ZHI SHENG GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

RULES OF THE SHARE OPTION SCHEME CONDITIONALLY ADOPTED BY THE SHAREHOLDERS AT THE EXTRAORDINARY GENERAL MEETING HELD ON [14 DECEMBER] 2026

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1. DEFINITIONS

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

"Adoption Date"
[14 December**]** 2026, being the date on which this Scheme was approved and adopted by the Shareholders;

"Articles"
the articles of the Company as amended from time to time;

"associates"
has the same meaning as defined in the GEM Listing Rules;

"**Auditors**"
the auditors for the time being of the Company;

"**Board**"
the board of Directors for the time being or a duly authorised committee thereof;

"**Business Day**"
any day on which the Stock Exchange is open for the business of dealing in securities listed thereon;

"close associate(s)"
has the meaning as defined in the GEM Listing Rules;

"Company"
Zhi Sheng Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM;

"**connected person**"
has the meaning as defined in the GEM Listing Rules;

"**core connected person**"
has the meaning as defined in the GEM Listing Rules;

"Director(s)"
the director(s) of the Company for the time being;

"Eligible Participant(s)"
including (a) the Employee Participant(s); (b) the Related Entity Participant(s); and (c) the Service Provider(s), provided that the Board may have absolute discretion to determine whether or not one falls within the above category, subject to compliance with Chapter 23 of the GEM Listing Rules;

"Employee Participant(s)"
the director(s) and employee(s) (whether full-time or part-time) of any member of the Group (including persons who are granted Options under this Scheme as inducement to enter into employment contracts with any member of the Group);

"Exercise Date"
has the meaning ascribed to it in sub-paragraph 6.7;

"**Exercise Price**"
the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to paragraph 5;

"GEM"
GEM operated by the Stock Exchange;

"GEM Listing Rules"
the Rules Governing the Listing of Securities on GEM as may be amended from time to time;

"**Grantee**"
any Eligible Participant who accepts the Offer in accordance with the terms of this Scheme or (where the context so permits and as referred to in sub-paragraph 6.6(a)) his/her Personal Representative(s);

"Group"
the Company and all of its subsidiaries from time to time;

"HK$"
Hong Kong dollars, the lawful currency of Hong Kong for the time being;

"Hong Kong"
the Hong Kong Special Administrative Region of the People's Republic of China;

"inside information"
has the meaning defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;

"Offer"
an offer for the grant of an Option made in accordance with this Scheme;

"Offer Date"
the date on which an Offer is made to an Eligible Participant;

"Option(s)"
any option(s) to be granted to Eligible Participant(s) to subscribe for Shares granted pursuant to this Scheme;

"**Option Period**"

in respect of any particular Option, the period to be determined and notified by the Directors to the Grantee thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the provisions for early termination thereof contained herein;

"**Personal Representative(s)**"

the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised);

"**Related Entity**"

the holding companies, fellow subsidiaries or associated companies of the Company;

"**Related Entity Participant(s)**"

directors and employees (whether full time or part time) of the Related Entity;

"**Scheme**"

this share option scheme in its present form or as may be amended in accordance with paragraph 13;

"**Scheme Mandate Limit**"

has the meaning ascribed to it in sub-paragraph 8.1(a);

"**Service Provider(s)**"

person(s) who provide services to any member of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, which include any independent distributor, contractor, supplier, agent, consultant, adviser and/or business partner to any area of business or business development of the Group, but excluding any placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions, and other professional service provider such as auditor or valuer who provide assurance, or are required to perform their services with impartiality and objectivity are excluded from such category and the Board shall have absolute discretion to determine whether or not one falls within such category;

"Service Provider Sublimit"

has the meaning ascribed to it in sub-paragraph 8.1(b);

"**Share(s)**"

ordinary share(s) of HK$0.1 each in the share capital of the Company, or, if there has been a sub-division, consolidation, re-classification or re-construction of 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 sub-division, consolidation, re-classification or

re-construction;

"**Shareholder(s)**"
holder(s) of the issued Share(s) from time to time;

"**Share Registrar**"
branch share registrar and transfer office of the Company in Hong Kong for the time being;

"**Stock Exchange**"
The Stock Exchange of Hong Kong Limited or such other stock exchange which is the principal stock exchange (as determined by the Directors) on which Shares are for the time being listed or traded;

"**Takeovers Code**"
the Hong Kong Code on Takeovers and Mergers and Share Buy-backs issued by the SFC;

"Termination Date"
close of business of the Company on the date which falls ten (10) years after the Adoption Date;

"**Vesting Period**"
has the meaning ascribed to it in sub-paragraph 6.4;

"**Treasury Shares**"
Shares repurchased and held by the Company in treasury, as authorised by the laws of the Cayman Islands and the Articles which, for the purpose of the GEM Listing Rules, includes Shares repurchased by the Company and held or deposited in the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited for sale on the Stock Exchange; and

"**%**"
per cent.

