

ENN ENERGY HOLDINGS LIMITED  
(Incorporated in the Cayman Islands with limited liability)

**SHARE OPTION SCHEME**

**1. Definitions**

1.1 In this Scheme the following expressions have the following meanings:

“Adoption Date”	means _____ 2022 (the date on which this Scheme is conditionally adopted by an ordinary resolution passed in general meeting of the shareholders of the Company);
“associates”	as such term is defined under the Listing Rules;
“Auditors”	means the auditors for the time being of the Company;
“Board”	means the board of directors of the Company or a duly authorised committee thereof for the time being;
“Business Day”	means a day (other than a Saturday or a Sunday) on which licensed banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities;
“chief executive”	as such term is defined under the Listing Rules;
“close associate”	as such term is defined under the Listing Rules;
“Company”	means ENN Energy Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;
“connected person”	as such term is defined under the Listing Rules;
“day”	means calendar day;
“Grantee”	means any Participant who accepts an Offer in accordance with the terms of this Scheme or (where the context so permits) the legal personal representative(s) entitled to any such Option in consequence of the death of the original Grantee;
“Group”	means the Company and its subsidiaries from time to time;
“holding company”	in relation to a company, means another company of which it is a subsidiary;

17.03(2)

“Hong Kong”	means the Hong Kong Special Administrative Region of the People's Republic of China;	
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;	
“month”	means calendar month;	
“Offer”	means the offer of the grant of an Option made by the Board in accordance with paragraph 5;	
“Offer Date”	means the Business Day on which an Offer is made to a Participant as determined in accordance with paragraph 5;	
“Option”	means a right to subscribe for Shares pursuant to the terms of this Scheme;	
“Option Period”	means a period to be determined by the Board at its absolute discretion and notified by the Board to each Grantee as being the period during which an Option may be exercised, such period to expire not later than 10 years commencing on the Offer Date;	17.03(5)
“Participant”	means (i) any employee or director of any member of the Group, or (ii) any employee or director of any holding company, fellow subsidiary or associated company of the Company, as absolutely determined by the Board;	17.03(2)
“Remuneration Committee”	means the remuneration committee of the Company;	
“Scheme”	means this share option scheme in its present or any amended form;	
“Share(s)”	means share(s) of \$0.10 each in the capital of the Company (or of such other nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);	
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;	
“Subscription Price”	means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to paragraph 6;	
“subsidiary”	means a company which is for the time being and from time to time a subsidiary (within the meaning of “subsidiary undertaking” as defined Schedule 1 to the Companies Ordinance (as amended from time to time) or the local companies law, act and/or ordinance where the subject	

company was incorporated) of another company whether incorporated in Hong Kong or elsewhere;

“substantial shareholder” as such term is defined under the Listing Rules;

“\$” means Hong Kong dollars, the lawful currency of Hong Kong; and

“%” means per cent.

- 1.2 Paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of this Scheme. Unless the context otherwise requires, references to paragraphs or sub-paragraphs are to paragraphs or sub-paragraphs of this Scheme, words importing the singular include the plural and vice versa, words importing gender include every gender and references to persons includes corporations and unincorporates.

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

- (a) The purpose of this Scheme is for the Company to attract, retain and motivate talented Participants to strive for future developments and expansion of the Group. This Scheme shall be an incentive to encourage the Participants to perform their best in achieving the goals of the Group and allow the Participants to enjoy the results of the Company attained through their efforts and contributions. 17.03(1)
- (b) In determining the basis of eligibility of each Participant, the Board would mainly take into account of the experience of the Participant on the Group’s business, the length of service of the Participant with the Group (if the Participant is an employee or a director of any member of the Group), the length of collaborative business relationship the Participant has established with the Group (if the Participant is an employee or a director of any holding company, fellow subsidiary or associated company of the Company), and the amount of support, assistance, guidance, advice, efforts and contributions the 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 Participant is likely to be able to give or make towards the success of the Group in the future. 17.03(2)
- (c) In determining the criteria for Participants who is an employee or a director of any holding company, fellow subsidiary or associated company of the Company, the Board would also take into account of their relationship with the Group, the positive impact or synergy effect they have brought onto the Group’s business development in the past (including advice and/or recommendation to the Group regarding strategic management, business research and development, technological support and professional consulting services and their contribution in enhancing the Group’s operational competitiveness and business sustainability), their potential contribution to the business affairs of and the benefits to the Group in terms of proactively promoting/catalysing the continuing development and growth of the Group, including the innovation, new talents and expertise, or the valuable business opportunities, referrals or partnership which may be introduced so as to support the continual growth and business development of the Group, and any other factors which may contribute to the success of the Group.

