



**NAGACORP**

金界控股有限公司

**NAGACORP LTD.**

*(Incorporated in the Cayman Islands with limited liability)*

**Stock code: 3918**

---

**SHARE OPTION SCHEME**

(Adopted pursuant to an ordinary resolution of the Company in general meeting  
on [25] June 2026)

---

## CONTENTS

1.	Conditions.....	1
2.	Definitions.....	1
3.	Purpose, Duration and Administration of the Scheme.....	4
4.	Grant of Options.....	4
5.	Vesting Period.....	6
6.	Notice of Grant.....	6
7.	Exercise Price and Exercise of Options.....	7
8.	Lapse of Options.....	7
9.	Maximum Number of Shares Available For Subscription.....	8
10.	Maximum Entitlement of Shares of Each Eligible Participant.....	10
11.	Cancellation of Options.....	11
12.	Rights.....	11
13.	Reorganisation of Capital Structure.....	11
14.	Takeover, Schemes of Compromise or Arrangement and Liquidation.....	12
15.	Amendment and Termination of the Scheme.....	13
16.	General.....	14

**RULES OF THE SHARE OPTION SCHEME  
OF  
NAGACORP LTD.**

**1. Conditions**

The Scheme shall take effect subject to and is conditional on:

- (A) the passing of an ordinary resolution to adopt the Scheme by Shareholders in general meeting; and
- (B) the Listing Committee granting approval for the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of any such Options.

**2. Definitions**

2.1 For the purpose of the Scheme, unless the context otherwise requires, the following words and expressions shall have the following meanings:

- |                              |   |
|------------------------------|---|
| <u>“Adoption Date”</u>       | means date on which the Scheme was conditionally approved by the Shareholders at the 2026 annual general meeting of the Company;  |
| <u>“Articles”</u>            | means the articles of association of the Company, as amended from time to time;   |
| <u>“associate”</u>           | shall have the meaning ascribed to it under the Listing Rules and <u>“associates”</u> shall be construed accordingly;   |
| <u>“Auditors”</u>            | means the auditors of the Company from time to time (acting as experts and not as arbitrators);   |
| <u>“Board”</u>               | means the board of directors of the Company (and, where appropriate, includes any committee or delegate of the Board appointed by the Board to perform any of its functions); |
| <u>“Business Day”</u>        | shall have the meaning ascribed to it under the Listing Rules;  |
| <u>“chief executive”</u>     | shall have the meaning ascribed to it under the Listing Rules;  |
| <u>“close associate”</u>     | shall have the meaning ascribed to it under the Listing Rules and <u>“close associates”</u> shall be construed accordingly;   |
| <u>“Companies Ordinance”</u> | means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended from time to time;  |

<u>“Company”</u>	means NagaCorp Ltd., a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange;
<u>“connected person”</u>	shall have the meaning ascribed to it under the Listing Rules and <u>“connected persons”</u> shall be construed accordingly;
<u>“core connected person”</u>	shall have the meaning ascribed to it under the Listing Rules and <u>“core connected persons”</u> shall be construed accordingly;
<u>“Date of Grant”</u>	means, in respect of an Option, the date, which must be a Business Day, of the written notice from the Company to the Eligible Participant offering the grant of such Option;
<u>“Director”</u>	means any person who is a director (whether executive or non-executive) of the Company and <u>“Directors”</u> shall be construed accordingly;
<u>“Eligible Participant”</u>	means any director of the Group and any Employee, including persons who are granted Options under the Scheme as an inducement to enter into employment contracts or service contracts with the Group (but effective no earlier than the date on which such individual begins to provide services to the Group);
<u>“Employee”</u>	means any employee employed by the Company and its subsidiaries and <u>“Employees”</u> shall be construed accordingly;
<u>“Exercise Period”</u>	means, in respect of an Option, the period to be notified by the Board upon the grant of such Option during which it may be exercised, such period to be determined by the Board in its absolute discretion save that it must not be more than 10 years from the Date of Grant of such Option;
<u>“Exercise Price”</u>	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to clause 7.1;
<u>“Grantee”</u>	means any Eligible Participant who accepts the offer of a grant of an Option and participates in the Scheme from time to time (or, where applicable, his legal personal representatives) and where the context requires or permits any Eligible Participant to whom the offer of a grant of Options is made by the Company and which offer has not been withdrawn or lapsed or rejected and <u>“Grantees”</u> shall be construed accordingly;
<u>“Group”</u>	means the Company and its Subsidiaries from time to time; and <u>“Group Company”</u> means any or each member of the Group as the context shall so require;
<u>“Hong Kong”</u>	means the Hong Kong Special Administrative Region of the People’s Republic of China;