1.2 In this Scheme, save where the context otherwise requires:

(a) paragraph headings are for ease of reference only and shall be ignored in construing this Scheme;

(b) references to paragraph or paragraphs are references to paragraph or paragraphs hereof;

(c) words importing the singular include the plural and vice versa;

(d) words importing one gender include both genders and the neuter and vice versa;

(e) references to persons include bodies corporate and unincorporated;

(f) references to any statutory provisions or rules prescribed by any statutory bodies shall include the same as from time to time amended, consolidated and re-enacted; and

(g) references to any statutory body shall include the successor thereof and anybody established to replace or assume the functions of the same.

2. CONDITIONS

2.1 The adoption of this Scheme is conditional upon:

(a) the GEM Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in any new Shares which may fall to be allotted and issued by the Company upon the exercise of the Options that may be granted under this Scheme; and

(b) the passing of ordinary resolutions at a general meeting of the Company approving the adoption of this Scheme and authorising the Directors to grant Options to Eligible Participants and to allot and issue Shares pursuant to the exercise of any Options granted under this Scheme.

2.2 The reference in sub-paragraph 2.1 to the GEM Listing Committee of the Stock Exchange formally granting the approvals, listing and permission referred to therein shall include any such approvals, listing and permission which are granted subject to conditions.

2.3 A certificate of a Director that the conditions set out in sub-paragraph 2.1 have been satisfied and the date on which such conditions were satisfied or that such conditions have not been satisfied as of any particular date and the exact date of the Adoption Date shall be conclusive evidence of the matters certified.

2.4 The Company must publish an announcement on the outcome of the Shareholders meeting as referred to in sub-paragraph 2.1(b) for the adoption of this Scheme as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the Business Day after such general meeting, in accordance with the publication requirements set out in Chapter 16 of the GEM Listing Rules.

3. PURPOSE, DURATION AND ADMINISTRATION

3.1 The purpose of this Scheme is to attract and retain the best available personnel of the Group, to provide additional incentive or rewards to the Eligible Participants for the contribution or potential contribution to the Group, and to promote the success of the business of the Group. This Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimising their performance and efficiency and attract and

retain the Eligible Participants whose contributions are important to the long-term growth and profitability of the Group.

3.2 The Company may issue new Shares and/or utilise Treasury Shares (if any) to satisfy grants of the Options under this Scheme to the extent permitted by the GEM Listing Rules, all applicable laws and regulations and the Articles.

3.3 This Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to this Scheme or its interpretation or application or effect shall (save as otherwise provided herein and in the absence of manifest error) be final and binding on all persons who may be affected thereby. For the avoidance of doubt, subject to compliance with the requirements of the GEM Listing Rules and the provisions of this Scheme, the Board shall have the right to (i) interpret and construe the provisions of this Scheme; (ii) determine the persons who will be offered Options under this Scheme, and the number of Shares and the Exercise Price, in relation to such Options; (iii) make such appropriate and equitable adjustments to the terms of Options granted under this Scheme as it may deem necessary; and (iv) make such other decisions or determinations or regulations as it shall deem appropriate for the administration of this Scheme.

3.4 In determining the basis of eligibility of each Eligible Participant, the Board would take into account of (i) the experience of the Eligible Participant on the Group's business; (ii) the length of service of the Eligible Participant with the Group (if the Eligible Participant is an Employee Participant); (iii) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Eligible Participant has established with the Group (if the Eligible Participant is a Service Provider); and (iv) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

3.5 For Employee Participants, the Board will consider, amongst others, their (i) general working experience; (ii) time commitment (full-time or part-time); (iii) length of their service within the Group; (iv) roles and responsibilities; (v) employment conditions according to the prevailing market practice and industry standard; or where appropriate; and (vi) contribution or potential contribution to the Group. In determining whether a person has contributed or will contribute to the Group, the Group will take into account, among other things, whether contribution has been made to or will be made to the Group in terms of operation, financial performance, prospects, growth, reputation and image of the Group.

