

# CIRCULAR ON SHARE OPTION SCHEME AND GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

## APPENDIX I

## SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SCHEME

a day on which the Stock Exchange is open for the business of dealing in securities (“**Trading Day**”);  
(b) the average closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five Trading Days immediately preceding the date of offer; or (c) the nominal value of a Share.

### (5) Maximum number of Shares

- (a) Subject to the provisions of this paragraph (5) and paragraph (11), the maximum number of Shares which may be issued upon exercise of all options to be granted under the New Scheme and any other schemes of the Company in issue entitling the grantees to exercise up to an aggregate of 10 per cent of the total number of Shares in issue as at the date of approval of the New Scheme. Options lapsed in accordance with the terms of the New Scheme will not be counted for the purpose of calculating the 10 per cent limit.
- (b) The Company may, subject to the approval of the Shareholders in general meeting and the issue of a circular in accordance with the requirements of the Listing Rules, renew the 10 per cent limit set out in (a) above such that the total number of Shares in respect of which options may be granted by the Directors under the New Scheme and any other share option schemes of the Company in issue shall not exceed 10 per cent of the Shares in issue at the date of approval to renew such limit. Options previously granted under the New Scheme and any other schemes of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with such schemes) will not be counted for the purpose of calculating the limit as “refreshed”.
- (c) The Company may grant options to specified Eligible Participant(s) beyond the 10 per cent limit if the grant of such options is specifically approved by the Shareholders in general meeting and a circular is issued in accordance with the requirements of the Listing Rules.
- (d) Notwithstanding the above, the maximum number of Shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other schemes of the Company in issue shall not exceed 30 per cent of the total number of Shares in issue from time to time.
- (e) No Eligible Participant shall be granted an option which, if exercised in full, would result in such Eligible Participant becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares issued and to be issued pursuant to all the options previously granted to him under the New Scheme and any other share option schemes of the Company in any 12-month period up to the date of grant of the option, would exceed one per cent of the aggregate number of Shares in issue unless the grant of such options is specifically approved by the Shareholders in general meeting and a circular in relation to the proposal for such further grant is issued in accordance with the requirements of the Listing Rules from time to time. The Eligible Participant and his Associates shall abstain from voting at such general meeting. The number and terms of the options to be granted to such Eligible Participant shall be fixed before the shareholders’ approval as mentioned. For the purpose of calculating the subscription price for the Shares in respect of the further options proposed to be so granted, the date of board meeting for proposing such grant of further options shall be taken as the date of offer of the options.

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### (6) Requirements on granting options to connected persons

- (a) Any grant of options to an Eligible Participant who is a Connected Person of the Company or an Associate of a Connected Person of the Company must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).
- (b) Where the Board proposes to grant any option to an Eligible Participant who is a Substantial Shareholder of the Company or an independent non-executive Director or any of his Associates which would result in the Shares issued and to be issued upon exercise of all options granted and to be granted (including options exercised, cancelled and outstanding) to him in the 12-month period up to the date of proposed grant of the option (the “**Relevant Date**”):
  - (i) representing in aggregate over 0.1 per cent of the total number of Shares in issue at the Relevant Date; and
  - (ii) having an aggregate value in excess of \$5 million, based on the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheet on the Relevant Date and if the Relevant Date is not a Trading Day, the Trading Day immediately preceding the Relevant Date,

such proposed grant of options must be approved by the Shareholders in general meeting taken on a poll with the Eligible Participant concerned and all other Connected Persons of the Company abstaining from voting (except where any Connected Person intends to vote against such proposed grant and his intention to do so has been stated in the circular issued by the Company in connection therewith). The circular to be issued by the Company in connection with such proposed grant shall contain such information as the Listing Rules may require from time to time.

- (c) Where the Board proposes to change or alter the terms of options granted to a grantee who is a Substantial Shareholder of the Company or an independent non-executive Director or his Associates, such proposed change or alteration must be approved by the Shareholders in general meeting taken on a poll with the grantee concerned and all other Connected Persons of the Company abstain from voting (except where any Connected Person intends to vote against such proposed grant and his intention to do so has been stated in the circular issued by the Company in connection therewith). The circular to be issued by the Company in connection with such proposed grant shall contain such information as the Listing Rules may require from time to time.

### (7) Time of exercise of option and performance target

An option may be exercised in accordance with the terms of the New Scheme at any time during a period of 5 years from the date of acceptance of the offer by the grantee (“**Option Period**”). No performance target needs to be achieved by the grantee before the options held by him or her may be exercised.

### (8) Rights are personal to grantee

- (a) an option may not be transferred or assigned and is personal to the grantee and 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 options or enter into any agreement to do so.
- (b) Any breach of paragraph 8(a) above shall entitle the Board to deem any option granted to such grantee, to the extent not already exercised, as lapsed.