

**LONG INVESTMENT CORP**  
**LONG 投資集團**  
*(Incorporated in the Cayman Islands with limited liability)*

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**RULES OF THE  
SHARE OPTION SCHEME**

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Adopted on [11 February 2026] pursuant to ordinary resolutions of shareholders passed on [11 February 2026]

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

**Rules of the Share Option Scheme**

**1. DEFINITIONS AND INTERPRETATION**

(A) In these Rules, except where the context otherwise requires, the following words and expressions shall have the following meanings:

<b>“Adoption Date”</b>	[11 February 2026], the date on which this Scheme was adopted by resolutions of the Shareholders;
<b>“associate(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Auditors”</b>	the auditors for the time being of the Company;
<b>“Board”</b>	the board of Directors;
<b>“business day(s)”</b>	any day (excluding a Saturday, Sunday and public holiday) on which the Stock Exchange is open for the business of dealing in securities;
<b>“close associate(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Company”</b>	Long Investment Corp (Long 投資集團) (previously known as China Financial Leasing Group Limited (中國金融租賃集團有限公司*)), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 2312);
<b>“Companies Act”</b>	The Companies Act (as consolidated and revised from time to time) of the Cayman Islands;
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Controlling Shareholder(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“core connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules;

<b>“Date of Grant”</b>	in relation to any Option offered to and accepted by an Eligible Participant (whether or not subject to Shareholders’ approval pursuant to the terms of this Scheme), the Offer Date of such Option;
<b>“Director(s)”</b>	the directors of the Company;
<b>“Eligible Participant(s)”</b>	any director or employee (whether full time or part-time, but explicitly excludes any former employee) of the Group, who is eligible to be granted Option(s) under the Scheme (and including persons who are granted Options under the Scheme as an inducement to enter into employment contracts with these companies);  R17.03(2)
<b>“Group”</b>	the Company and its subsidiaries;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;  R17.03A(1)(a)
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People's Republic of China;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange, as may be amended from time to time;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;
<b>“inside information”</b>	has the meaning ascribed to it under the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong);
<b>“Model Code”</b>	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 of the Listing Rules;
<b>“New Scheme Mandate Limit”</b>	has the meaning ascribed to it under Rule 4(B);
<b>“Offer Date”</b>	the date on which an Option is offered to an Eligible Participant, which must be a business day;
<b>“Option(s)”</b>	an option granted under the Scheme which is entitled to subscribe for Share(s) in accordance with the Scheme;
<b>“Option Holder(s)”</b>	the holder for the time being of an outstanding

	Option;	
<b>“Option Period”</b>	in respect of any Option, the period during which such Option can be exercised subject to the terms of this Scheme, being the period commencing on such date on or after the Date of Grant as the Board or the Scheme Administrator may determine when granting the Option and expiring at the close of business on such date as the Board or the Scheme Administrator may determine when granting the Option but in any event not exceeding ten (10) years from the Date of Grant;	R17.03(5)
<b>“Option Price”</b>	the price per Share payable on the exercise of an Option as determined by the Board or the Scheme Administrator provided always that it shall be at least the higher of:	R17.03(9) R17.03E
	<ul style="list-style-type: none"> <li>(i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the Date of Grant, which must be a business day; and</li> <li>(ii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five (5) business days immediately preceding the Date of Grant,</li> </ul>	
<b>“Relevant Event”</b>	subject to any subsequent adjustments pursuant to Rule 10 provided that the Option Price per Share shall in no event be less than the nominal amount of each Share;	R17.03(13)
	any variation in the issued share capital of the Company which arises or may arise following Adoption Date from any issue of shares in or other securities of the Company by way of capitalization of profits or reserves or by way of rights under an offer made pro rata to Shareholders (but shall not include the issue of securities as consideration in any transaction whatsoever) or from any subdivision or consolidation of shares in the capital of the Company or reduction of the share capital of the Company;	
<b>“Rule(s)”</b>	the rule(s) of the Scheme;	
<b>“Scheme”</b>	this share option scheme constituted by the Rules in their present form or as from time to time	