<u>“Listing Committee”</u>	means the listing sub-committee of the directors of the Stock Exchange;
<u>“Listing Rules”</u>	means the Rules Governing the Listing of Securities on the Stock Exchange, as may be amended from time to time;
<u>“Option”</u>	means a right granted by the Company under the Scheme and accepted by a Grantee, which right permits (but does not obligate) a Grantee to subscribe for Shares in accordance with the terms of the Scheme and <u>“Options”</u> shall be construed accordingly;
<u>“Remuneration Committee”</u>	means the remuneration committee of the Board;
<u>“Scheme”</u>	means this share option scheme to be administered on the terms set out herein;
<u>“Scheme Mandate Limit”</u>	has the meaning given to it in clause 9 headed “Maximum Number of Shares Available for Subscription”;
<u>“Scheme Period”</u>	means the period to be notified by the Board, such period not to exceed the period of 10 years from the Adoption Date;
<u>“Shareholders”</u>	means holders of Shares from time to time;
<u>“Shares”</u>	means ordinary shares of US\$0.0125 each in the capital of the Company (or shares of such nominal amount as shall result from any sub-division or consolidation of such shares or capital reorganisation of any other nature from time to time);
<u>“Stock Exchange”</u>	means The Stock Exchange of Hong Kong Limited;
<u>“Subsidiary”</u>	means any company which is for the time being and from time to time a subsidiary (as such term is defined in the Listing Rules) of the Company and <u>“Subsidiaries”</u> shall be construed accordingly;
<u>“Subsisting Option”</u>	means an Option which has been duly granted and remains outstanding and exercisable in accordance with the Scheme and has neither lapsed nor been cancelled and, where an Option has been exercised in part as permitted by the terms of such Option, includes that part of the Option that has not been exercised and which has neither lapsed nor been cancelled;
<u>“substantial shareholder”</u>	shall have the meaning ascribed to it under the Listing Rules;
<u>“Takeovers Code”</u>	means the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong;
<u>“Treasury Shares”</u>	shall have the meaning ascribed to it under the Listing Rules;

<u>“Vesting Period”</u>	means the minimum period during which an Option must be held by the Grantee before the Option can be exercised;
<u>“HK\$”</u>	means Hong Kong dollars, the lawful currency of Hong Kong; and
<u>“US\$”</u>	means United States dollars, the lawful currency of the United States.

- 2.2 Where the context so permits the singular shall include the plural and vice versa and the masculine shall include the feminine and the neuter.
- 2.3 References to any ordinance, statute or law shall include any statutory modification, amendment or re-enactment thereof.
- 2.4 Unless the context otherwise requires, references to clauses are to clauses of the Scheme and references to paragraphs are to paragraphs of the clauses of the Scheme in which the reference appears.
- 2.5 The headings are inserted for convenience only and shall not affect the construction of the provisions of the Scheme.
- 2.6 References to Shares to satisfy the grant of Options shall include the Company’s Treasury Shares (if any), and references to the issue of Shares shall include the transfer of Treasury Shares of the Company (as the case may be, and to the extent permissible by and subject to applicable laws and regulations, including the Listing Rules).

