

**ORBUSNEICH MEDICAL GROUP HOLDINGS
LIMITED**

(incorporated in the Cayman Islands with limited liability)

2021 SHARE OPTION SCHEME

(Adopted by OrbusNeich Medical Group Holdings Limited (the
“**Company**”) by a resolution of the Board of the Company dated 28th
September 2021)

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ORBUSNEICH MEDICAL GROUP HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

RULES OF THE 2021 SHARE OPTION SCHEME

1. DEFINITIONS

1.1 In this Scheme, except where the context otherwise requires, the following words and expressions have the following meanings:-

“**Acceptance Date**” means the date upon which an offer for an Option must be accepted by the relevant Eligible Participant, being a date specified in the relevant offer document referred to in paragraph 4.2;

“**Adoption Date**” means 28th September 2021;

“**approved independent financial adviser**” means such independent financial adviser as approved by the Board;

“**Articles**” means the memorandum of association and articles of association of the Company as amended from time to time;

“**Auditors**” means the auditors for the time being of the Company;

“**Board**” means the board of directors of the Company for the time being or a duly authorised committee of the board of directors thereof;

“**Business Day**” means a day on which the Stock Exchange is open for the business of dealing in securities;

“**Commencement Date**” means, in respect of an Option, the commencement date as specified in the relevant offer document referred to in paragraph 4.2, being the date of commencement of the Option Exercise Period;

“**Companies Law**” means the Companies Law (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;

“**Company**” means OrbusNeich Medical Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability on 22nd July 2021;

“**Eligible Participant**” means directors, employees, advisers and consultants of the Company or any of the Subsidiaries who, in the sole opinion of the Board, have contributed or will contribute to the Company and/or any of the Subsidiaries, and for the avoidance of doubt, includes any trusts serving for any of such people;

“**Exercise Date**” means the date of the notice given by the Grantee in respect of the exercise of the Option in accordance with paragraph 6.1;

“**Exercise Price**” means the price at which a Grantee may subscribe for Ordinary Shares on the exercise of an Option in accordance with paragraph 5;

“**Expiry Date**” means, in respect of an Option, the date of the expiry of the Option as may be determined by the Board which shall not be later than the last day of the Option Exercise Period in respect of such Option;

“**Grantee**” means any Eligible Participant who accepts the offer of the grant of an Option in accordance with the rules of this Scheme;

“**HK\$**” means the legal currency of Hong Kong;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People's Republic of China;

“**Listing Date**” means the first date on which the Ordinary Shares are listed and commence dealing on the Stock Exchange;

“**Listing Rules**” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time;

“**Long Stop Date**” has the meaning set forth in paragraph 2.2.

“**Main Board**” means the stock market operated by the Stock Exchange which is not the Growth Enterprise Market.

“**Offer Date**” means in respect of an Option, the date on which such Option is offered to an Eligible Participant which must be a Business Day;

“**Option**” means an option to subscribe for Ordinary Shares granted pursuant to this Scheme and for the time being subsisting;

“**Option Exercise Period**” means in respect of an Option, the period to be notified by the Board to each Grantee within which the Option may be exercisable provided that such period of time shall not exceed a period of ten (10) years commencing on the Offer Date;

“**Option Plan Committee**” means a committee authorised by the Board to administer the Scheme;

“**Ordinary Shares**” means ordinary shares of US\$0.0001 each in the capital of the Company or, if there has been a capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital in the share capital of the Company, shares forming part of the ordinary equity share capital of the Company of such other nominal amount as shall result from any such capitalisation issue, rights issue, sub-division or consolidation of shares or reduction of capital in the share capital of the Company;

“**other schemes**” means other than this Scheme, all the schemes involving the grant by the Company of options over Ordinary Shares or other securities of the Company to, or for the benefit of, specified participants of such schemes or any arrangement involving the grant of options to participants over Ordinary Shares or other securities of the Company which, in the opinion of the Stock Exchange, is analogous to a share option scheme as described in Chapter 17 of the Listing Rules;