3.6 For Related Entity Participants, the Board will consider, among others: (i) the positive impact brought by, or expected from, the Related Entity Participant on the Group's business in terms of, amongst other things, an increase in revenue or profits and/or an addition of expertise to the Group; (ii) the period of engagement or employment of the Related Entity Participant by the Group; (iii) the number, scale and nature of the projects in which the Related Entity Participant is involved; (iv) whether the Related Entity Participant has or is expected to refer or introduce

opportunities to the Group which have or are likely to materialise into further business relationships; and (v) the materiality and nature of the business relations of holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies of the Group which may benefit the core business of the Group through a collaborative relationship.

3.7 For Service Providers, the factors in assessing whether such Service Provider is eligible to participate in this Scheme include, in particular: (i) the individual performance of relevant Service Providers; (ii) the length of business relationship with the Group; (iii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (iv) track record in the quality of services provided to and/or cooperation with the Group; and (v) the scale of business dealings with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider.

3.8 Further, with respect to the eligibility of each category of the Service Providers, the Board will, on a case by case basis, specifically consider the following factors:

(a) Supplier

Service Providers under this category are mainly suppliers of services, who/which support the Group's businesses of data centre.

The Board will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such supplier, including but not limited to: (i) the nature, reliability and quality of the services supplied; (ii) the value of the services provided by the relevant supplier; (iii) the frequency of collaboration and length of business relationship with the Group; (iv) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (v) the background, reputation and track record of the relevant supplier; (vi) the replacement cost of such supplier and/or the services (including continuity and stability of supply or provision of such services); and (vii) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such supplier could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the services supplied and/or provided by such supplier.

(b) Contractor, agent, consultant, adviser and business partner

Service Providers under this category are mainly independent contractors, agents, consultants, advisers and business partners who provided advisory services, consultancy services, investor relationship services and/or other professional services to the Group on areas relating to the Group's principal business activities in (i) manufacture and sales of furniture products and data centre and (ii) other principal business(es) according to the annual report or interim report of the

Company that are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group by way of introducing new customers or business opportunities to the Group and/or applying their specialised skills and/or knowledge in the abovementioned fields.

The Board will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such contractor, agent, consultant and/or adviser, including but not limited to: (i) individual performance of the relevant contractor, agent, consultant and/or adviser; (ii) their knowledge, experience and network in the relevant industry; (iii) the frequency of collaboration and length of business relationship with the Group; (iv) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (v) the background, reputation and track record of the relevant contractor, agent, consultant and/or adviser; (vi) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such contractor, agent, consultant and/or adviser could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by services provided by such contractor, agent, consultant and/or adviser; (vii) the replacement cost of such contractor, agent, consultant and/or adviser (including continuity and stability of provision of the necessary services); and (viii) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant contractor, agent, consultant and/or adviser, and/or the synergy between the relevant contractor, agent, consultant and/or adviser and the Group.

In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis and in its ordinary and usual course of business, the Board will take into consideration (i) the length and type of services provided and the recurrences and regularity of such services; (ii) the nature of the services provided to the Group by the Service Provider; and (iii) whether such services form part of or are directly ancillary to the businesses conducted by the Group.

3.9 Subject to paragraphs 2 and 14, this Scheme shall be valid and effective until the Termination Date, after which period no further Options will be granted but the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted or exercised prior thereto or otherwise as may be required in accordance with the provisions of this Scheme.

3.10 An Eligible Participant shall ensure that any exercise of his/her Option under paragraph 6 is valid and complies with all laws, legislations and regulations to which he/she is subject. The Directors may, as a condition precedent of issuing Shares upon an exercise of an Option, require the relevant Grantee to produce such evidence as it may reasonably require for such purpose.

3.11 The Board may at its discretion specify any condition in the offer letter at the grant of the relevant Option which must be satisfied before an Option may be exercised. Save as determined by the Board on a case-by-case basis taking into account the nature of the duties of and services provided by the Eligible Participant(s) and

provided in the offer letter of the grant of the relevant Option at the discretion of the Board, there is no performance target which must be achieved before an Option can be exercised under the terms of this Scheme, and save as set out in paragraphs 6.1 and 6.6, there is no any clawback mechanism for the Company to recover or withhold any Options granted to any Eligible Participant.