	amended in accordance with the provisions hereof;
<b>“Scheme Administrator”</b>	the committee of the Board or person(s) to which the Board has delegated its authority (as applicable) to administer this Scheme;
<b>“Scheme Mandate Limit”</b>	has the meaning ascribed to it under Rule 4(A);
<b>“Scheme Period”</b>	the period commencing on the Adoption Date and expiring at the close of business on the day immediately preceding the tenth (10 <sup>th</sup> ) anniversary thereof;
<b>“Secretary”</b>	the company secretary of the Company;
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.04 each in the share capital of the Company;
<b>“share schemes”</b>	has the meaning ascribed to it under Chapter 17 of the Listing Rules;
<b>“Shareholder(s)”</b>	a holder of the issued Share(s);
<b>“Subscription Price”</b>	in relation to an Option, an amount equal to the Option Price multiplied by the relevant number of Shares in respect of which such Option is exercised;
<b>“Substantial Shareholder(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“1% individual limit”</b>	has the meaning ascribed to it under Rule 4(E); and;
<b>“%”</b>	per cent.

(B) In these Rules, save where the context otherwise requires:

- (i) the headings are inserted for convenience only and shall not limit, vary, extend or otherwise affect the construction of any provision of these rules of the Scheme;
- (ii) references to Rules and Schedules are references to paragraphs and schedules of these rules of the Scheme;
- (iii) references to any statute or statutory provision shall be construed as references to such statute or statutory provision as respectively amended, consolidated or re-enacted, or as its operation is modified by any other statute or statutory provision (whether with or without modification), and shall include any subsidiary legislation enacted under the relevant statute;
- (iv) expressions in the singular shall include the plural and vice versa;
- (v) expression in any gender shall include other genders;
- (vi) references to persons shall include bodies corporate, corporations, partnership, sole proprietorships, organisations, associations, enterprises, branches and entities of any other kind; and
- (vii) any reference to a subsidiary of a company means another undertaking which is for the time being and from time to time a subsidiary (within has the meaning ascribed to it under the Listing Rules) of that company, whether incorporated in Hong Kong or elsewhere and “subsidiaries” shall be construed accordingly. Any reference to a fellow subsidiary of a company means the subsidiaries of the holding company of that company.

## 2. **CONDITION**

The Scheme is conditional upon (i) the passing of the necessary Shareholders' resolution(s) to approve the adoption of the Scheme and to authorize the Board to grant Options under the Scheme and to allot and issue Shares pursuant to the exercise of any Options; and (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any Shares to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the Scheme.

## 3. **PURPOSE, ELIGIBLE PARTICIPANTS AND OFFERS TO GRANT OPTIONS**

- (A) The purpose of the Scheme is to enable the Board to grant Options to Eligible Participants as incentives or rewards for their contribution or potential contribution to the success of the Group's operations. R17.03(1)
- (B) The eligibility of any of the Eligible Participants shall be determined by the Board or

the Scheme Administrator from time to time on the basis of the Board or the Scheme Administrator's opinion as to the Eligible Participant's contribution to the success of the Group's operations. In assessing whether Options are to be granted to any Eligible Participant, the Board or the Scheme Administrator shall take into account various factors, including but not limited to the nature and extent of contributions provided by such Eligible Participant to the Group, the special skills or technical knowledge possessed by them which is beneficial to the continuing development of the Group, the positive impact which such Eligible Participant has brought to the Group's operations and whether granting the Options to such Eligible Participant is an appropriate incentive to such Eligible Participant to continue to contribute towards the Group's operations.

R17.03(2)

R17.03A(2)

(C) Subject to these Rules, the Board or the Scheme Administrator may, at any time and from time to time during the Scheme Period on a business day, at its absolute discretion and on and subject to such terms, conditions, restrictions or limitations as it may think fit in writing offer to grant Options, which may be accepted at a total consideration of HK\$10.00 or such other amount as the Board or the Scheme Administrator may determine, to Eligible Participants to subscribe at the Option Price for such numbers of Shares as the Board or the Scheme Administrator may determine, provided that the Company may not grant any Options after inside information has come to its knowledge until (and including) the business day after it has announced the information. In particular, the Company may not grant any Option during the period commencing one (1) month immediately before the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement. No Option may be granted during any period of delay in publishing a results announcement. No Option may be granted to any Director during the periods or times in which such Director is prohibited from dealing in the Shares pursuant to the Model Code.