“**Permanent Disability**” means the inability for an individual to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months;

“**Personal Representative(s)**” means a person or persons who, in accordance with the laws of succession applicable in respect of the death of such Grantee is or are entitled to exercise the Option accepted by such Grantee (to the extent not already exercised) in consequence of the death of such Grantee;

“**PRC**” means the People’s Republic of China;

“**RMB**” means the lawful currency of the PRC;

“**Scheme**” means this share option scheme, the rules of which are set out in this document in its present or any amended form;

“**Scheme Limit**” has the meaning ascribed to it in paragraph 8;

“**Scheme Period**” means the period commencing on the Adoption Date and ending on the Listing Date (both dates inclusive);

“**Special Resolution**” means a resolution passed at a meeting of the Grantees (being only those Grantees holding Options, all or any part of which is unexercised as at the time of the meeting at which the resolution is proposed) duly convened and held and carried by a majority consisting of not less than three-fourths of the votes cast upon a show of hands or if a poll is duly demanded, by a majority consisting of not less than three-fourths of the votes cast on a poll;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited or (if applicable) such other stock exchange on which the issued share capital of the Company is primarily listed;

“**Subsidiary**” means a subsidiary as defined under the Listing Rules and “Subsidiaries” shall be construed accordingly;

“**USD**” means U.S. Dollars, the lawful currency of the United States of America.

1.2 In this Scheme, unless the context otherwise requires:

- (a) paragraph headings are inserted for convenience of reference only and shall not affect the interpretation of this Scheme;
- (b) references to paragraphs are to paragraphs of this Scheme;
- (c) the singular includes the plural and vice versa;
- (d) references to one gender shall include both genders and the neuter;
- (e) any reference to any statute or statutory provision shall include any statute or statutory provision which amends or replaces, or has amended or replaced it,

and shall include any subordinate legislation made under the relevant statute;
and

- (f) a reference to a “person” shall be construed so as to include any individual, firm, business, company, body corporate or unincorporated or other juridical person, government, federation, state or agency thereof or any joint venture, association, partnership or trust (whether or not having separate legal personality).

2. CONDITIONS

- 2.1 This Scheme shall take effect subject to and conditional upon the passing of the necessary resolution by the Board of the Company to approve and adopt the rules of this Scheme.
- 2.2 In addition to paragraph 2.1 above, the exercise of any Option under this Scheme shall be subject to and conditional upon the commencement of dealings in these Ordinary Shares on a Stock Exchange.

The Board and/or the Option Plan Committee may, at its discretion, waive the condition set out in this paragraph 2.2 in the offer document issued to a Grantee or anytime subsequent to the issuance of the Option.

If the condition set out in this paragraph 2.2 is not fulfilled by 31st December 2025 (or such later date, as the Board and/or the Option Plan Committee, by resolution determines) (the “**Long Stop Date**”), this Scheme and all Options granted hereunder shall lapse automatically and cease to have any further effect.

- 2.3 Without prejudice to the above, if the Grantee is a PRC resident, he or she shall not be entitled to exercise any Option until: (i) to the extent applicable, any restriction or condition imposed by the relevant PRC laws, regulations and notices in relation to the subscription of or dealing in shares of overseas listed companies by PRC residents or any law, regulation or notice with similar effects have been abolished or removed or ceased to be applicable to the Grantee or the Grantee has obtained approval, exemption or waiver from the relevant PRC regulatory authorities for the subscription of and dealing in the Shares; and (ii) he or she has given a representation to the Company to the effect that he or she has satisfied all the relevant laws, regulations and notices in exercising the Options.