4. GRANT AND ACCEPTANCE OF OPTIONS

4.1 The Board shall, subject to and in accordance with the provisions of this Scheme and the GEM Listing Rules, be entitled (but shall not be bound) at any time and from time to time on any Business Day within a period of ten (10) years commencing on the Adoption Date to make an Offer to such Eligible Participant as it may in its absolute discretion select, and subject to such conditions as the Board may think fit, to subscribe for such number of Shares (being a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof) as the Board may, subject to paragraph 8, determine at the Exercise Price pursuant to paragraph 5, provided that no such grant shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or the Directors of any applicable securities laws and regulations in any jurisdiction.

4.2 Notwithstanding the foregoing sub-paragraph 4.1, no Option shall be granted by the Board:

(1) after inside information (having the meaning defined in the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong) has come to its knowledge until (and including) the trading day after it has been announced by the Company pursuant to the requirements of the GEM Listing Rules; and

(2) during the period commencing from one (1) month immediately preceding the earlier of:

(a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for approving the Company's results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and

(b) the deadline for the Company to publish its results for any year or half-year or quarter-year period under the GEM Listing Rules, or any other interim period (whether or not required under the GEM Listing Rules),

and ending on the date of the results announcements (or during any period of delay in publishing results announcements).

For the avoidance of doubt, in compliance with the GEM Listing Rules, a Director must not deal in any securities of the Company (and no Options may be granted to a

Director) on any day on which its financial results are published and:

(i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half year period up to the publication date of the results,

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in Rule 5.67 of the GEM Listing Rules.

4.3 An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine either generally or on a case-by-case basis specifying the number of Shares and the Option Period in respect of which the Offer is made and further requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of this Scheme and shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including his/her Personal Representative(s)) for a period of twenty-one (21) days inclusive of, and from the Offer Date provided that no such Offer shall be open for acceptance after the earlier of the Termination Date or the termination of this Scheme.

4.4 An Offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant with the number of Shares in respect of which the Offer is accepted as stated therein, together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company.

4.5 Any Offer may be accepted by an Eligible Participant for any amount of Shares which is less than the number of Shares which are offered, provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the Offer duly signed by such Eligible Participant and received by the Company together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof within twenty-one (21) days from the Offer Date (or such shorter period referred to in sub-paragraph 4.3). To the extent that the Offer is not accepted within the stated period, it will be deemed to have been irrevocably declined.

4.6 Upon an Offer being accepted by an Eligible Participant in whole or in part in accordance with sub-paragraph 4.4 or 4.5, an Option in respect of the number of Shares in respect of which the Offer was so accepted will be deemed to have been granted by the Company to such Eligible Participant on the date of such acceptance provided that if such date of acceptance shall fall on a non-Business Day, the Business Day immediately following such date of acceptance shall be taken to be

the date of acceptance for the grant of such Option. To the extent that the Offer is not accepted within twenty-one (21) days from the Offer Date (or such shorter period referred to in sub-paragraph 4.3) in the manner indicated in sub-paragraph 4.4 or 4.5 it will be deemed to have been irrevocably declined.

4.7 The making of an Offer to any connected person 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 or whose associate is the proposed Grantee of an Option).

5. EXERCISE PRICE

5.1 The Exercise Price shall, subject to any adjustments made pursuant to paragraph 9, be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of:

(a) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the Offer Date, which must be a Business Day;

(b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive Business Days immediately preceding the Offer Date; and

(c) the nominal value of the Share on the Offer Date.

5.2 Where a relevant Option is to be granted under sub-paragraph 8.2 or 8.4, for the purposes of sub-paragraphs 5.1(a) and 5.1(b) above, the date of the Board meeting at which the grant was proposed shall be taken to be the Offer Date for such relevant Option, and the provisions of sub-paragraph 5.1 shall apply *mutatis mutandis*.

6. EXERCISE OF OPTIONS

6.1 Subject to sub-paragraph 6.2, 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 whatsoever in favour of any third party over or in relation to any Option or enter into any agreement so to do. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Option or any part thereof granted to such Grantee to the extent not already exercised.

6.2 The Stock Exchange may consider granting a waiver to allow a transfer of an Option to a vehicle (such as trust or private company) for the benefit of the Grantee and any family members of such Grantee that would continue to meet the purpose of this Scheme and comply with other requirements of the GEM Listing Rules. Where such waiver is granted, the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle shall be disclosed.