(D) Any offer to grant an Option shall be made in writing and shall specify the Option Price, the number of Shares covered by such Option and any terms and conditions, restrictions and/or limitations applicable to the Option and the Option Period and shall include a statement to the effect that any acceptance thereof shall render the Eligible Participant to whom the offer is made bound by the provisions of the Scheme.

(E) As soon as possible upon the granting by the Company of an Option under the Scheme, the Company shall publish an announcement setting out the details in Rules 17.06A, 17.06B and 17.06C of the Listing Rules and/or other rule requirements specified under the Listing Rules from time to time.

R17.03(8)

R17.05

R17.06(A)

#### **4. NUMBER OF SHARES FOR WHICH OPTIONS MAY BE GRANTED**

(A) Subject to Rules 4(B) and 4(C), the total number of Shares which may be issued in respect of all options and awards to be granted under the Scheme and any other share schemes of the Company (excluding, for this purpose, those Shares underlying all Options or awards which have lapsed in accordance with the terms of the Scheme and any other share schemes of the Company (as the case may be)) must not in aggregate exceed 5% of the Shares in issue (excluding treasury shares) as at the Adoption Date (the “**Scheme Mandate Limit**”).

The options or awards granted under the Scheme or any other share schemes of the Company which have been cancelled (not being options and awards which have lapsed in accordance with the terms of the Scheme or (as the case may be) any other share schemes of the Company) will be regarded as having utilized for the purpose of calculating the Scheme Mandate Limit. For the avoidance of doubt, where the Company cancels options or awards (including Options under the Scheme) granted to an Eligible Participant, and makes a new grant to the same Eligible Participant, such new grant may only be made with available Scheme Mandate Limit approved by the Shareholders.

(B) The Scheme Mandate Limit may be refreshed at any time by obtaining approval of the Shareholders in general meeting after three (3) years from the Adoption Date (or, as the case maybe, the last refreshment of such limit) provided that the new Scheme Mandate Limit as refreshed (the “**New Scheme Mandate Limit**”) must not exceed 10% of the Shares in issue (excluding treasury shares) as at the date of the Shareholders’ approval of such New Scheme Mandate Limit. Options previously granted under the Scheme or any other share schemes of the Company (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of this Scheme or any other share schemes of the Company) will not be counted for the purpose of calculating the total number of Shares subject to the New Scheme Mandate Limit. The Company must send a circular to the Shareholders containing the number of Options and awards that were already granted under the existing scheme mandate limit, and the reason for the refreshment.

(C) Any refreshment of the Scheme Mandate Limit within any three-year period must be approved by the Shareholders, where any Controlling Shareholders and their associates (or if there is no Controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting and in accordance with the requirements under the Listing Rules.

(D) The Company may also, by obtaining separate approval of the Shareholders in general meeting, grant Options beyond the Scheme Mandate Limit provided the Options in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the 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 specified Eligible Participant, and the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such specified Eligible Participants must be fixed before Shareholders' approval. In respect of any

R17.03(3)

R17.03B(1)

R17.03(3)

R17.03(14)

R17.03C(1)(a)

R17.03C(2)

R17.03C(1)(b)(c)

R17.03C(3)

Options to be granted under this Rule 4(D), the date of the Board meeting for proposing such grant should be taken as the Date of Grant for the purpose of determining the Option Price.

(E) No Option shall be granted to any Eligible Participant which would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Participant (including exercised and outstanding options, awards or securities but excluding any options and awards lapsed in accordance with the terms of the share schemes of the Company) in any 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (excluding treasury shares) (the “**1% individual limit**”). Where it is proposed that any offer is to be made to an Eligible Participant (or where appropriate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all options, awards or securities granted and to be granted to such person (including exercised, cancelled and outstanding options, awards or securities) in the twelve (12)-month period up to and including the date of such grant to exceed his, her or its 1% Individual Limit, such offer and any acceptance thereof must be conditional upon approval by the Shareholders in the general meeting with such Eligible Participant (or where appropriate, an existing grantee) and his, her or its close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. The identity of the Eligible Participant, number and terms of the Options to be granted (and those previously granted to such Eligible Participant in the 12-month period) shall be fixed before Shareholders’ approval and the Company shall send a circular to the Shareholders which shall contain the information required by the Listing Rules. In respect of any Options to be granted under this Rule 4(E), the date of the Board meeting for proposing such further grant should be taken as the Date of Grant for the purpose of determining the Option Price.