3. PURPOSE, DURATION, CONTROL OF SCHEME

- 3.1 The purpose of this Scheme is to enable the Company to grant Options to Eligible Participants as incentives, attraction, motivation or rewards for their contribution or potential contribution to the Company and/or any of the Subsidiaries.
- 3.2 Subject to paragraph 13 and fulfilment of the conditions referred to in paragraph 2.1, this Scheme shall be valid and effective for the Scheme Period after which no further Options shall be offered under this Scheme but the provisions of this Scheme shall in all other respects remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto, or otherwise as may be required in accordance with the provisions of this Scheme, and Options granted prior thereto but

not yet exercised shall continue to be valid and exercisable in accordance with this Scheme.

- 3.3 This Scheme shall be subject to the administration of the Board and the decision of the Board shall be final and binding on all parties. The Board shall have the right to (i) approve and adopt the rules of this Scheme, (ii) interpret and construe the provisions of this Scheme, (iii) approve the persons who will be awarded Options under this Scheme, and the number and Exercise Price of Options awarded thereto, which will be proposed and submitted to the Board by the management, (iv) make such appropriate and equitable adjustments to the terms of the Options granted under the Scheme as it deems necessary, (v) appoint one or more independent third party professionals and contractors to assist in the administration of this Scheme and delegate such powers and/or functions relating to the administration of this Scheme as the Board deems appropriate, and (vi) make such other decisions or determinations as it shall deem appropriate in the administration of the Scheme. For the avoidance of doubt, the Board or the Option Plan Committee shall monitor and procure (i) the compliance of public float requirement under the Listing Rules with respect to the grant and exercise of Options by any Eligible Participant(s) from time to time; and (ii) the mandatory general offer under Rule 26 of the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs will not be triggered as a result of the grant and exercise of Options by any Eligible Participant(s) from time to time.

4. OPTIONS

- 4.1 The Board shall, subject to and in accordance with the provisions of this Scheme and the Listing Rules, be entitled to but shall not be bound, at any time on any Business Day during the Scheme Period to approve the offer to grant an Option to any Eligible Participant subject to such conditions (including, without limitation, any minimum period for which an Option must be held before it can be exercised and/or any performance targets which must be achieved before an Option can be exercised) as it may think fit.
- 4.2 If the Board approves to offer an Option to an Eligible Participant in accordance with paragraph 4.1, the Board or Option Plan Committee shall forward to the relevant Eligible Participant an offer document in such form as the Board may from time to time approve which states (or, alternatively, documents accompanying the offer document which state), among others:-
- (a) the Eligible Participant's name, address and occupation;
 - (b) the Offer Date;
 - (c) the Acceptance Date;
 - (d) the Commencement Date (subject to any waiver of the conditions as specified pursuant to paragraph 2.2, if applicable);
 - (e) the number of Ordinary Shares in respect of which the Option is offered;
 - (f) the Exercise Price and the manner of payment of the Exercise Price for the Ordinary Shares on and in consequence of the exercise of the Option;

- (g) the vesting schedule;
 - (h) the Expiry Date in relation to that Option;
 - (i) the method of acceptance of the Option which shall, unless the Board otherwise approves, be as set out in paragraph 4.3; and
 - (j) such other terms and conditions (including, without limitation, any minimum period for which an Option must be held before it can be exercised, any performance targets which must be achieved before the Option can be exercised and/or documents or undertakings to be signed by the Grantees as a condition to acceptance) relating to the offer of the Option which in the opinion of the Board are fair and reasonable but not being inconsistent with this Scheme and the Listing Rules.
- 4.3 An Option shall be deemed to have been granted and accepted by the Grantee and to have taken effect when the duplicate offer document constituting acceptance of the Option duly signed by the Grantee, and other documents or undertakings to be signed by the Grantees as a condition to acceptance, are all duly received by the Company on or before the relevant Acceptance Date.
- 4.4 Any offer to grant an Option may be accepted in respect of less than the number of Ordinary Shares for which it is offered provided such number is clearly stated in the duplicate offer document constituting acceptance of the Option in the manner as set out in paragraph 4.3. To the extent that the offer to grant an Option is not accepted by the Acceptance Date, it shall be deemed to have been irrevocably declined.
- 4.5 The Options shall not be listed or dealt in on the Stock Exchange.
- 4.6 Save that the Grantee may transfer the Options to a trust in which he/she is a beneficiary thereof or the Grantee may nominate a nominee in whose name the Ordinary Shares issued pursuant to this Scheme may be registered, an Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option or attempt to do so (save that the Grantee may nominate a nominee in whose name the Ordinary Shares issued pursuant to this Scheme may be registered). Any breach of the foregoing shall entitle the Company to cancel any outstanding Options or any part thereof granted to such Grantee without compensation.