3. **Purpose, Duration and Administration of the Scheme**

- 3.1 The purpose of the Scheme is to provide incentive or reward to Eligible Participants for their contribution to, and continuing efforts to promote the interests of, the Group.
- 3.2 In determining the eligibility of the Eligible Participant, the factors in assessing whether any Eligible Participant is eligible include: (i) the performance of such Eligible Participants; (ii) their time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard; (iii) their length of engagement with the Group; (iv) their contribution or potential contribution to the development and growth of the Group; (v) alignment of interests with Shareholders; and (vi) retention and motivation potential for granting Options to the relevant Eligible Participant.
- 3.3 The Scheme shall be valid and effective for the Scheme Period (being 10 years commencing on the Adoption Date), after which period no further Options will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect and Options which are granted during the Scheme Period may continue to be exercisable in accordance with the provisions of the Scheme.
- 3.4 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. **Grant of Options**

- 4.1 The Board may from time to time during the Scheme Period (at its absolute discretion) offer an Option to an Eligible Participant (to be selected in each case at the absolute discretion of the Board) on and pursuant to the terms of the Scheme.

- 4.2 Any grant of Option may not be made after inside information (as defined under Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) has come to the knowledge of the Board, until (and including) the trading day after the Company has announced such inside information in accordance with the relevant applicable laws and regulations. In particular, no Option may be granted:
- (a) during the period commencing 30 days immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified 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, or during any period of delay in publication of the results announcement; and
  - (b) during any period of time which is prohibited from any such grant under the relevant applicable laws and regulations.
- 4.3 An offer of an Option must be made by the Company in writing on a Business Day and accepted in writing by the Grantee in such manner as the Board may prescribe within 21 calendar days (from and including the date of the offer by the Company) of the same being made and if not so accepted such offer shall lapse. An offer may be accepted by a Grantee in part provided that it is accepted in respect of a board lot for dealing in the Shares on the Stock Exchange or an integral multiple thereof. An offer may not be accepted unless the Grantee to whom the offer is made is or remains an Eligible Participant on acceptance.
- 4.4 An offer shall be deemed to have been accepted, and the Option to which the offer relates shall be deemed to have been granted, on the Date of Grant when the duplicate offer letter comprising an acceptance of the offer duly signed by the Grantee with the number of Shares in respect of which the offer is accepted clearly stated therein.
- 4.5 Save as otherwise determined by the Board at its sole discretion and provided in the offer letter as part of the terms and conditions of any Option offered therein, there are no performance targets which must be achieved by the Grantee, nor is there a clawback mechanism established by the Company to recover or withhold any Options granted to the Grantees in any circumstances.
- 4.6 Subject to the provisions of the Scheme and the Listing Rules, the Board may at its discretion when making the offer impose any conditions, restrictions or limitations in relation thereto additional to those expressly set forth in the Scheme as it may think fit (which shall be stated in the offer letter), including any performance target(s) the Board thinks appropriate that must be achieved by the Grantee, any minimum period for which an Option must be held before any Options can be exercised, clawback mechanism and any other terms, all of which may be imposed (or not imposed) either on a case-by-case basis or generally.
- 4.7 A Subsisting Option and an offer to grant an Option shall be personal to the Grantee to whom it is granted or to whom it is made and shall not be transferable or assignable. No Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option held by him or any offer relating to the grant of an Option made to him.
- 4.8 No consideration is payable by the Grantee upon the acceptance of an Option by him.

- 4.9 No offer of an Option shall be made which is capable of or open for acceptance after the expiry of the Scheme Period.
- 4.10 Any change to the terms of the Options granted must be approved by the Board, the independent non-executive directors of the Company, the Remuneration Committee and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the independent non-executive directors of the Company, the Remuneration Committee, and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of this Scheme.

5. **Vesting Period**

- 5.1 The Vesting Period in respect of any Option granted to any Eligible Participant shall not be less than 12 months from the date of acceptance of the offer, provided that where:
- (a) an Eligible Participant who is a Director or a senior management specifically identified by the Company, the Remuneration Committee (if such Eligible Participant is a member of the Remuneration Committee, the Eligible Participant shall abstain from voting in such determination) shall, or
  - (b) an Eligible Participant who is not a Director nor a senior management specifically identified by the Company, the Board shall

have the authority to determine a shorter Vesting Period in the following circumstances:

- (A) Grants of “make-whole” Options to new Eligible Participant to replace the share options they forfeited when leaving the previous employers;
- (B) Grants to an Eligible Participant whose employment is terminated due to death or disability or occurrence of any event outside of the Grantee's control. In those circumstances the vesting of Options may accelerate;
- (C) Grants of Options with performance-based vesting conditions provided in the offer letter, in lieu of time-based vesting criteria;
- (D) Grants that are made in batches during a year for administrative and compliance reasons. They may include Options that should have been granted earlier but had to wait for a subsequent batch. In such cases, the vesting periods may be shorter to reflect the time from which an Option would have been granted;
- (E) Grants of Options with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of 12 months; and
- (F) Grants of Options with a total vesting and holding period of more than 12 months.