(F) 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 or awards (including Options granted under the Scheme) to be granted under all of the share schemes of the Company 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.

(G) Each grant of an Option to a Director, chief executive or Substantial Shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Option).

(H) If a grant of Options to a Substantial Shareholder of the Company or an independent non-executive Director (or any of their respective associates) would result in the Shares issued and to be issued in respect of all Options and awards granted (excluding any Options and awards 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% of the Shares in issue (excluding treasury shares), such further grant of Options is required to be approved by Shareholders at a general meeting. The grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The number and terms of the Options to be

R17.03(4)

R17.03D(1)

R17.03D(2)

R17.03B

Note (2)

R17.04(1)

R17.04(3)

R17.04(4)

granted shall be fixed before Shareholders' approval and the Company shall send a circular to Shareholders which shall contain the information and the independent non-executive Directors' views required by the Listing Rules.

(I) Any change in the terms of an Option granted to a Director, chief executive or Substantial Shareholder of the Company or (any of their respective associates) must be approved by Shareholders in the manner as set out in Rule 17.04(4) of the Listing Rules if the initial grant of the Option requires such approval (except where the changes take effect automatically under the existing terms of the Scheme).

R17.04

Note 1

## **5. ACCEPTANCE OF OFFERS, GRANT OF OPTIONS AND VESTING PERIOD**

(A) Offers to grant an Option shall be open for acceptance in writing, which must be received by the Secretary within a period of twenty one (21) days (subject to any determination otherwise by the Board or the Scheme Administrator) inclusive of, and from, the Offer Date provided that:

- (i) no such offer shall be open for acceptance after the expiry of the Scheme Period; and
- (ii) no such offer may be accepted by a person who ceases to be an Eligible Participant prior to his acceptance of the offer.

(B) All acceptances of offers shall be communicated to the Secretary via one of the following means:

- (i) by personal delivery to the Secretary (in which case receipt shall be deemed to take place at the time of delivery),
- (ii) by post to the Company's principal place of business for the time being in Hong Kong and marked for the attention of the Secretary (in which case receipt shall be deemed to take place on the second (2<sup>nd</sup>) business day following the date of posting or, in the case of post sent from outside Hong Kong, on the fifth (5<sup>th</sup>) business day following the date of posting by airmail),
- (iii) by facsimile transmission to the facsimile number of the Company's principal place of business for the time being in Hong Kong and marked for the attention of the Secretary (in which case receipt shall be deemed to take place upon completion of transmission in full).

(C) Upon receiving the acceptance of an offer to grant an Option and subject to the payment of HK\$10.00, or such other amount as the Board or the Scheme Administrator may determine, as consideration for the grant thereof by the Secretary prior to the lapse of offer, the Option shall be considered as issued. Such consideration shall not be refundable.

R17.03(8)

(D) An Option which is being offered under a grant is subject to a minimum period not being less than twelve (12) months during which such Option must be held before it is vested

R17.03(6)

R17.03F

and becomes exercisable.

- (E) An offer of the grant of an Option not accepted within the period referred to under Rule 5(A) shall lapse and shall be deemed declined.
- (F) An offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a number of Shares equal to a board lot for the purposes of trading in the Shares on the Stock Exchange from time to time or an integral multiple thereof.
- (G) An Option shall be personal to the Option Holder and shall not be transferable or assignable and no Option Holder 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. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Option Holder.