5. EXERCISE PRICE

The Exercise Price in relation to each Option offered to an Eligible Participant shall, subject to the adjustments referred to in paragraph 9, be approved by the Board in its absolute discretion with reference to factors which may include business performance and value of the Company and individual performance of the relevant Grantee. For any Option granted to a U.S. taxpayer, the Exercise Price of such Option shall not be less than 100% of the fair market value of the Ordinary Shares subject to the Option on the grant date as reasonably determined by the Board in accordance with section 409A of the United States Internal Revenue Code of 1986, as amended (the "Code") and the

applicable guidance thereunder. For the avoidance of doubt, the Exercise Price in either of the cases set out above shall not be less than the par value of the Ordinary Shares.

6. EXERCISE OF OPTIONS

- 6.1 Subject to paragraphs 2.2, 6.2 and 6.3, an Option shall be exercised on the Exercise Date during the Option Exercise Period, in whole or in part, and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Ordinary Shares as shall represent one board lot for dealing in Ordinary Shares on the Stock Exchange for the time being, by the Grantee, by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Ordinary Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the Exercise Price for the Ordinary Shares in respect of which the notice is given. Within thirty (30) days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the Auditors or the approved independent financial adviser as the case may be pursuant to paragraph 9, the Company shall allot and issue the relevant number of Ordinary Shares to the Grantee credited as fully paid and issue to the Grantee certificates in respect of the Ordinary Shares so allotted.
- 6.2 Each of the Grantees to whom an Option has been granted under this Scheme shall be entitled to exercise his/her Option subject to and in accordance with the vesting schedule as provided in the respective Grantee's offer document and subject to paragraph 2.

For avoidance of doubt, in the event that the Grantee fails to fulfill any of the conditions (if any) imposed by the Board for vesting any proportion of any option, such proportion of the relevant option due to be vested on the relevant vesting date shall neither be vested nor be exercisable on such vesting date and shall lapse automatically on the relevant vesting date.

- 6.3 Subject to paragraph 2 and as hereinafter provided, an Option may be exercised by a Grantee at any time or times during the Option Exercise Period provided that:-
- (a) in the event of the Grantee ceasing to be an Eligible Participant for any reason other than on his death, ill-health, injury, disability or the termination of his relationship with the Company and/or any of the Subsidiaries on one or more of the grounds specified in paragraph 7(e) (for the avoidance of doubt, this paragraph applies to the voluntary resignation of the Grantee), subject to paragraph 2 the Grantee may exercise the exercisable Option up to his entitlement at the date of cessation of being an Eligible Participant (to the extent not already exercised) within the period of ninety (90) days (or such longer period as the Option Plan Committee may determine) following the date of such cessation (which date shall be, in relation to a Grantee who is an Eligible Participant by reason of his employment with the Company or any of the Subsidiaries, the last actual working day with the Company or the relevant Subsidiaries whether salary is paid in lieu of notice or not);
 - (b) in the case of the Grantee ceasing to be an Eligible Participant by reason of death, ill-health, injury or disability (including Permanent Disability) (all evidenced to the satisfaction of the Option Plan Committee) and none of the

events which would be a ground for termination of his relationship with the Company and/or any of the Subsidiaries under paragraph 7(e) has occurred, subject to paragraph 2 the Grantee or the Personal Representative(s) of the Grantee shall be entitled within a period of twelve (12) months (or such longer period as the Option Plan Committee may determine) from the date of cessation of being an Eligible Participant or death to exercise the exercisable Option in full (to the extent not already exercised);