6. **Notice of Grant**

Each Grantee will receive a written notice of grant from the Company specifying the number of Options granted, the Exercise Period and the Exercise Price and specifying any other applicable terms and conditions relating to such Options which may include provisions as to any or all of the following matters:

- (A) performance conditions which must be satisfied before the Options can be exercised (if any);
- (B) the minimum period for which the Options must be held before they can be exercised;

- (C) vesting conditions (if any), which must be satisfied before the Options shall become vested;
- (D) lapse conditions which may be different from the general provisions set out in clause 8 (but not so as to extend the Exercise Period beyond 10 years from the Date of Grant); and
- (E) such other provisions as the Board may determine provided that such provisions are not in contravention of the requirements of the Scheme or the Listing Rules.

## 7. **Exercise Price and Exercise of Options**

7.1 The Exercise Price shall be determined by the Board in its absolute discretion but in any event shall not be less than the highest of:–

- (A) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Date of Grant of such Option which must be a Business Day;
- (B) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Date of Grant of such Option; and
- (C) the nominal value of the Shares;

7.2 An Option may be exercised in whole or in part by the Grantee at any time during its Exercise Period by delivering to the Company a notice ("Exercise Notice") duly signed in a form approved by the Board (together with payment of the Exercise Price in full in respect of each Share to be subscribed for) and delivery of the written notice (issued under clause 6) for cancellation or amendment (as the case may be), and subject to compliance with the foregoing shall be effective on the date of receipt of the same by the Company.

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

7.4 Subject to clause 7.3 and any necessary consents and exercise in accordance with the provisions of clause 7.2, the Company shall as soon as reasonably practicable and in any event not later than 30 days after the exercise of an Option and, where appropriate, receipt of the Auditors' certificate(s) pursuant to clause 13, make an allotment to the Grantee exercising the Option of the number of Shares specified in the Exercise Notice and shall deliver to the Grantee a definitive share certificate in respect thereof.

7.5 When an Option is exercised only in part, the balance shall remain exercisable on the same terms as originally applied to the whole Option and an amended written notice in respect of the Subsisting Option shall be issued accordingly by the Company (pursuant to clause 6) as soon as reasonably practicable after such partial exercise.

## 8. **Lapse of Options**

8.1 An Option shall automatically lapse forthwith (to the extent not already exercised) on the occurrence of the earliest of the following events:

- (A) the expiry of the Exercise Period;

- (B) the first anniversary of the death of the Grantee;
  - (C) if the Grantee is an Employee or a director of any Group Company, upon such Grantee ceasing to be an Employee or a director of any Group Company by reason of dismissal from employment or termination of office, on any of the following grounds:
    - (1) his misconduct;
    - (2) his committing an act of bankruptcy;
    - (3) his becoming insolvent or making any arrangements or composition with his creditors generally; or
    - (4) his being convicted of any criminal offence involving his integrity or honesty,
  - (D) 90 calendar days after the Grantee ceases to be an Employee by reason of:
    - (1) his retirement on or after attaining normal retirement age;
    - (2) his resignation;
    - (3) his ill health or disability;
    - (4) the company by which he is employed ceasing to be a Subsidiary;
    - (5) the expiry of his contract of employment by any Group Company; or
    - (6) termination of his employment by any Group Company for reasons other than the reasons specified in paragraphs (B) and (C) above,
  - (E) 90 calendar days after the Grantee ceases to be a director of any Group Company for reasons other than the reasons specified in paragraphs (B) and (C) above;
  - (F) the expiry of any period referred to in clauses 14.1 to 14.3, provided that in the case of clause 14.2 the proposed compromise or arrangement becomes effective;
  - (G) save as otherwise provided in clause 14.3, the earlier of the close of business on the fifth Business Day prior to the general meeting referred to in clause 14.3 or the date of the commencement of the winding up of the Company; and
  - (H) any breach of the provisions of clause 4.7.
- 8.2 A resolution of the Board as to whether an Option has lapsed under this clause 8 shall be conclusive and binding on the relevant Grantee.
- 8.3 If an Option shall be determined by the Board to have lapsed, the Board shall notify the relevant Grantee in writing of such lapse and forthwith upon such notification the Grantee shall be bound to surrender to the Company the written notice evidencing such Option.
9. **Maximum Number of Shares Available for Subscription**
- 9.1 Subject to clause 9.2, the total number of Shares which may be issued upon exercise of all Options and awards (if any) to be granted under the Scheme and any other schemes