R17.03(17)

## **6. RIGHTS OF EXERCISE**

- (A) Subject to Rule 5(D) and any vesting period as specified in the offer of the grant of an Option, if an Option Holder who at the time of grant of an Option to him was an Eligible Participant ceases to be such an Eligible Participant:
  - (i) by reason of ill health or injury or disability (all evidenced to the satisfaction of the Board or the Scheme Administrator) or death, then he or (as the case may be) his personal representative(s) may exercise his outstanding Option within six (6) months after he so ceases or up to the expiration of the Option Period, whichever is earlier, and such Option to the extent not so exercised shall lapse and determine at the end of the said period of six (6) months or at the expiration of the Option Period, whichever is earlier; or
  - (ii) because the relevant member of the Group (by reason of his employment or engagement with, or secondment to, qualified him as an Eligible Participant at the time the Option was granted) ceases to be a member of the Group, then he may exercise his outstanding Option within six (6) months after he so ceases or up to the expiration of the Option Period, whichever is earlier, and such Option to the extent not so exercised shall lapse and determine at the end of the said period of six (6) months or at the expiration of the Option Period, whichever is earlier; or
  - (iii) by reason of retirement in accordance with his contract of employment or service, then he may exercise his outstanding Option within six (6) months after he so ceases or, if the Board or the Scheme Administrator in its absolute discretion determine, within six (6) months after the date of his sixtieth (60<sup>th</sup>) birthday where the retirement takes effect prior to such date, and such Option to the extent not so exercised shall lapse and determine at the end of the said period of six (6) months or at the expiration of the Option Period, whichever is earlier; or
  - (iv) by reason of voluntary resignation or dismissal, or upon expiration of his term

of directorship (unless immediately renewed upon expiration), or by termination of his employment or service in accordance with the termination provisions of his contract of employment or service by the relevant company otherwise than by reason of redundancy, then his outstanding Option shall lapse and determine on the date he so ceases; or

(v) on the grounds that he has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally or has committed any serious misconduct or has been convicted of any criminal offence (other than an offence which in the opinion of the Board or the Scheme Administrator does not bring the Option Holder or the Group or the relevant Controlling Shareholder or the relevant company controlled by the relevant Controlling Shareholder into disrepute), then his outstanding Option shall lapse and determine automatically on, and will not in any event be exercisable on or after, the date of his ceasing to an Eligible Participant; or

(vi) for any reason other than as described in paragraphs (i), (ii), (iii), (iv) or (v) above, then his Option which is exercisable at the date he so ceases may be exercised to the extent then exercisable within three (3) months of the date he so ceases or at the expiration of the Option Period, whichever is earlier, and such Option to the extent not so exercised shall lapse and determine at the end of the said period of three (3) months or at the expiration of the Option Period, whichever is earlier.

Provided always that in each case the Board or the Scheme Administrator in its absolute discretion may decide that such Option or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may decide. For the purpose of this Rule 6(A), the date on which a person ceases to be employed by the relevant member of the Group shall be his last working day with the relevant member of the Group.

(B) If the Board or the Scheme Administrator in the offer granting the relevant Option have specified that the Option Holder has to meet certain continuing eligibility criteria and that the failure of the Option Holder to meet any such continuing eligibility criteria would entitle the Company to cancel the Option then outstanding (or part thereof), upon the failure of the Option Holder to meet any such continuing eligibility criteria, his outstanding Option shall be cancelled and determine on the date the Board or the Scheme Administrator exercises the Company's right to cancel the Option on the ground of such failure.

(C) Notwithstanding anything in these Rules to the contrary, the Option Period shall not be extended and, on the expiry of the Option Period, all rights in respect of an Option for the time being outstanding shall terminate, except in so far as there has been an effective exercise of that Option prior thereto and the Company has not discharged all its obligations under the Scheme in relation to such exercise.

## **7. TAKEOVER OFFERS, LIQUIDATION AND RECONSTRUCTION**

(A) In the event a general offer by way of takeover (other than by way of scheme of

arrangement pursuant to Rule 7(B) below) is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled (as defined in the Hong Kong Code on Takeovers and Mergers) by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, the Company shall forthwith notify all Option Holders who have Options unexercised on the date of such notification and any such Option Holders shall be entitled to exercise such Options 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. For the avoidance of doubt, an Option not so exercised shall remain valid in accordance with its terms and subject to such restrictions as applied to it before the general offer.