- (c) in the case of the Grantee ceasing to be an Eligible Participant by reason of termination of his relationship with the Company and/or any of the Subsidiaries on one or more of the grounds specified in paragraph 7(e), the Grantee's Options shall terminate on the date of such cessation without compensation, whether or not the Options are then exercisable or not;
- (d) if a general offer (whether by way of take-over offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of shares of the Company (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), the Company shall use its best endeavours to procure that such offer is extended to such Grantees with Options already vested and exercisable (on the same terms *mutatis mutandis*, and assuming that they shall become, by the exercise in full of the exercisable Options (if otherwise set forth in the Grantee's offer document or approved by the Board, including the Options to become vested and exercisable in the event of occurrence of the transaction contemplated by such offer) held by them, shareholders of the Company). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, any of such Grantees (or his/her legal personal representative(s)) shall be entitled to exercise his/her exercisable Options in full (to the extent not already exercised) at any time within fourteen (14) days after the date on which such general offer becomes or is declared unconditional;
- (e) if, pursuant to the Companies Law, a compromise or arrangement between the Company and its members and/or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all the Grantees with exercisable Options (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to members and/or creditors of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee shall be entitled to exercise all or any of his/her exercisable Options in whole or in part at any time prior to twelve (12) noon (Hong Kong time) on the Business Day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all Grantees to exercise their respective exercisable Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all exercisable Options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavour to procure that the Ordinary Shares

issued as a result of the exercise of exercisable Options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Ordinary Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the Grantees to exercise their respective exercisable Options shall, to the extent that they have not been exercised, with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of the aforesaid suspension; and

- (f) in the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees and thereupon, each Grantee (or in the case of the death of the Grantee, his Personal Representative(s)) shall be entitled to exercise all or any of his/her exercisable Options at any time not later than two (2) Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Exercise Price for the Ordinary Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Ordinary Shares to the Grantee credited as fully paid.

6.4 The Ordinary Shares to be allotted upon the exercise of an Option shall not carry voting or dividend rights until completion of the registration of the Grantee (or such other person nominated by the Grantee) as the holder thereof on the register of members of the Company. Subject as aforesaid, the Ordinary Shares to be allotted upon the exercise of an Option shall be subject to all the provisions of the constitutional documents of the Company for the time being in force and, once issued, shall rank *pari passu* in all respects with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the fully-paid Ordinary Shares in issue on the date of issue, in particular but without prejudice to the generality of the foregoing, in respect of voting, transfer and other rights including those arising on a liquidation of the Company and rights in respect of any dividend or other distributions paid or made on or after the date of issue. Ordinary Shares issued on the exercise of an Option shall not rank for any rights attaching to Ordinary Shares by reference to a record date preceding the date of allotment.

6.5 Unless otherwise determined by the Board or Option Plan Committee, the vesting period for all Options granted under this Scheme shall be the period starting from their respective Offer Date and ending on the date that, subject to paragraph 2, the respective Grantee becomes entitled to exercise his Option with respect to 100% of the Ordinary Shares that are subject to his Option. A Grantee's Option shall vest in accordance with the percentage and schedule as set forth in such Grantee's offer document, as such

Grantee becomes entitled to exercise his Option with respect to up to 100% of the Ordinary Shares that are subject to his Option. Only the vested percentage of the Option shall be exercisable by the respective Grantee during the Option Exercise Period pursuant to this Scheme and his offer document.