(if any) shall not in aggregate exceed 10 per cent of the total number of Shares in issue as at the Adoption Date (excluding Treasury Shares, if any) ("**Scheme Mandate Limit**"), provided that if the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Options and awards (if any) to be granted under the Scheme and other schemes under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share. Options lapsed in accordance with the terms of the Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

9.2 Subject to clause 9.3, the Company may obtain a fresh approval from its shareholders in general meeting for renewing the Scheme Mandate Limit (the "**Renewal Mandate**") from time to time, provided that:

- (a) if the Renewal Mandate is sought within three years from the Adoption Date or the date on which the last Renewal Mandate was granted (as the case may be), any controlling shareholders of the Company and their associates (or if there is no controlling shareholder, directors (excluding independent non-executive directors) and the chief executive of the Company and their respective associates) shall abstain from voting in favour of the relevant resolution at the general meeting; and the Company shall comply with the requirements of the Listing Rules in force from time to time, unless the Renewal Mandate is sought immediately after an issue of securities by the Company to Shareholders on a pro rata basis such that the unused part of the Scheme Mandate Limit (as a percentage of the relevant class of shares in issue) upon renewal is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share;
- (b) the total number of Shares which may be issued (including any transfer of Treasury Shares, as applicable) in respect of all Options and awards (if any) to be granted under the Scheme and other schemes (if any) after renewal of the Scheme Mandate Limit shall not exceed 10 per cent of the Shares in issue (excluding Treasury Shares, if any) as at the date on which the Renewal Mandate is obtained;
- (c) if the Company conducts a share consolidation or subdivision after the Renewal Mandate is obtained, the maximum number of Shares that may be issued in respect of all Options and awards (if any) to be granted under the Scheme and other schemes (if any) under the renewed Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share; and
- (d) the Company shall send a circular to Shareholders containing the number of Options that were already granted under the then existing Scheme Mandate Limit and the reason for the renewal.

9.3 The Company may seek separate approval by Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the renewed Scheme Mandate Limit) provided that:

- (a) the Options in excess of the Scheme Mandate Limit (or the renewed Scheme Mandate Limit) shall be granted only to the Eligible Participants specifically identified by the Company before such Shareholders' approval is sought;

- (b) the Company shall issue a circular to Shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each such specified Eligible Participant, and the purpose of granting Options to each such specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose;
- (c) the number and terms of Options to be granted to each such specified Eligible Participant shall be fixed before such Shareholders' approval;
- (d) for the purpose of calculating the minimum Exercise Price in respect of any Options to be so granted to each such specified Eligible Participant, the date of the Board meeting for proposing such grant shall be taken as the Date of Grant of such Options.

10. **Maximum Entitlement of Shares of Each Eligible Participant**

10.1 Where any grant of Option to an Eligible Participant would result in the Shares issued and to be issued in respect of all Options and awards (if any) granted under the Scheme and other schemes (if any) to such Eligible Participant (excluding any Options and awards (if any) lapsed in accordance with the terms of the Scheme and other schemes) in the 12-month period up to and including the date of such grant representing in aggregate over 1 per cent of the Shares in issue (excluding Treasury Shares, if any) as at the date of such grant, such grant shall be subject to the following requirements:

- (a) approval of the Shareholders in general meeting with such Eligible Participant and his close associates (or associates if such Eligible Participant is a connected person of the Company) abstaining from voting;
- (b) the Company shall send a circular to Shareholders disclosing the identity of such Eligible Participant, the number and terms of the further Options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the purpose of granting further Options to such Eligible Participant and an explanation as to how the terms of the further Options serve such purpose;
- (c) the number and terms of the further Options to be granted to such Eligible Participant shall be fixed before the shareholders' approval mentioned in (a) above; and
- (d) for the purpose of calculating the Exercise Price in respect of the further Options to be so granted to such Eligible Participant, the date of the Board meeting for proposing such grant of further Options shall be taken as the Date of Grant of such Options.