6.3 Subject to sub-paragraph 15.8, an Option shall be exercisable in whole or in part in the circumstances and in the manner as set out in this sub-paragraph 6.3 or sub-paragraph 6.6 (as the case may be) by the Grantee (or, as the case may be, his/her

Personal Representative(s)) giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised. Each of such notice must be accompanied by a remittance for the full amount of the Exercise Price for Shares in respect of which the notice is given. Within twenty-eight (28) days after receipt of the notice and the remittance and, where appropriate, receipt of the Auditors' or independent financial adviser's certificate pursuant to paragraph 9, the Company shall accordingly allot and issue the relevant number of Shares to the Grantee (or, in the event of an exercise of Option by a Personal Representative pursuant to sub-paragraph 6.6(a), to the estate of the Grantee) credited as fully paid and instruct the Share Registrar to issue to the Grantee (or his estate in the event of an exercise by his/her Personal Representative(s) as aforesaid) a share certificate for the Shares so allotted.

6.4 Save for the circumstances prescribed in sub-paragraph 6.5, an Option must be held by the Grantee for at least twelve (12) months (the "**Vesting Period**") before the Option can be exercised.

6.5 The Board (or the remuneration committee of the Company where it relates to grants of Options to an Employee Participant who is a Director and/or senior manager of the Company) may at its discretion grant a shorter Vesting Period to an Employee Participant in the following circumstances:

(a) grants of "make-whole" Option(s) to new joiners to replace the share options they forfeited when leaving the previous employers;

(b) grants to an Employee Participant whose employment is terminated due to death or occurrence of any out of control event;

(c) grants that are made in batches during a year for administrative and compliance reasons, which may be subject to any changes made to the applicable laws, regulations and rules in jurisdictions in which the Employee Participants and the Group are subject to and not connected with the performance of the relevant Employee Participants, which include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the Vesting Period may be shorter to reflect the time from which the Option would have been granted;

(d) grants of Options with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months, or where the Options may vest by several batches with the first batch to vest within 12 months of the grant date and the last batch to vest 12 months after the grant date; or

(e) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

6.6 Subject as hereinafter provided, an Option may (and may only) be exercised by the Grantee at any time or times during the Option Period provided that:

(a) in the event of the Grantee ceasing to be an Eligible Participant by reason of

his/her death before exercising the Option in full, and where the Grantee is an employee or a director of the Group and none of the events which would be a ground for termination of his/her employment or directorship under sub-paragraph 6.6(c)(ii) arises, his/her Personal Representative(s) may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of sub-paragraph 6.3 within a period of twelve (12) months following the date of death, 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 period of twelve (12) months or at the expiration of the Option Period, whichever is earlier, if any of the events referred to in sub-paragraph 6.6(e), 6.6(f) or 6.6(g) occur during such period, exercise the Option pursuant to sub-paragraphs 6.6(e), 6.6(f) or 6.6(g) respectively;

(b) in the event of the Grantee who is an employee or a director of the Group ceasing to be an Eligible Participant by reason of ill-health or retirement or voluntary resignation as an employee or a director in accordance with his/her contract of employment before exercising the Option in full, he/she may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of sub-paragraph 6.3 within a period of three (3) months following the date of such cessation, failing which it will lapse on the date of such cessation and shall not be exercisable, unless the Board may, at its absolute discretion, determine that the Option shall remain valid and exercisable for such further period as the Board may decide. If any of the events referred to in sub-paragraph 6.6(e), 6.6(f) or 6.6(g) occurs during such period, exercise the Option pursuant to sub-paragraph 6.6(e), 6.6(f) or 6.6(g) respectively. The date of cessation as aforesaid shall be the last day on which the Grantee is actually at work with the Group whether salary is paid in lieu of notice or not;

(c) (i) in the event of the Grantee who is an employee or a director of the Group ceasing to be an Eligible Participant for any reason other than the reasons specified in sub-paragraphs 6.6(a) and/or 6.6(b); or (ii) where the Grantee is an employee or a director of the Group by reason of dismissal or upon expiration of his/her term of directorship (unless immediately renewed upon expiration), or by termination of his/her employment or directorship on any one or more of the grounds that he or she has been guilty of persistent or serious misconduct, or has become bankrupt or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute) or any other ground(s) on which the Group would be entitled to terminate the Grantee's employment or directorship pursuant to any applicable law before exercising the Option in full, his/her Option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable and any Option exercised (if any) but the Shares of which have not been allotted, shall be deemed not to have been so exercised and the amount of the Exercise Price for the Shares in respect of the purported exercise of such Option shall be returned;