(B) In the event a general offer by way of scheme of arrangement is made to all the Shareholders and has been approved by the necessary number of Shareholders at the requisite meeting(s), the Company shall forthwith notify all Option Holders who have Options unexercised on the date of such notification and any such Option Holder may at any time thereafter (but before such time as shall be notified by the Company) exercise the Options to their full extent or to the extent notified by the Company.

(C) If notice is given of a general meeting of the Company at which a resolution will be proposed for the voluntary winding-up of the Company, the Company shall forthwith give notice thereof to all Option Holders and thereupon each Option Holder shall be entitled, at any time no later than two (2) business days prior to the proposed general meeting of the Company, to exercise any of his outstanding Option in whole or in part to the extent not already exercised (and notwithstanding any restrictions which would otherwise have prevented such Option from being exercisable at that time). Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up.

(D) If under the Companies Act a compromise or arrangement (not being a scheme of arrangement referred to under Rule 7(B)) between the Company and Shareholders or the Company's 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 all Option Holders 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 each Option Holder (or where permitted his personal representative(s)) may forthwith and until the expiry of the period commencing with such date and ending with the earlier of the date falling two (2) calendar months thereafter and the date on which such compromise or arrangement is sanctioned by the court of the Cayman Islands be entitled to exercise his Option, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court of the Cayman Islands and becoming effective. Upon such compromise or arrangement becoming effective, all Options for the time being outstanding shall lapse except insofar as previously exercised under this Rule. The Company may thereafter require each Option Holder 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 Option Holder in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

R17.03(10)

## **8. PERFORMANCE TARGET AND CLAWBACK MECHANISM**

(A) There is no performance target that is generally applicable to the Options, subject to the Board or the Scheme Administrator's determination to impose such performance target on a case-by-case basis. Such performance targets, if included, may include a mixture of parameters, including but not limited to, for example:

- (i) any measurable performance benchmark, including financial and management targets, which the Board or the Scheme Administrator considers relevant to the grantee, such as key performance indicators (KPI) of respective department(s) and/or business unit(s) that the grantee belongs, individual position, annual appraisal result and performance of the grantee determined under the Company's employee performance evaluation system;
- (ii) the grantee's fulfilment of milestones;
- (iii) annual results of the Company, annual growth on the net asset value of the Group as compared to the immediately preceding financial year and the return on investments of the Group;
- (iv) and such other goals to be determined by the Board or the Scheme Administrator, details of targets for each grantee shall be specified in the offer letter.

Where any performance target is set, the Board or the Scheme Administrator will, together with the relevant managers where necessary, conduct assessment at the end of the performance period by comparing the individual performance of the Eligible Participants with the pre-agreed targets to determine whether the targets and the extents to which have been met.

(B) Subject to otherwise provided under the Scheme, the Board or the Scheme Administrator may, at its sole discretion, determine the clawback mechanism of any Option, if any of the following events (among others) occurs, regardless of whether such event is due to the action (or omission) of any Eligible Participant:

- (i) there is a material misstatement in the audited financial statements of the Company that requires a restatement;
- (ii) where the grant or exercise of any Option is linked to any performance targets and the Board or the Scheme Administrator is of the opinion that there occur any circumstances that show or lead to any of the prescribed performance targets having been assessed or calculated in a materially inaccurate manner; or
- (iii) in the reasonable opinion of the Board or the Scheme Administrator, a grantee has violated the terms of the Scheme or the terms of the grant of Option(s) as set out in the offer letter.

Under the above circumstances, the Board or the Scheme Administrator may (but is not obliged to) by notice in writing to the grantee concerned clawback such number of Options (to the extent not being exercised) granted as the Board or the Scheme

R17.03(7)

R17.03(19)

Administrator may consider appropriate. The Options that are clawed back pursuant to this paragraph shall be regarded as lapsed and the Options so clawed back will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (including any refreshed limit, where applicable).