10.2 Without prejudice to clause 4:

- (a) any grant of Options to a director, chief executive or substantial shareholder of the Company, or any of their respective associates shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of such Options); and
- (b) where any grant of Options to an independent non-executive director or a substantial shareholder of the Company or any of their respective associates would result in the Shares issued and to be issued in respect of all Options and awards (if any) granted under the Scheme or other schemes (excluding any Options lapsed in accordance with the terms of the Scheme) to such person in

the 12-month period up to and including the date of such grant representing in aggregate over 0.1 per cent of the Shares in issue (excluding Treasury Shares, if any), such grant of further Options shall be approved by the Shareholders in general meeting. The Company shall send a circular to Shareholders containing such information as required under the Listing Rules. The relevant Grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting.

- (c) The requirements for the grant to a Director or chief executive of the Company set out in clause 10.2 do not apply where the Eligible Participant is only a proposed Director or a proposed chief executive of the Company.

## 11. **Cancellation of Options**

- 11.1 Any cancellation of any Subsisting Option shall be conditional on the approval by the Board (including the approval of the independent non-executive Directors of the Company) and the Grantee(s) concerned.
- 11.2 In the event that the Board elects to cancel any Subsisting Options and issue new Options to the Grantee(s) concerned, the issue of such new Options shall be made with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit or the renewed Scheme Mandate Limit, as the case may be. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the renewed Scheme Mandate Limit).

## 12. **Rights**

- 12.1 No dividends shall be payable and no voting rights shall be exercisable in relation to Shares that are the subject of Options that have not been exercised. Shares issued on the exercise of an Option shall rank *pari passu* in all respects with the other Shares of the same class in issue at the date of allotment (including without limitation as to voting, dividend and transfer rights and rights arising on the liquidation of the Company) and will be subject to all the provisions of the Articles. Shares issued on the exercise of an Option shall not rank for any rights attaching to Shares by reference to a record date preceding the date of allotment. A Share issued upon the exercise of an Option shall not carry voting rights until it shall have been registered in the name of the relevant Grantee (or its nominee) as the holder thereof.

## 13. **Reorganisation of Capital Structure**

- 13.1 Subject to clause 9, in the event of a capitalisation issue, rights issue, open offer, consolidation, subdivision or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements, corresponding adjustments (if any) shall be made in relation to any Subsisting Option to:
- (A) the number of Shares subject to the Subsisting Option; and/or
  - (B) the Exercise Price; and/or
  - (C) in the event of a consolidation and subdivision of the share capital of the Company and to the extent necessary, the maximum number of Shares referred to in clause 9,

as the Auditors shall, at the request of the Company, certify in writing, either generally or, if applicable, as regards any particular Grantee, to be in their opinion fair and reasonable, provided that:

- (a) subject to sub-sections (b) and (c) below, any such adjustment shall give a Grantee the same proportion of the equity capital of the Company as that to which he was previously entitled;
- (b) no such adjustments shall be made to the advantage of Grantees (including, but not limited to, adjustments which would increase the intrinsic value of any Subsisting Option) except with the prior sanction of a resolution of the Shareholders in general meeting; and
- (c) no such adjustment shall be made if the effect of which would enable a Share to be issued at less than its nominal value or which would result in the aggregate amount payable on the exercise of any Subsisting Option being increased.