- 6.6 Options granted under this Scheme shall be subject to such vesting conditions as set forth in this Scheme and the respective Grantee's offer document. In addition to such other performance-based vesting conditions (if any) set forth in the respective Grantee's offer document and unless otherwise approved by the Board or Option Plan Committee in writing, (i) the vesting schedule requires continued employment of or service by the respective Grantee through each applicable vesting date as a condition to the vesting of the applicable percentage of the Option and the rights and benefits under this Scheme and the respective Grantee's offer document, and (ii) employment or service for only a portion of the respective vesting period, even if a substantial portion, will not entitle the respective Grantee to any proportionate vesting of the Option.

7. LAPSE OF OPTION

Without prejudice to paragraph 2.2, an Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:-

- (a) the Expiry Date relevant to that Option;
- (b) the expiry of any of the periods referred to in paragraph 6.3(a), (b), (c), (d) or (f) ;
- (c) the date on which the scheme of arrangement of the Company referred to in paragraph 6.3(e) becomes effective;
- (d) the date of commencement of the winding-up of the Company (as determined in accordance with the Companies Law);
- (e) the date on which the Grantee ceases to be an Eligible Participant by any reason of the termination of his relationship with the Company and/or any of the Subsidiaries on any one or more of the following grounds:
 - (i) that he has been negligent in the discharge of his or her duties to the Company or any Subsidiary, has refused to perform stated or assigned duties or is incompetent in or (other than by reason of a disability or analogous condition) incapable of performing those duties, in each case, to such extent that the wrongdoings constitute a violation of the applicable labour or employment laws;
 - (ii) that he has been dishonest or committed or engaged in an act of theft, embezzlement or fraud, a breach of confidentiality, an unauthorized disclosure or use of inside information, customer lists, trade secrets or other confidential information;
 - (iii) that he has breached a fiduciary duty, or wilfully and materially violated any other duty, law, rule, regulation or policy of the Company or any of its Subsidiaries; or has been convicted of, or pled guilty or nolo

contendere to, a felony or misdemeanor (other than minor traffic violations or similar offenses);

- (iv) that he has materially breached any of the provisions of any agreement with or undertaking to the Company or any of its Subsidiaries;
 - (v) that he has engaged in unfair competition with, or otherwise acted intentionally in a manner injurious to the reputation, business or assets of, the Company or any of its Subsidiaries; or
 - (vi) that he has improperly induced a vendor or customer to break or terminate any contract with the Company or any of its Subsidiaries or induced a principal for whom the Company or any Subsidiary acts as agent to terminate such agency relationship; or
 - (vii) on any other ground as determined by the Board that would warrant the termination of his employment at common law or pursuant to any applicable laws or under the Grantee's service contract with the Company or the relevant Subsidiary. A resolution of the Board or the board of directors of the relevant Subsidiary to the effect that the relationship of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; and
- (f) the date on which the Grantee joins a company which the Board believes in its sole and reasonable opinion to be a competitor of the Company;
 - (g) the date on which the Board shall exercise the Company's right to cancel the Option at any time after the Grantee commits a breach of paragraph 4.6 or the Options are cancelled in accordance with paragraph 14.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- 8.1 The maximum number of Ordinary Shares in respect of which Options may be granted under this Scheme is 200,000,000 Ordinary Shares (as adjusted per conversion of preference shares, share split, share combination, share dividend, recapitalization and other similar transactions), equal to approximately 4.92% of the total issued share capital of the Company as of the Adoption Date on a diluted basis (“**Scheme Limit**”).