### 3. Conditions

This Scheme shall take effect subject to the following conditions:

- (a) passing of the necessary resolution to adopt this Scheme by the shareholders of the Company in general meeting; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued pursuant to the exercise of Options under this Scheme.

### 4. Duration and Administration

- 4.1 Subject to paragraphs 3 and 16, this Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options will be issued but in all other respects the provisions of this Scheme shall remain in full force and effect and Options which are granted during the life of this Scheme may continue to be exercisable in accordance with their terms of issue. 17.03(11)
- 4.2 This Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) shall be final and binding on all parties.
- 4.3 Subject to compliance with the requirements of the Listing Rules and the provisions of this Scheme, the Board shall have the right (i) to interpret and construe the provisions of this Scheme; (ii) to determine the persons who will be awarded Options under this Scheme and the number of Shares to be issued under the Option; (iii) to determine the Subscription Price; (iv) to make such appropriate and equitable adjustments to the terms of Options granted under this Scheme as it deems necessary; and (v) to make such other decisions, determinations or regulations as it shall deem appropriate in the administration of this Scheme.

### 5. Grant of Option

- 5.1 On and subject to the terms of this Scheme, 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 in its absolute discretion select to subscribe for such number of Shares as the Board may (subject to paragraph 9) determine at the Subscription Price. 17.03(11)
- 5.2 No Offer shall be made: 17.05
  - (a) after inside information (has the meaning defined in the Securities and Futures Ordinance as amended from time to time) has come to the Company's knowledge until (and including) the trading day after the Company has announced the information in accordance with the Listing Rules; or
  - (b) during the period commencing one month immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company to the Stock Exchange in accordance with the Listing Rules) for 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.

- 5.3 An Offer shall be made to a Participant by letter (the “**Offer 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 concerned for a period of 28 days from the date upon which the Offer is made, provided that no such Offer shall be open for acceptance after the 10<sup>th</sup> anniversary from the Adoption Date or after this Scheme has been terminated in accordance with the provisions hereof (whichever is earlier).
- 5.4 An Option shall be deemed to have been granted to and accepted by the Grantee and to have taken effect when the duplicate of the Offer Letter (as defined in sub-paragraph 5.3) comprising acceptance of the Option duly signed by the Grantee together with a remittance in favour of the Company of \$1.00 by way of consideration for the granting thereof is received by the Company within the period as stipulated in paragraph 5.3. Such remittance shall in no circumstances be refundable. 17.03(8)
- 5.5 Any Offer may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. To the extent that the Offer is not accepted within 28 days and in the manner stipulated in sub-paragraph 5.4, it will be deemed to have been irrevocably declined.
- 5.6 Subject to the provisions of this Scheme and the Listing Rules, the Board may when making the Offer impose any conditions, restrictions or limitations in relation thereto as it may at its absolute discretion think fit.

## 6. **Subscription Price**

Subject to any adjustments made pursuant to paragraph 11, the Subscription Price in respect of each Share issued pursuant to the exercise of Options granted hereunder shall be a price determined by the Board and notified to a Participant and shall be at least the highest of: 17.03(9)

- (a) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Offer Date, which must be a Business Day;
- (b) a price being the average of the closing prices of the Shares as stated in the Stock Exchange’s daily quotations sheets for the 5 Business Days immediately preceding the Offer Date, and
- (c) the nominal value of a Share.

## 7. **Exercise of Options**

- 7.1 An Option shall be personal to the Grantee and shall not be transferable or assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interests in favour of any third party over or in relation to any Option. Any breach of the foregoing shall render all outstanding Options of such Grantee be automatically cancelled in accordance with 17.03(17)

paragraph 8(g).

