, during any period of delay in publication of a results announcement or during the period commencing one month immediately preceding the earlier of:
- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, quarterly or any other interim period (whether or not required under the Listing Rules),
- and ending on the date of the results announcement, no Offer may be made.

5. **SUBSCRIPTION PRICE**

- 5.1 The Subscription Price shall be determined by the Board at its absolute discretion but in any event shall not be less than the higher of:-
- (a) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the Date of Grant which must be a Business Day;
 - (b) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five Business Days immediately preceding the Date of Grant; and
 - (c) the nominal value of the Shares.

5.2 For the purpose of calculating the Subscription Price, the Date of Grant shall be deemed as the date of Board meeting at which the relevant Offer is approved.

6. VESTING PERIOD

6.1 Save for the circumstances prescribed in paragraph 6.2, every Grantee must hold an Option for at least 12 months before he can exercise such Option.

6.2 A Participant may be subject to a vesting period shorter than 12 months as deemed appropriate at the discretion of the Board or the Remuneration Committee (where the Participant is a director or a member of the senior management of the Company) in any of the following circumstances:

- (a) grants of “make-whole” Options to new joiners to replace the share awards or options they forfeited when leaving their previous employers;
- (b) grants to a Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (c) grants that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;
- (d) grants with a mixed or accelerated vesting schedule such as where the Option may vest evenly over a period of 12 months; and
- (e) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

7. PERFORMANCE TARGETS

7.1 If and to the extent that any performance target is required to be achieved by any Grantee before an Option is capable of being exercised, particulars of such targets shall be specified in the Offer.

7.2 Notwithstanding the foregoing, no Options being offered to any INED shall contain any performance target unless the Board is satisfied that such target will not lead to any bias in the decision-making or compromise the objectivity and independence in the course of performance of the duties of the Grantee as an INED.

8. EXERCISE OF OPTIONS

- 8.1 An Option shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Option.
- 8.2 Any breach of the restrictions set out in paragraph 8.1 by the Grantee shall entitle the Company to cancel any outstanding Option or any part thereof granted to such Grantee to the extent not already exercised without incurring any liability on the part of the Company, provided that a Grantee shall not be deemed to have breached such restrictions if he transfers any Option to a vehicle (such as a trust or private company) for the benefit of himself and/or his family members (such as for the purpose of estate planning or tax planning purposes) and the Stock Exchange has granted a waiver to allow such transfer prior to such transfer having taken place.
- 8.3 An Option may, subject to the provisions of paragraph 8.4, be exercised in whole or in part (in a whole board lot of the Shares which are traded on the Stock Exchange at the time of such exercise or an integral multiple thereof) by the Grantee by giving notice in writing to the Company (in such manner as may from time to time be specified by the Company) stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each notice must be accompanied by a remittance for, or evidence of such other method of cash settlement as may be approved by the Company from time to time of, the full amount of the Subscription Price multiplied by the number of Shares in respect of which the notice is given. Within 28 days after receipt of the notice and the remittance or other form of cash settlement as may be approved by the Company from time to time of the full amount of the relevant aggregate Subscription Price and, where appropriate, receipt of the Auditors' certificate or the certificate from the independent financial adviser to the Company pursuant to paragraph 12, the Company shall accordingly allot and issue the relevant number of Shares to the Grantee or the relevant custodian of clearing house for credit for the benefit of the Grantee, credited as fully paid, and issue to the Grantee a share certificate in respect of the Shares so allotted.

8.4 Subject to any restrictions applicable under the Listing Rules and notwithstanding the terms of grant thereof:-

- (a) in the event of the Grantee ceasing to be a Participant by reason of his death before exercising his Option in full and none of the events which would be a ground for termination of his employment or removal of directorship as specified in paragraph 9(f) having arisen, his legal personal representative may exercise the Option up to the Grantee's entitlement (whether vested or not) as at the date of his death (to the extent not already exercised) within the period of 6 months following his death, provided that where any of the events set out in paragraphs 8.4(d), (e) and (f) occurs prior to his death or within such period of 6 months following his death, then his legal personal representative may so exercise the Option only within the various periods respectively set out in such paragraphs;
- (b) in the event of a Grantee ceasing to be a Participant for any reason other than his death or the termination of his employment on one or more of the grounds, or removal from directorship, as specified in paragraph 9(f), the Option (to the extent not already exercised) shall lapse on the date of cessation of such employment or directorship (which date shall be the Grantee's last actual working day with the Company or the relevant Subsidiary, whether salary is paid in lieu of notice or not) and shall on that day cease to be exercisable, provided that the Board may within one month prior to the date of such cessation otherwise determine that the Option (or such remaining part thereof, whether vested or not) shall become exercisable within such period following the date of such cessation as the Board may determine;
- (c) in the event of a Grantee ceasing to be a Participant by reason of the termination of his employment on one or more of the grounds, or removal from directorship, as specified in paragraph 9(f) and the Grantee having exercised the Option in whole or in part pursuant to paragraph 8.3 but Shares have not been allotted to him, the Grantee shall be deemed not to have so exercised such Option and the Company shall return to the Grantee the amount of the Subscription Price received by the Company in respect of the purported exercise of such Option;
- (d) in the event a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer, having been approved in accordance with applicable laws and regulations, becomes or is declared unconditional prior to the expiry date of the relevant Option, the Grantee shall be entitled to exercise the Option (whether vested or not) in full (to the extent not already exercised) or to the extent