## **9. EXERCISE OF OPTIONS AND LAPSE OF OPTIONS**

(A) The Option Holder shall pay the Subscription Price in full at the time of exercise of the Option(s). In order for the exercise of an Option to be effective, the Secretary must, prior to the expiry of the Option Period, have received:

- (i) a written notice from the Option Holder (to be given in any one of the manners set forth in Rule 5(B) exercising the Option, signed by or (in case of a corporation) on behalf of the Option Holder and specifying the number of Shares in respect of which the Option is being exercised; and
- (ii) payment in full of the Subscription Price.

Unless otherwise agreed between the Company and the Option Holder, within thirty (30) days of the date upon which the exercise of an Option becomes effective (being the date of receipt of acceptance of the offer), the Shares in respect of which such Option has been exercised shall be allotted and issued and a share certificate in respect of the Shares so allotted shall be issued to the Option Holder.

(B) The Option may be capable of exercise in part (other than to the full extent outstanding) except that the Board or the Scheme Administrator shall have the right and discretion to request such partial exercise of the Option to be in such amount or number of Shares as shall represent the board lot in which Shares are for the time being traded on the Stock Exchange or an integral multiple thereof.

(C) Subject to the terms of the Scheme, an Option may be exercised in whole or in part at any time during the period to be determined and identified by the Board or the Scheme Administrator to each grantee at the time of making an offer for the grant of an Option, but in any event no later than ten (10) years from the Date of Grant.

R17.03(5)

(D) The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the articles of associations 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 on which such Shares are allotted and, accordingly, will entitle the holders of such Shares to participate in all dividends or other distributions paid or made on or after the date on which such Shares are allotted, other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the date of allotment. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the grantee has been duly entered on the register of members of the Company as the holder thereof.

R17.03(10)

R17.03(15)

(E) All grants of Options and/or allotments and issuances of Shares hereunder will be subject to any necessary consents to be obtained by the relevant Option Holder under any relevant enactments or regulations for the time being in force in the Cayman Islands

or elsewhere and it shall be the responsibility of the Option Holder to comply with any requirements to be fulfilled in order to obtain or obviate the necessity for any such consent and the Company shall not be liable for any failure on the part of the Option Holder to make such compliance or for any tax or other liability to which an Option Holder may become subject as a result of his participation in the Scheme.

(F) An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of: R17.03(12)

- (i) the expiry of the Option Period;
- (ii) the date on which the Option Holder commits a breach of Rule 5(G), if the Board or the Scheme Administrator shall exercise the Company's right to cancel the Option;
- (iii) the expiry of the relevant periods or the occurrence of the relevant events referred to in Rules 6(A) or (B); and
- (iv) the expiry of any of the relevant periods referred to in Rules 7(B) or (C).

## **10. ADJUSTMENTS**

(A) In the event of any alteration in the capital structure of the Company which arises or may arise immediately following the commencement of the Scheme Period from any capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital which the Board or the Scheme Administrator considers an adjustment necessary under this Rule 10(A), the Option Price and/or the number of Shares or any Option(s) relates pursuant to this Scheme may be adjusted in such manner as the Board or the Scheme Administrator (having received a statement in writing from the independent financial adviser of the Company, that in its opinion the adjustments proposed are appropriate, fair and reasonable and at the same time satisfy the requirements of the Listing Rules) may deem appropriate, provided that any such adjustment shall give the Option Holder the same proportion of the issued Shares, rounded to the nearest whole share, for which the Option Holder was previously entitled and shall be in compliance with the Listing Rules but no such adjustment may be made to the extent that a Share would be issued at less than its nominal value. R17.03(13)

(B) The issue of any securities by the Company as consideration in a transaction shall not on its own be regarded as a Relevant Event.

## **11. ADMINISTRATION**

(A) (1) All notices or documents or other written communications required to be given to an Eligible Participant or to an Option Holder shall:

- (i) either be delivered to him by hand or sent to him by post (postage prepaid and by airmail if sent to an address in a different territory) at his home address according to the records of his employing company or, where

applicable, to the registered office or place of business last known to the Company of such Eligible Participant or Option Holder (or to such address as he may notify the Company in writing from time to time) or sent to him by facsimile transmission or any form of electronic transmissions including email to his place of work (or to such other facsimile number or email address which he may notify the Company in writing from time to time); and

- (ii) if sent by:
  - (a) post, be deemed to have been given on the second day following the date of posting or, in the case of post sent to an address in a different territory, on the seventh (7<sup>th</sup>) day following the date of posting, and
  - (b) facsimile or other form of electronic transmissions, be deemed to have been given upon completion of transmission.