- 7.2 An Option may be subject to such minimum holding period(s) and the Grantee may have to achieve to such performance target as may be stipulated in the Offer Letter (as defined in sub-paragraph 5.3) before such Option can be exercised. An Option may be exercised in whole or in part in the manner as set out in the Offer Letter and sub-paragraph 7.3 by the Grantee (or his personal representative(s)) giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given. Within 28 days after receipt of the notice and where appropriate, receipt of the Auditors' certificate pursuant to paragraph 11, the Company shall allot the relevant Shares to the Grantee (or his personal representative(s)) credited as fully paid and issue to the Grantee (or his personal representative(s)) a share certificate in respect of the Shares so allotted. 17.03(6)  
17.03(7)
- 7.3 Subject to as hereinafter provided and subject to the terms and conditions upon which such Option was granted, the Option may be exercised by the Grantee at any time during the Option Period provided that :
- (a) in the event of the Grantee ceases to be a Participant for any reason other than on his death or the termination of his employment, directorship, office or appointment on one or more of the grounds specified in sub-paragraph 8(d), the Grantee may exercise the Option up to his entitlement at the date of cessation (to the extent he is entitled to exercise at the date of cessation but not already exercised) within the period of 6 months (or such longer period as the Board may determine) following the date of such cessation, which date shall be the last actual working day with the relevant members of the Group, whether salary is paid in lieu of notice or not or the last date of office or appointment as an employee or a director of any holding company, fellow subsidiary or associated company of the Company, as the case may be, as the case may be, or such longer period as the Board may determine;
  - (b) in the event the Grantee dies before exercising the Option in full and none of the events which would be a ground for termination of his employment, directorship, office or appointment under sub-paragraph 8(d) arises, the personal representative(s) of the Grantee shall be entitled within a period of 12 months, or such longer period as the Board may determine from the date of death, to exercise the Option up to the entitlement of such Grantee at the date of death (to the extent not already exercised) or, if appropriate, make an election pursuant to sub-paragraph 7.3(c), (d) or (e);
  - (c) if a general offer by way of take-over is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) with the terms of the offer having been approved in accordance with applicable laws and regulatory requirements becoming or are declared unconditional, the Grantee (or his personal representative(s)) may by notice in writing to the Company exercise the Option (to the extent which has become exercisable on the date of such notice and not already exercised) to its full extent or to the extent specified in such notice at any time within 14 days (or such longer period as the Board may determine) after the date on which the offer becomes or is declared unconditional;

- (d) if a compromise or arrangement between the Company and its shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee on the same date as it despatches the notice which is sent to each shareholder or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee (or his personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of two months thereafter and the date on which such compromise or arrangement is sanctioned by the court exercise any of his Options whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse except insofar as previously exercised under this Scheme. The Company may require the Grantee (or his personal representative(s)) to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement; and
- (e) in the event a notice is given by the Company to its shareholders to convene a shareholders' meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it despatches such notice to convene the shareholders' meeting, give notice thereof to all Grantees and thereupon, each Grantee (or his legal personal representative(s)) may by notice in writing to the Company (such notice shall be received by the Company not later than 2 Business Days prior to the proposed general meeting (excluding any period(s) of closure of the Company's share registers)) exercise the Option (to the extent which has become exercisable and not already exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

- 7.4 The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of their allotment and issue, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment and issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment and issue. 17.03(10)  
17.03(15)

## 8. Lapse of Option

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of: 17.03(12)

- (a) the expiry of the Option Period;

- (b) the expiry of the periods referred to in sub-paragraph 7.3(a), (b) or (c);
- (c) subject to the scheme of arrangement for reconstruction or amalgamation becoming effective, the expiry of the period referred to in sub-paragraph 7.3(d);
- (d) the date on which the Grantee ceases to be a Participant by reason of the termination of his employment, directorship, office or appointment with the relevant company/companies on the grounds that he has been guilty of misconduct, in the event of which a resolution of the Board or governing body of the relevant company or the substantial shareholder of the Company (as the case may be) to the effect that the employment, directorship, office or appointment of a Grantee has or has not been terminated on the grounds specified in this sub-paragraph 8(d) shall be conclusive;
- (e) the close of the 2 Business Days prior to the general meeting of the Company held for the purpose of approving the voluntary winding-up of the Company;
- (f) the date on which a Grantee commits a breach of sub-paragraph 7.1; or
- (g) the date on which the Option is cancelled by the Board as provided in paragraph 15.