as notified by the Company at any time within such period as notified by the Company. Any Grantee is required to hold a Share Option for not less than 12 months from the Offer Date before it can be exercised;

- (e) in the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to all Grantees who have Options unexercised on the date of such notification and any such Grantee may at any time thereafter (but before such time as notified by the Company being not less than ten Business Days prior to the date of the proposed Shareholders' meeting) exercise the Option (whether vested or not) to its full extent or to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three Business Days prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee or the custodian of clearing house for credit for the benefit of the Grantee such number of Shares to the Grantee which fall to be issued on such exercise. Any Grantee is required to hold a Share Option for not less than 12 months from the Offer Date before it can be exercised; and
- (f) in the event of a compromise or arrangement, other than a scheme of arrangement contemplated in paragraph 8.4(d), between the Company and the Shareholders or its creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees, who have Options unexercised on the date of such notification, on the same date as it gives notice of the meeting to the Shareholders or its creditors to consider such compromise or arrangement, and the Grantee may, at any time thereafter but before such time as notified by the Company, exercise the Option (whether vested or not) either to its full extent or to the extent notified by the Company. In the event such compromise or arrangement is sanctioned by the court and becomes effective, the Company may require each Grantee to transfer or otherwise deal with the Shares issued on exercise of the Options pursuant to this paragraph so as to place the Grantee in the same position as would have been the case had such Shares been the subject of such compromise or arrangement and each Grantee must transfer or deal with the Shares in accordance with the request of the Company. Any Grantee is required to hold a Share Option for not less than 12 months from the Offer Date before it can be exercised.

- 8.5 For the purpose of paragraph 8.4(b), subject to the sole discretion of the Board, a Grantee shall not be regarded as ceasing to be a Participant if he ceases to hold a position of directorship or employment with the Company or any Subsidiary but at the same time takes up a different position of directorship or employment with the Company or the Subsidiary, as the case may be.
- 8.6 The Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the bye-laws of the Company for the time being in force and shall rank pari passu in all respects with the existing fully paid Shares in issue on the allotment date and accordingly shall entitle the holders of such Shares to all dividends or other distributions paid or made after the allotment date, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the allotment date.

9. LAPSE OF OPTION

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

- (a) the expiry of the Option Period;
- (b) the expiry of the periods referred to in paragraphs 8.4(a), (b) or (e);
- (c) the expiry of the period referred to in paragraph 8.4(d) subject to any court of competent jurisdiction making an order to prohibit the offeror from acquiring the remaining Shares in the Offer, the relevant period within which Options may be exercised shall not begin or continue to run (as the case may be) until the discharge of the order in question;
- (d) the expiry of the period referred to in paragraph 8.4(f) subject to the scheme of arrangement becoming effective;
- (e) the date of the commencement of the winding-up of the Company;
- (f) the date on which the Grantee ceases to be a Participant:
 - (i) by reason of the termination of his employment on the grounds that he has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other grounds on which an employer would be entitled to terminate his employment summarily, or

- (ii) by reason of the removal of his directorship in accordance with the constitutional documents of the Company or such Subsidiary and the laws of the jurisdiction in which the Company or such Subsidiary is incorporated.

A resolution of the Board or Shareholders or the board of directors or shareholders of the relevant Subsidiary to the effect that the employment of a Grantee has been terminated on one or more of the grounds specified in this paragraph 9(f)(i) or the Grantee has been removed as a director shall be conclusive and binding on the Grantee; and

- (g) the date on which the Grantee commits a breach of the restrictions set out in paragraph 8.1; and
- (h) subject to paragraphs 8.4 and 8.5, the date on which the Grantee ceases to be a Participant for any other reason.

10. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- 10.1 The total number of Shares which may be issued upon the exercise of all Options and all options and awards to be granted under any other share schemes of the Company shall not in aggregate exceed 10% of the Shares in issue on the Adoption Date (the "Scheme Mandate Limit") unless the Company obtains an approval from the Shareholders pursuant to paragraph 10.3 or 10.5.
- 10.2 Options or awards lapsed in accordance with the terms of this Scheme or any other share schemes of the Company shall not be taken into account for determining the extent to which the Scheme Mandate Limit has been utilised.
- 10.3 The Scheme Mandate Limit may be "refreshed" with the approval of the Shareholders in general meeting subject to paragraph 10.4. The total number of Shares which may be issued upon the exercise of all Options and all options and awards to be granted under any other share schemes of the Company shall not in aggregate exceed 10% of the Shares in issue on the date of the Shareholders' approval of the refreshment.
- 10.4 No refreshment shall take effect within three years after the Adoption Date or the effective date of a previous refreshment unless the Company complies with rules 17.03C(1)(b) and (c) of the Listing Rules.
- 10.5 Notwithstanding the foregoing provisions, the Company may seek separate approval by the Shareholders in a general meeting for granting Options beyond the Scheme Mandate Limit provided that the terms of such Options and the identifying of the Grantees have been determined before the approval.

11. ENTITLEMENT OF SHARES OF EACH PARTICIPANT

- 11.1 Where any Offer proposed to be made to a Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Participant (excluding the options and the awards lapsed in accordance with terms of the share schemes of the Company) in the 12-month period up to and including the Date of Grant representing in aggregate over 1% of the Shares in issue on the Date of Grant, such Offer and acceptance thereof must be conditional upon approval by the Shareholders in a general meeting with such Participant and his close associates (or associates if the Participant is a connected person) abstaining from voting. The number and terms of the Options to be granted to such Participant must be fixed before the Shareholders' approval.
- 11.2 Any grant of Options to any director, chief executive or substantial shareholder of the Company or any of their respective associates shall be subject to the prior approval of the INEDs (excluding those INEDs who are the proposed Grantees of the Options in question).
- 11.3 Where any Offer proposed to be made to an INED or a substantial shareholder of the Company or any of their respective associates would result in the Shares issued and to be issued in respect of all options and awards granted to such person (excluding the options and the awards lapsed in accordance with terms of the share schemes of the Company) in the 12-month period up to and including the Date of Grant representing in aggregate over 0.1% of the Shares in issue on the Date of Grant, such Offer and acceptance thereof must be conditional upon approval by the Shareholders in a general meeting with such person, his associates and all core connected persons of the Company abstaining from voting in favour of the relevant resolution.

12. REORGANISATION OF CAPITAL STRUCTURE

- 12.1 In the event of any alteration in the capital structure of the Company while any Option remains exercisable, and such event arises from, including a capitalisation issue, rights issue, subdivision or consolidation of Shares, or reduction of capital of the Company, the Board may, if it deems appropriate, direct that such corresponding adjustments (if any) be made in:-
- (a) the number of Shares subject to the Options so far as unexercised; and/or

- (b) the Subscription Price in relation to each outstanding Options.

Any adjustments required under this paragraph shall be made in accordance with the following requirements:-

- (a) the adjustments shall give a Grantee the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that Grantee was previously entitled, but no such adjustments may be made to the extent that Shares would be issued at less than their nominal value; and
- (b) the adjustments shall be made in accordance with the Listing Rules and any other requirements or guidance by the Stock Exchange from time to time, if applicable.

In respect of any adjustments required under this paragraph (other than any made on a capitalisation issue), the auditors or an independent financial adviser appointed by the Company shall certify the Directors in writing that the adjustments satisfy the requirements set out in this paragraph.

- 12.2 In respect of any adjustment made by the Company under paragraph 12.1 (other than adjustment made on a capitalisation issue), the Company shall engage the Auditors or an independent financial advisor to certify in writing, either generally or in regard to any particular Grantee, that the adjustment satisfies the requirements set out in paragraphs 12.1. The capacity and role of the Auditors or the independent financial adviser 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 Auditors or the independent financial adviser shall be borne by the Company.
- 12.3 If there has been any alteration in the capital structure of the Company as referred to in paragraph 12.1, the Company shall within 28 days after receipt of a confirmation of the independent financial advisor or the Auditors as referred to in paragraph 12.2, inform the Grantee of such alteration and of any adjustment to be made in accordance with the independent financial adviser's or the Auditors' confirmation obtained by the Company for such purposes.
- 12.4 Notwithstanding the aforesaid, if the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved by the Shareholders, the maximum number of Shares that may be issued in respect of all options and awards to be granted under all share schemes of the Company under the Scheme Mandate Limit shall automatically be proportionately adjusted provided that such maximum number of shares as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole share.