(2) All notices or documents or other written communications required to be given to the Company by an Eligible Participant or an Option Holder shall be made in accordance with the provision contained in Rule 5(B) and the time of receipt shall be determined in accordance with such provisions.

- (B) Option Holders shall be entitled to receive copies of all notices, documents or other written communications sent by the Company to Shareholders generally.
- (C) The exercise of any Option shall be subject to the availability of sufficient authorized but unissued share capital and, where there is an insufficiency, the approval of the Shareholders in general meeting of any necessary increase of the authorized share capital. Subject thereto, the Board shall at all times keep available for allotment enough unissued Shares to satisfy all outstanding Options for the time being unexercised.
- (D) The decision of the Board (or the Scheme Administrator) in any dispute relating to an Option or matter relating to the Scheme shall be final and conclusive, subject to the prior receipt of a statement in writing from the Auditors or an independent financial adviser appointed for such purpose if so required by Rule 10.
- (E) The costs of introducing and administering the Scheme shall be borne by the Company.
- (F) The Scheme shall be subject to the administration by the Board (or the Scheme Administrator) and the decision of the Board (or the Scheme Administrator) shall be final, conclusive and binding on all parties. The Board (or the Scheme Administrator) shall have power from time to time to make or vary regulations for the administration and operation of the Scheme, provided that the same are not inconsistent with the Listing Rules. None of the Directors is a trustee in respect of any Options or Shares or any rights and interests thereunder for the purposes of the Scheme.
- (G) 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.

## **12. VARIATIONS AND TERMINATION**

(A) Subject to Rule 12(B), the Board or the Scheme Administrator may from time to time in its absolute discretion waive or amend such of the Rules as they deem desirable, provided that, except with the prior approval by Shareholders in general meeting, no alteration shall be made to the Scheme:

(i) to extend or otherwise alter the definition of Eligible Participant; or

(ii) to alter the terms and conditions of this Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in rule 17.03 of the Listing Rules to the advantage of the Eligible Participants and/or Option Holders (present or future). R17.03(18)  
Note 1

(B) Any change to the terms of Options granted to an Eligible Participant must be approved by the Board, or the Scheme Administrator, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board or the Scheme Administrator, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) except where such change takes effect automatically under the existing terms of the Scheme. R17.03(18)  
Note 2

(C) Any change to the authority of the Board or Scheme Administrators to alter the terms of the Scheme must be approved by Shareholders in general meeting. R17.03(18)  
Note 4

(D) Any amendment to any terms of the Scheme or the Options shall comply with the relevant requirements of Chapter 17 of the Listing Rules. R17.03(18)  
Note 3

(E) The Scheme shall continue in force for the period commencing from the Adoption Date and expiring at the close of business on the tenth anniversary thereof, after such period no further Options will be granted but the provisions of the Scheme shall remain in full force and effect in respect of any Options granted before its expiry or termination but not yet exercised. The Company may also, with the approval in general meeting of the Company, terminate the Scheme at any time following which no further grant of Options shall be offered but in all other respects the Rules shall continue in full force and effect. Any Options granted prior to such termination, including Options exercised or outstanding under the Scheme or in respect of which shares are not yet issued to the Eligible Participant under the Scheme, shall continue to be valid and exercisable in accordance with these Rules. R17.03(16)  
R17.03(11)

(F) In no circumstances shall a person whose Options have lapsed and determined by operation of any of the provisions of Rule 6 or any other terms of the Scheme be entitled to any compensation for or in respect of any consequent diminution or extinction of his rights or benefits (actual or prospective) under such Option or otherwise in connection with the Scheme and by accepting an Option under the Scheme, such person shall be deemed to have irrevocably waived any such entitlement (to the extent there is any).

### **13. GOVERNING LAW**

The Scheme and all Options granted hereunder shall be governed by and construed in accordance with Hong Kong law.