## **9. Maximum number of shares available for subscription**

9.1 Subject to sub-paragraphs 9.2 and 9.3 and the Listing Rules: 17.03(3)

- (a) The total number of Shares which may be issued upon exercise of all Options to be granted under this Scheme and any other share option schemes of the Company shall not in aggregate exceed 56,507,503, representing 5% of the total number of Shares in issue as at the date of approval of this Scheme, unless the Company obtains an approval from its shareholders pursuant to sub-paragraph 9.1(b). Options lapsed in accordance with the terms of this Scheme will not be counted for the purpose of calculating 5% limit.
- (b) The Company may seek approval of its shareholders in general meeting for refreshing the 5% limit set out in sub-paragraph (a) above under this Scheme such that the total number of Shares which may be issued upon exercise of all Options to be granted under this Scheme and any other share option schemes of the Company under the limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval to refresh such limit. Options previously granted under this Scheme (including those outstanding, cancelled, lapsed in accordance with this Scheme or exercised Options) or any other share option schemes of the Company will not be counted for the purpose of calculating the limit as refreshed.
- (c) The Company may seek separate approval by its shareholders in general meeting for granting Options beyond the 5% limit provided the Options in excess of such limit are granted only to Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send a circular to its shareholders containing, amongst other terms, a generic description of the specified Participant(s) who may be granted such Options, the number of Shares subject to the Options to be granted, the terms of the Options to be granted, the purpose of granting Options to the



specified Participant(s), an explanation as to how these Options serve such purpose and such other information as required under the Listing Rules.

9.2 Notwithstanding any other provisions in this Scheme but subject to sub-paragraph 9.3 below, the limit on the number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under this Scheme and any other share options scheme of the Company must not exceed 30% of the Shares in issue from time to time (or such higher percentage as may be allowed under the Listing Rules). No Options may be granted under this Scheme and any other share option scheme of the Company if this will result in such limit being exceeded. Note 2 to 17.03(3)

9.3 The Company may grant Options beyond any of the limits as set out in sub-paragraphs 9.1(a), (b) (c) and 9.2 above to such extent as may be permitted under the Listing Rules from time to time.

## **10. Maximum entitlement of Shares of each Participant**

10.1 (a) Subject to sub-paragraphs 10.1(b), (c) and (d), the total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised, cancelled and outstanding Options) in any 12-month period shall not exceed 1% of the total number of Shares in issue. 17.03(4)

(b) Notwithstanding sub-paragraph 10.1(a), any further grant of Options to a Participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by the shareholders of the Company in general meeting with such Participant and his associates abstaining from voting. The number of Shares subject to the Options to be granted and the terms of the Options to be granted to such Participant shall be fixed before shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Subscription Price. In such a case, the Company shall send a circular to its shareholders containing, amongst other terms, the identity of such Participant, the number and the terms of the Options to be granted (and Options previously granted to such Participant) and such other information as required under the Listing Rules. 17.03(4)

(c) In addition to paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b), any grant of Options to a Participant who is a director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the independent non-executive directors of the Company or the Remuneration Committee (excluding any Director who is the proposed Grantee of an Option). 17.04(1)

(d) In addition to paragraph 9 and sub-paragraphs 10.1(a) and 10.1(b), where the Board proposes to grant any Option to a Participant who is a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to him in the 12-month period up to and including the date of such grant: 17.04 (1)

- (i) representing in aggregate more than 0.1% of the total number of Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of \$5,000,000,

such proposed grant of Options is subject to the approval of the shareholders of the Company in general meeting with such Participant and his close associates (his associates if the Participant is a connected person) abstaining from voting, and/or such other requirements prescribed under the Listing Rules from time to time. For the avoidance of doubt, any vote taken at the meeting to approve the grant of such Options must be taken on a poll.