(d) in the event of the Grantee who is a Service Provider cease to be an Eligible Participant by reason of breach of contract entered into between such Service Provider and the Group, or termination of his/her/its engagement or appointment, in the absolute determination of the Board or the Board in its sole and absolute opinion believes such Grantee has become a competitor of the Group, or the Grantee has become bankrupt or has become insolvent or has made any arrangement or composition with his/her/its creditors generally, has committed any serious misconduct, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute), the Option (to the extent not already exercised) shall lapse on the date of the Board's determination and not be exercisable and any Option exercised (if any) but the Shares of which have not been allotted, shall be deemed not to have been so exercised and the amount of the Exercise Price for the Shares in respect of the purported exercise of such Option shall be returned;

(e) if a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert (as defined in the Takeovers Code) with the offeror), the Company shall use all its reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the Grantee (or his/her Personal Representative(s)) shall, notwithstanding any other terms on which his/her Options were granted, be entitled to exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in accordance with the provisions of sub-paragraph 6.3 at any time within one (1) month after the date on which such offer becomes or is declared unconditional, or within one (1) month after the record date for entitlements under the scheme of arrangement, as the case may be;

(f) in the event a notice is given by the Company to its Shareholders to convene an extraordinary 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 it despatches such notice to each Shareholder give notice thereof to all Grantees (containing an extract of the provisions of this sub-paragraph) and thereupon, each Grantee or his/her Personal Representative(s) shall be entitled to exercise all or any of his/her Options (to the extent not already exercised) by giving notice in writing to the Company in accordance with the terms of this Scheme (such notice shall be received by the Company no later than seven (7) Business Days prior to the proposed extraordinary general meeting), accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as

possible and, in any event, no later than the Business Day immediately prior to the date of the proposed extraordinary general meeting referred to above, allot and issue the relevant Shares to the Grantee credited as fully paid; and

(g) in the event of a compromise or arrangement between the Company and the Shareholders or its creditors being proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to the Shareholders or its creditors to summon a meeting to consider such a scheme or arrangement and the Options (to the extent not already exercised) shall become exercisable in whole or in part on such date until the earlier of (i) two (2) months after that date or (ii) at any time not later than seven (7) Business Days prior to the date of the meeting directed to be convened by the court for the purposes of considering such a scheme or arrangement (the "**Suspension Date**"). Any Grantee or his/her Personal Representative(s) may by notice in writing to the Company in accordance with the terms of this Scheme, accompanied by a remittance of the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and in any event no later than 3:00 p.m. on the Business Day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee or his/her Personal Representative(s) which falls to be issued on such exercise of the Option credited as fully paid and register the Grantee as holder thereof. With effect from the Suspension Date, the rights of all Grantees to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been exercised, lapse and terminated.

6.7 No dividends shall be payable in relation to Shares that are the subject of Options that have not been exercised. The Shares to be allotted and issued or Treasury Shares (if any) to be transferred upon the exercise of an Option will be subject to all the provisions of the Articles for the time being in force and will rank *pari passu* in all respects with the existing fully paid Shares in issue (excluding Treasury Shares) on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the **"Exercise Date"**) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to the record date therefor shall be before the Exercise Date. A Share allotted upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered onto the register of members of the Company as the holder thereof.

7. EARLY TERMINATION OF OPTION PERIOD

7.1 The Option Period in respect of any Option shall automatically terminate and that Option (to the extent not already exercised) shall automatically lapse on the earliest of:

(a) subject to sub-paragraph 6.6, the expiry of the Option Period;

(b) the date on which the Grantee commits a breach of sub-paragraph 6.1;

(c) the expiry of any of the periods referred to in sub-paragraph 6.6;

(d) the date of the commencement of the winding-up of the Company.

7.2 A resolution of the Directors to the effect that the employment or directorship of a Grantee has or has not been terminated on one or more of the grounds specified in sub-paragraph 6.6(c)(ii) shall be conclusive and binding on the Grantee.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

8.1 Subject to the GEM Listing Rules,

(a) the total number of Shares which may be issued (including any Treasury Shares which may be transferred, as applicable) in respect of all Options which may be granted at any time under this Scheme, all awards which may be granted at any time under the share award scheme of the Company (the "**Share Award Scheme**")(if any), together with options and awards which may be granted under any other share schemes for the time being of the Company shall not exceed such number of Shares as equals 10% of the issued share capital of the Company (excluding Treasury Shares) as at the Adoption Date, being 18,638,852 Shares (assuming that there are no changes to the Company's issued share capital between the Latest Practicable Date and the EGM) (the "**Scheme Mandate Limit**"), unless Shareholders' approval has been obtained pursuant to sub-paragraphs 8.1(c) and 8.1(d) below. Options lapsed in accordance with the terms of this Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit (as defined below).