13.2 Where any such adjustment shall be required for any alteration in the capital structure of the Company (other than by way of a capitalisation of profits or reserves) such adjustment shall be further conditional on the Auditors also certifying in writing that (1) such adjustment shall give a Grantee the same proportion of the equity capital of the Company as that to which he was previously entitled, and (2) such adjustment shall not have the effect of enabling a Share to be issued at less than its nominal value. The certification of the Auditors shall be final and binding on the Company and the Grantees. The costs of the Auditors in so certifying shall be borne by the Company. The Company shall notify Grantees of any adjustment made under this clause. In the event the Auditors are unwilling or unable or it is impractical for the Company to instruct the Auditors to provide a certification as required by this clause 13, the Company may appoint another person possessing the appropriate qualifications (such as but not limited to an alternative firm of accountants or an investment bank) and of international repute to provide the certification required by this clause 13 and in such event, references in this clause 13 to "Auditors" shall be construed as references to the person appointed by the Company in place of the Auditors.

13.3 For the purpose of this clause 13, "intrinsic value" is the difference between the market price (or theoretical ex-entitlement price) of the Shares subject to the Subsisting Option and the Exercise Price (or revised Exercise Price following an alteration in the capital structure of the Company) of the Subsisting Option.

#### 14. **Takeover, Schemes of Compromise or Arrangement and Liquidation**

14.1 If during the Exercise Period of any Subsisting Options an offer is made to acquire all or part of the issued Shares (other than those held by the offeror and any persons acting in concert with the offeror) and such offer becomes or is declared unconditional, the Company shall give written notice to all Grantees then holding Subsisting Options of the offer becoming unconditional as soon as reasonably practicable after becoming so aware, and such Grantees may, by notice in writing to the Company, within 14 calendar days of the date of such notice (and subject to clause 7.2 above) exercise any of their Subsisting Options to their full extent or to the extent specified in such notice. For the purposes of this clause, the expression "acting in concert" shall have the same meaning as set out in the Takeovers Code.

14.2 If during the Exercise Period of any Subsisting Options an application is made to the court (otherwise than where the Company is being voluntarily wound up) pursuant to sections 673, 674 and 675 of the Companies Ordinance (or any analogous event under any equivalent legislation applicable to the Company) in connection with a proposed compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and its members (or any class of them), a Grantee holding Subsisting Options may by notice in writing to the Company, within the period of 21 calendar days after the date of such application (and subject to clause 7.2 above),

exercise any of his Subsisting Options to their full extent or to the extent specified in such notice.

- 14.3 In the event of a notice of a meeting being convened to consider a resolution for the voluntary winding up of the Company during the Exercise Period of any Subsisting Options, the Company shall forthwith upon notice of such meeting being given, give to the Grantees holding such Subsisting Options written notice of the convening of such meeting and such Grantees may thereupon by notice in writing to the Company exercise any Subsisting Options at any time not later than five Business Days prior to the proposed general meeting of the Company to its full extent or to the extent specified in such notice.
- 14.4 Upon the happening of any of the events referred to in clauses 14.2 or 14.3, notice of that event and the effect thereof shall be given by the Company to all Grantees as soon as reasonably practicable.

15. **Amendment and Termination of The Scheme**

- 15.1 Subject to the provisions of clause 15.2, the Board may amend any of the provisions of the Scheme or withdraw or otherwise terminate the Scheme at any time but no amendments shall be made to the advantage of any Grantee unless approved by Shareholders in general meeting. In addition, no amendment shall operate to affect adversely any rights which have accrued to any Grantee at that date. In the event that the Board elects to terminate the operation of the Scheme, no further Options shall be offered thereunder but the provisions of the Scheme shall remain in force in all other respects in respect of any Options granted prior to such termination and not then exercised which shall continue to be valid and exercisable subject to and in accordance with the terms of the Scheme.
- 15.2 Shareholders in general meeting must approve in advance by ordinary resolution any proposed change which relates to the following:
- (A) any alterations to the terms and conditions of this Scheme which are of a material nature, including but not limited to the provisions of the Scheme as to the definitions of "Eligible Participant" in clause 2; any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Grantees or prospective Grantees; and
  - (B) any change to the authority of the Board to alter the terms of this Scheme.
- 15.3 Except as described in clause 15.2, the Board need not obtain the approval of Shareholders in general meeting for any minor amendments:
- (A) to benefit the administration of the Scheme;
  - (B) to comply with or take account of the provisions of any proposed or existing legislation;
  - (C) to take account of any changes to the legislation; or
  - (D) to obtain or maintain favourable tax, exchange control or regulatory treatment of the Company or any Subsidiary or any present or future Grantee.
- 15.4 Any amendment to the terms and conditions of the Scheme which is of a material nature shall be subject to the clearance of the Stock Exchange save where the amendment takes effect automatically under the existing terms of the Scheme.