10.2 Subject to sub-paragraphs 9.1, 9.2 and 10.1, the maximum number of Shares referred to in sub-paragraphs 9.1, 9.2 and 10.1 will be adjusted, in such manner as the Auditors shall certify to be fair and reasonable, in the event of any alteration in the capital structure of the Company whether by way of consolidation, subdivision or otherwise howsoever. 17.03(13)

**11. Reorganisation of capital structure** 17.03(13)

11.1 In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of a capitalisation issue, rights issue, sub-division or consolidation of Shares or reduction of capital, such corresponding alterations (if any) shall be made to :

- (a) the number of Shares subject to the Option so far as unexercised; and/or
- (b) the Subscription Price; and/or
- (c) the limits as set out in sub-paragraphs 9.1(a) to (c) and 9.2 and 9.3,

as the Auditors shall at the request of the Board, certify in writing (other than any such adjustments made on a capitalisation issue), either generally or as regards any particular Grantee, to be in their opinion fair and reasonable and that such alterations shall give a Grantee the same proportion of the issued share capital of the Company (as interpreted in accordance with the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers in relation to share option schemes) as that to which he is previously entitled prior to the adjustment, but so that no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the Auditors in this paragraph is that of experts and their certification shall be final and binding on the Company and the Grantees. The costs of the Auditors shall be borne by the Company.

11.2 In respect of any adjustments required by paragraph 11.1 (other than by way of a capitalisation issue), the Auditors or the approved independent financial adviser (as the case may be) shall confirm to the Board in writing that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers in relation to share option schemes and/or such requirement prescribed from time to time under the Listing Rules. Note to 17.03(13)

## **12. Share Capital**

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

## **13. Disputes**

Any dispute arising in connection with this Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price or otherwise) shall be referred to the decision of the Auditors who shall act as experts and not as arbitrators and whose decision shall be final and binding.

## **14. Alteration of this Scheme**

14.1 The provisions of this Scheme may be altered in any respect by resolution of the Board except that the provisions of this Scheme as to: 17.03(18)

- (a) the definitions of “Grantee”, “Option Period” and “Participant” in sub-paragraph 1.1;
- (b) the provisions of paragraphs and sub-paragraphs 2, 4.1, 5.1, 5.2, 5.3, 6, 7, 8, 9, 10, 11, 15, 16 and this paragraph 14; and
- (c) all such other matters set out in Rule 17.03 of the Listing Rules

shall not be altered to the advantage of the Participants except with the prior approval of the shareholders of the Company in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the shareholders of the Company under the articles of association for the time being of the Company for a variation of the rights attached to the Shares.

14.2 Any alterations to the terms and conditions of this Scheme which are of a material nature or any change to the terms of the Options granted must be approved by the shareholders of the Company in general meeting, except where the alterations take effect automatically under the existing terms of this Scheme.

14.3 The amended terms of this Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.

14.4 Any change to the authority of the Directors or scheme administrators in relation to any alteration to the terms of this Scheme must be approved by the shareholders of the Company in general meeting.

## **15. Cancellation of the Options granted**

Subject to paragraph 7.3, the Board may at any time at its absolute discretion cancel any Option granted but not exercised. Where the Company cancels Options and makes an Offer of the grant of new Options to the same Option holder, the Offer of the grant of such new Options 17.03(14)

may only be made, under this Scheme with available Options (to the extent not yet granted and excluding the cancelled Options) within the limit approved by the shareholders of the Company as mentioned in paragraph 9.

## **16. Termination of this Scheme**

The Company by resolution passed in general meeting or the Board may at any time terminate the operation of this Scheme and in such event no further Options will be offered but in all other respects the provisions of this Scheme shall remain in full force and effect. 17.03(16)

## **17. Miscellaneous**

17.1 This Scheme shall not form part of any contract of employment or directorship between the relevant member(s) of the Group and any Participant and the rights and obligations of any Participant under the terms of his employment or directorship shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such a Participant no additional rights to compensation or damages in consequence of the termination of such employment or directorship for any reason.

17.2 This Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.

17.3 The Company shall bear the costs of establishing and administering this Scheme.

17.4 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to holders of Shares.

17.5 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong or such other address as notified to the Grantees from time to time and, in the case of the Grantee, his correspondence address in Hong Kong as notified to the Company from time to time.

17.6 Any notice or other communication served by post:

(a) by the Company shall be deemed to have been served 24 hours after the same was put in the post; and

(b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.

17.7 A Grantee shall be responsible for obtaining any governmental or other official consent or approval that may be required by any country or jurisdiction in order to permit the grant or exercise of the Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or approval or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme.

17.8 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.