9. CAPITAL RESTRUCTURING

- 9.1 In the event of any capitalisation issue, rights issue, sub-division, consolidation of shares, or reduction of capital of the Company in accordance with applicable laws and regulatory requirements that may take place after the adoption of this Scheme whilst any Option remains exercisable or potentially exercisable, such corresponding alterations (if any) shall be made (except on an issue of securities of the Company as consideration in a transaction which shall not be regarded as a circumstance requiring alteration or adjustment, such transactions include but are not limited to equity investments in the Company by investors prior to the listing of the Company on the Stock Exchange and the initial public offering of the Company) in:

- (a) the number of Ordinary Shares subject to any outstanding Options; and/or

(b) the Exercise Price,

as the Auditors or the approved independent financial adviser shall at the request of the Company or any Grantee, certify in writing either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided that any such alterations shall be made on the basis that a Grantee shall have substantially the same proportion of the equity capital of the Company (as interpreted in accordance with the supplemental guidance attached to the Stock Exchange's letter dated 5 September 2005 to all the issuers relate to share option schemes (the "**Supplemental Guidance**")) as that to which he/she was entitled to subscribe had he/she exercised all the Options held by him/her immediately before such adjustments and the aggregate Exercise Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same as (and shall not be materially greater than) it was before such event and that no such alterations shall be made if the effect of such alterations would be to enable an Ordinary Share to be issued at less than its nominal value. The capacity of the Auditors or the approved independent financial adviser, as the case may be, in this paragraph is that of experts and not arbitrators and their certificate shall, in the absence of manifest error, be final and conclusive and binding on the Company and the Grantees. Any adjustment to be made in accordance with this paragraph shall comply with the Listing Rules, the Supplemental Guidance and any future guidance/interpretation of the Listing Rules issued by the Stock Exchange from time to time, as well as (to the extent applicable) sections 409A and 424 of the Code.

9.2 In respect of any adjustments required by paragraph 9.1, other than any made on a capitalisation issue, the Auditors or the approved independent financial adviser, as the case may be, shall confirm to the Board in writing that the adjustments satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto and the Supplemental Guidance and/or such other requirement prescribed under the Listing Rules from time to time.

10. SUFFICIENT SHARE CAPITAL

The Board shall at all times set aside for the purposes of this Scheme, out of the authorised but unissued share capital of the Company, such number of Ordinary Shares as the Board may from time to time determine to be sufficient to meet subsisting requirements for the exercise of outstanding Options.

11. DISPUTES

Any dispute arising in connection with this Scheme shall be referred to the decision of the Board in the first instance, which decision shall, in the absence of manifest error, be final and binding on the Company and the Grantee. Should the Board, in their sole discretion, decide, any dispute referred to them may be subsequently referred to the decision of the Auditors or the approved independent financial adviser to the Company, who shall then act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final and binding on the Company and the Grantee. In such case, the costs of the Auditors or the approved independent financial adviser to the Company shall be shared equally between the Company and the relevant Grantee.

12. ALTERATION OF THIS SCHEME

12.1 The terms and conditions of this Scheme and the regulations for the administration and operation of this Scheme may be altered in any respect by resolution of the Board, PROVIDED THAT the amended terms of this Scheme or the Options shall remain in compliance with the applicable laws and regulatory requirements and no alteration shall operate to affect adversely (in the sole opinion of the Board) the terms of issue of any Option granted or agreed to be granted prior to such alteration or to reduce the proportion of the equity capital to which any person was entitled pursuant to such Option prior to such alteration except with:

- (a) the consent in writing of Grantees holding in aggregate Options which if exercised in full on the date immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all Ordinary Shares which would fall to be issued upon the exercise of all Options outstanding on that date; or
- (b) the sanction of a Special Resolution.

Written notice of any alterations made in accordance with this paragraph 12.1 shall be given to all Grantees.