- 15.5 For the avoidance of doubt, any change to the terms of the Options granted to the Grantees must be in accordance with the Listing Rules.
- 15.6 Unless otherwise cleared by the Stock Exchange, the amended terms of the Scheme or the Options must comply with the relevant requirements of the Listing Rules.
- 15.7 Where the terms of this Scheme are amended, the Company shall, immediately upon such changes taking effect, provide to all Grantees all details relating to changes in the terms of this Scheme during the life of this Scheme.

16. **General**

- 16.1 The Scheme shall not form part of any contract of employment or appointment between the Company or any Subsidiary and any Grantee (whilst he is an Employee, executive or officer, director of any Group Company) and the rights and obligations of such Grantee under the terms of his employment or under the terms of his appointment with the Company or any Subsidiary shall not be affected by his participation in the Scheme or any right which he may have to participate in it and the Scheme shall afford such Grantee no additional rights to compensation or damages in consequence of the termination of such employment or appointment for any reason.
- 16.2 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 give rise to any cause of action at law or in equity against the Company.
- 16.3 The Company shall maintain all necessary books of account and records relating to the Scheme.
- 16.4 The Scheme shall in all respects be administered by the Board which (A) shall administer the Scheme in accordance with the provisions hereof and all applicable requirements of the Listing Rules and (B) may make such rules not being inconsistent with the terms and conditions hereof and the Listing Rules for the conduct of the Scheme and the determination and terms of each entitlement under an Option as the Board thinks fit. Any disputes regarding the interpretation of such rules or the terms of any Option, or otherwise in connection with the Scheme, shall be determined by the Board (upon such advice as it shall consider necessary) and its decision shall be final and binding.
- 16.5 A Grantee who is a member of the Board may, subject to and in accordance with the Articles, notwithstanding his interest, vote on any Board resolution concerning the Scheme (other than in respect of his own participation therein) and may retain any benefit under the Scheme.
- 16.6 The Board or the Company in general meeting may at any time terminate the Scheme and in such event no further Options shall be granted or offered but in all other respects the provisions of the Scheme shall remain in full force and effect in respect of any Options granted prior to such termination and not then exercised which shall continue to be valid and exercisable subject to and in accordance with the Scheme.
- 16.7 Grantees shall be entitled while they have subsisting rights under the Scheme to receive copies of all notices and other documents sent by the Company to the Shareholders generally.
- 16.8 The cost of establishing and operating the Scheme shall be borne by the Company.
- 16.9 Any notice or other communication between the Company and an Eligible Participant or a Grantee shall be in writing and may be given by sending the same by prepaid post or

by personal delivery to, in the case of the Company, its head office and principal place of business in Hong Kong, which, at the Adoption Date, is situated at Suite 2806, 28/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong, or such other address as may be notified to the Eligible Participants and the Grantees from time to time and, in the case of an Eligible Participant or a Grantee, his or her address in Hong Kong as notified to the Company from time to time.

16.10 Any notice or other communication served by post:

(A) by the Company shall be deemed to have been served 48 hours after it was placed in the post; and

(B) by the Eligible Participant or the Grantee shall not be deemed to have been served until the same shall have been received by the Company.

16.11 In the case of clause 16.10, in proving the service of any notice or other communication by post, it will be sufficient to prove that the notice or other communication was properly stamped, addressed and placed in the post.

16.12 An Eligible Participant or a Grantee (as the case may be) shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of an Option, as the case may be. The Company shall not be responsible for any failure by such person to obtain any such consent or for any tax or other liability to which that person may become subject as a result of his participation in the Scheme.

16.13 The Company shall disclose all information as required by the Listing Rules or any other applicable rules and regulations in its annual and interim reports.

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