(b) subject to the foregoing sub-paragraph 8.1(a), within the Scheme Mandate Limit, the total number of Shares which may be issued (including any Treasury Shares which may be transferred, as applicable) in respect of all Options which may be granted at any time under this Scheme, all awards which may be granted at any time under the Share Award Scheme (if any), together with options and awards which may be granted under any other share schemes for the time being of the Company to the Service Providers shall not exceed such number of Shares as equals to 2% of the issued share capital of the Company (excluding Treasury Shares) as at the Adoption Date (the "**Service Provider Sublimit**").

(c) the Company may seek approval of the Shareholders in general meeting to refresh the Scheme Mandate Limit and/or the Service Provider Sublimit under this Scheme after three (3) years from the Adoption Date (or the date of Shareholders' approval for the last refreshment). However, the total number of Shares which may be issued (including any Treasury Shares which

may be transferred, as applicable) upon exercise of all options and awards to be granted under this Scheme, the Share Award Scheme and any other schemes of the Company under the limit as "refreshed" must not exceed 10% of the relevant class of Shares in issue (excluding Treasury Shares) as at the date of approval of the refreshed Scheme Mandate Limit and/or the Service Provider Sublimit. For the purpose of seeking approval of Shareholders under this sub-paragraph 8.1(c), the Company must send a circular to its Shareholders containing the information required under the GEM Listing Rules. Any refreshment of the Scheme Mandate Limit and/or the Service Provider Sublimit to be made within three (3) years from the Adoption Date (or the date of Shareholders' approval for the last refreshment) shall be subject to independent Shareholders' approval pursuant to Rule 23.03C(1) of the GEM Listing Rules.

(d) the Company may seek separate approval of the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided that 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. For the purpose of seeking approval of Shareholders under this sub-paragraph 8.1(d), the Company must send a circular to the Shareholders containing the name of each specified Eligible Participants who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose, and such other information as required under the GEM Listing Rules. The number and terms (including the Exercise Price) of Options to be granted to such Eligible Participant must be fixed before Shareholders' approval and the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

8.2 Where any grant of Options to an Eligible Participant would result in the Shares issued and to be issued (including any Treasury Shares which may be transferred, as applicable) in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in any twelve (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), such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Options to be granted (and options previously granted to such Eligible Participant in such twelve (12)-month period), the purpose of granting Options to the Eligible Participant, an explanation as to how the terms of the Options serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the Exercise Price) of Options to be granted to such Eligible Participant must be fixed before Shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

8.3 Any grant of Options to any of the Directors, chief executive of the Company or substantial Shareholder (as defined in the GEM Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who and whose associate is the proposed Grantee of the Option (if any)).

8.4 Where any grant of Options to an independent non-executive Director or a substantial Shareholder (as defined in the GEM Listing Rules) or any of their respective associates would result in the Shares issued and to be issued (including any Treasury Shares which may be transferred, as applicable) in respect of all options and awards granted and to be granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 0.1% of the total issued Shares (excluding Treasury Shares), such further grant of Options must be approved by the Shareholders in a general meeting of the Company in the manner set out below. The Company must send a circular to the Shareholders. The Grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting. Parties that are required to abstain from voting in favour at the general meeting pursuant to Rule 23.04(1) of the GEM Listing Rules may vote against the resolution at the general meeting of the Company, provided that their intention to do so has been stated in the relevant circular to the Shareholders. Any vote taken at the general meeting to approve the grant of such Options must be taken on a poll and comply with the requirements under the GEM Listing Rules. The circular must contain:

(1) details of the number and terms of the Options to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant should be taken as the Offer Date for the purpose of calculating the Exercise Price;

(2) the views of the independent non-executive Directors (excluding any independent non-executive Director who and whose associate is the proposed Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and

(3) the information as may be required by the Stock Exchange from time to time.

8.5 Shareholders' approval as required under sub-paragraph 8.4 is also required for any change in the terms of Options granted to an Eligible Participant who is a substantial Shareholder (as defined in the GEM Listing Rules) or an independent non-executive Director, or any of their respective associates.