12.2 In respect of any meeting of Grantees referred to in paragraph 12.1, all the provisions of the constitutional documents for the time being of the Company as to general meetings of the Company shall mutatis mutandis apply as though the Options were a class of shares forming part of the capital of the Company except that:-

- (a) not less than seven (7) days' notice of such meeting shall be given;
- (b) a quorum at any such meeting shall be two (2) Grantees present in person or by proxy and holding Options entitling them to the issue of one-tenth in nominal value of all Ordinary Shares which would fall to be issued upon the exercise of all Options then outstanding unless there is only one (1) Grantee holding all Options then outstanding, in which case the quorum shall be one Grantee;
- (c) every Grantee present in person or by proxy at any such meeting shall be entitled on a show of hands to one vote, and on a poll, to one vote for each Ordinary Share to which he would be entitled upon exercise in full of his Options then outstanding;
- (d) any Grantee present in person or by proxy may demand a poll; and
- (e) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, not being less than seven (7) or more than fourteen (14) days thereafter, and to such place as may be appointed by the chairman of the meeting. At any adjourned meeting those Grantees who are then present in person or by proxy shall form a quorum and at least seven (7) days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Grantees who are then present in person or by proxy shall form a quorum.

13. TERMINATION

The Company by ordinary resolution of the Board may at any time resolve to terminate the operation of this Scheme and in such event no further Options shall be offered but the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Option granted prior to the termination or otherwise as may be required in accordance with the provisions of this Scheme and Options granted prior to such termination shall continue to be valid and exercisable in accordance with this Scheme.

14. CANCELLATION OF OPTIONS

Any cancellation of Options granted but not exercised must be consented by the Grantees of the relevant Options in writing. For the avoidance of doubt, such consent is not required in the event any Option is cancelled pursuant to paragraph 4.6. Where the Company cancels Options, the grant of new Options to the same Grantee may only be made under this Scheme within the limits set out in paragraph 8 and in the Listing Rules.

15. DISCLOSURE IN ANNUAL AND INTERIM REPORTS

The Board shall procure that details of this Scheme and other schemes of the Company and its Subsidiaries are disclosed in the annual reports and interim reports of the Company in compliance with the Listing Rules in force from time to time.

16. GENERAL

16.1 The Company shall bear the costs of establishing and administering this Scheme (including the costs of the Auditors or the approved independent financial advisor, as the case may be, in relation to the preparation of any certificate or the provision of any other services in relation to this Scheme).

16.2 Any notices, documents or other communication between the Company and 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 corporate headquarters in Hong Kong and, in the case of the Grantee, his address as specified in the offer document or such address as notified to the Company from time to time.

Provided that any notice in respect of an exercise of the Option is given by the Grantee to the Company in the manner set out in the above paragraph, such notice might also, in addition, be given by transmitting it by email(s) to a designated email account specified by the Company from time to time.

16.3 Any notice or other communication served:-

- (a) by the Company shall be deemed to have been served forty-eight (48) hours after the same was put in the post or if delivered by hand, when delivered; and
- (b) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.

- 16.4 All allotments and issues of Ordinary Shares pursuant to this Scheme shall be subject to any necessary consent under the relevant laws, enactments or regulations for the time being to which the Company is subject. A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction for, or in connection with the grant or exercise of an Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in this Scheme.
- 16.5 This Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.
- 16.6 This Scheme shall not form part of any contract of employment between the Company or any of the Subsidiaries and any Eligible Participant who is an employee of the Company and/or any of the Subsidiaries and the rights and obligations of any Eligible Participant under the terms of his office or employment shall not be affected by his participation in it and this Scheme shall afford such an Eligible Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.
- 16.7 The Company shall maintain all necessary books of account and records relating to this Scheme.
- 16.8 This Scheme shall in all respects be administered by the Board and/or the Option Plan Committee 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 this Scheme and the determination and terms of each entitlement under an Option as the Board thinks fit. The Board shall have full power and authority to take all actions and to make all determinations required or provided for under this Scheme, and shall have full power and authority to take all such other actions and make all such other determinations not inconsistent with the specific terms and provisions of this Scheme that the Board deems to be necessary or appropriate to the administration of this Scheme. The interpretation and construction by the Board of any provision of this Scheme shall be final, binding and conclusive.
- 16.9 Unless otherwise provided in this Scheme, 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 this Scheme (other than in respect of his own participation therein) and may retain any benefit under this Scheme.

17. GOVERNING LAW

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

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