13. SHARE CAPITAL

- 13.1 The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.
- 13.2 The Options do not carry any right to vote at any general meeting of the Company, or any right to dividend or transfer or any other rights, including those arising on the liquidation of the Company.
- 13.3 No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Option pursuant to this Scheme, unless and until Shares are actually issued to the Grantee pursuant to exercise of such Option. A Share issued upon the exercise of an Option shall not carry any right of a Shareholder (including voting rights) until the registration of the Grantee as the holder thereof.

14. DISPUTES

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

15. ALTERATION OF THIS SCHEME

The Board or scheme administrator to which the Board delegates its duty of administering this Scheme is entitled to amend the terms of this Scheme without the Shareholders' approval, provided that:

- (a) any alteration to the term of the Scheme which is of a material nature or any alteration to the provisions relating to the matters set out in rule 17.03 of the Listing Rules to the advantage of the Participants must be approved by the Shareholders;
- (b) any change to the terms of Options granted to a Participant must be approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be), unless such change of terms takes effect automatically under existing terms of this Scheme;

- (c) the amended terms of this Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules; and
- (d) any change to the authority of the Board or scheme administrators to alter the terms of this Scheme must be approved by the Shareholders.

16. CANCELLATION

- 16.1 Any Options granted but not exercised may be cancelled if the Grantee so agrees, as the Board may at its absolute discretion see fit and in a manner that complies with all applicable legal requirements for such cancellation, except that where the Grantee is in breach of the restrictions set out in paragraph 8.1, the Board may cancel any outstanding Option without the relevant Grantee's agreement.
- 16.2 Where the Company cancels Options of a Grantee and grants new Options to the same Grantee, such grant may only be made if the Scheme Mandate Limit will not be exceeded as a result of Shares issued pursuant to exercise of the Options so granted and for the purpose of calculating the Scheme Mandate Limit, the cancelled Options will be regarded as utilised.

17. TERMINATION

The Company by ordinary resolution in general meeting or the Board may at any time terminate this Scheme and in such event no further Options may be granted but in all other respects the provisions of this Scheme shall remain in full force and effect in respect of Options which are granted during the life of this Scheme and (a) which remain unexercised and of which Offer Period remain unexpired immediately prior to the termination of this Scheme or (b) which are exercised but the Shares in respect of such Options have not yet been issued to the relevant Grantees by the Company immediately prior to the termination of this Scheme.

18. MISCELLANEOUS

- 18.1 The Company shall bear the costs of establishing and administering this Scheme.
- 18.2 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to the Shareholders, except for notices and documents which are uploaded to the website of the Stock Exchange and/or the Company.
- 18.3 Any notice or other communication between the Company and a Grantee may be given by sending the same by pre-paid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong for the time being and, in the case of the Grantee, his address in Hong Kong as notified to the Company from time to time.

- 18.4 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 was actually received by the Company which shall send an acknowledgement of receipt to such Grantee upon receipt.
- 18.5 Any notice or other communication served by either party by hand shall be deemed to be served when delivered.
- 18.6 Any notice or other communication between the Company and a Grantee may be given by sending the same by email to, in the case of the Company, the email address of the company secretarial department and, in the case of a Grantee who is an employee of the Company or any Subsidiary, his office email address and in the case of any other Grantee, his email address as notified to the Company from time to time. Any notice or other communication served by email shall be deemed to be served when delivered.
- 18.7 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of his Option. A Grantee shall pay all tax and discharge all other liabilities to which he may become subject to as a result of the participation in this Scheme or the exercise of any Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme. A Grantee shall, on demand, indemnify the Company fully against all claims and demands which may be made against the Company (whether alone or jointly with other party or parties) for or in respect of or in connection with any failure on the part of the Grantee to obtain any necessary consent referred to hereinabove or to pay tax or other liabilities referred to hereinabove and against all incidental costs and expenses which may be incurred or spent by the Company.
- 18.8 The Board shall have the power from time to time to make or vary regulations for the administration and operation of this Scheme, provided that the same are not inconsistent with the other provisions of this Scheme. The Board shall also have the power to delegate its powers to grant Options to the Participants and to determine the Subscription Price, to any director of the Company or any committee established by the Board from time to time.

- 18.9 This Scheme shall not form part of any contract of employment between the Company or any Subsidiary and any employee or director of the Company or such Subsidiary and the rights and obligations of any such employee or director under the terms of his office or employment shall not be affected by his participation in this Scheme or any right which he may have as a result of participation in this Scheme and this Scheme shall afford such employee or director no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 18.10 A Grantee who is a director of the Company may, subject to and in accordance with the Bye-laws and subject as herein otherwise provided, notwithstanding his interest, vote on any Board resolution concerning the Scheme (other than in respect of his own participation therein).
- 18.11 The 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, other than in relation to the rights attached to the Options themselves, give rise to any cause of action at law or in equity against the Company.
- 18.12 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.