9. REORGANISATION OF CAPITAL STRUCTURE

9.1 In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or this Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), then, in any such case (other than in the case of capitalisation issue) the Company shall instruct the Auditors or independent financial adviser to certify in writing:

(a) the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

(i) the number or nominal amount of Shares to which this Scheme or any Option(s) relates (insofar as it is/they are unexercised); and/or

(ii) the Exercise Prices of any unexercised Options,

and an adjustment as so certified by the Auditors or the independent financial adviser shall be made, provided that:

(1) any such adjustment shall be made on the basis that the aggregate Exercise Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event;

(2) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;

(3) any such adjustment shall be made on the basis that a Grantee shall be given the same proportion of the issued share capital of the Company for which such Grantee would have been entitled to subscribe had he exercised all the Options held by him/her immediately prior to such event (as interpreted in accordance with the supplementary guidance issued by the Stock Exchange on 5 September 2005);

(4) the issue of securities of the Company for cash (save and except for rights issue) or as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and

(b) in respect of any such adjustments, the Auditors or the independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements set out in the above, the requirements of Rule 23.03(13) of the GEM Listing Rules, the supplementary guidance issued by the Stock Exchange on 5 September 2005, any relevant provisions of the GEM Listing Rules and any guidance/interpretation of the GEM Listing Rules issued by the Stock Exchange and the note thereto from time to time.

9.2 If there has been any alteration in the capital structure of the Company as referred

to in sub-paragraph 9.1, the Company shall, upon receipt of a notice from a Grantee in accordance with sub-paragraph 6.3, inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the certificate of the Auditors or the independent financial adviser obtained by the Company for such purpose or, if no such certificate has yet been obtained, inform the Grantee of such fact and instruct the Auditors or an independent financial adviser as soon as practicable thereafter to issue a certificate in that regard in accordance with sub-paragraph 9.1.

9.3 In giving any certificate under this paragraph 9 the Auditors and independent financial adviser shall be deemed to be acting as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company and all persons who may be affected thereby.

10. CANCELLATION OF OPTIONS

Subject to sub-paragraph 6.6, any Option granted but not yet exercised may not be cancelled except with the written consent of the relevant Grantee and the prior approval of the Directors. Where the Company cancels Options and makes a new grant to the same Grantee, such new grant may only be made under this Scheme with available unissued Options within the limit approved by the Shareholders as set out in sub-paragraphs 8.1(a) to 8.1(d). The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

11. SHARE CAPITAL

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

12. DISPUTES

Any dispute arising in connection with this Scheme (whether as to the number of Shares of an Option, the Exercise Price or any adjustment under sub-paragraph 9.1) shall be referred to the decision of the Auditors or the independent financial adviser who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby.

13. ALTERATION OF THIS SCHEME

This Scheme may be altered in any respect by a resolution of the Board or administrator of this Scheme except:

(a) any alteration to the advantage of the Eligible Participants in relation to any matter contained in Rule 23.03 of the GEM Listing Rules;

(b) any alterations to the terms and conditions of this Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of Options was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders, except where the alterations take effect automatically under the existing terms of this Scheme;

(c) any change to the authority of the Directors or the administrator of this Scheme to alter the terms of this Scheme;

(d) the provisions of this Scheme as to the definitions of "Eligible Participant", "Grantee", "Option Period" and "Termination Date" in sub-paragraph 1.1; and

(e) the provisions of sub-paragraphs 3.1, 4.1, 4.4, 4.5 (other than the time period referred to), 4.6 (other than the time period referred to) and 7.1 and paragraphs 5, 6, 8, 9, 10 and 11 and this paragraph 13,

which shall only be altered with the approval of Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the Articles for the time being for a variation of the rights attached to Shares. Any change to the terms of the Option granted to a Grantee must be approved by the Board, the remuneration committee of the Company, 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, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of this Scheme. Any alteration to the terms and conditions of this Scheme shall comply with the relevant requirements of Chapter 23 of the GEM Listing Rules.

14. TERMINATION

14.1 The Company by an ordinary resolution in general meeting may at any time terminate the operation of this Scheme and in such event no further Options will be offered but in all other respects the provisions of this Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted but not exercised prior thereto 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.

14.2 Details of the Options granted, including Options exercised or outstanding, under this Scheme and (if applicable) Options that become void or non-exercisable as a result of the termination must be disclosed in the circular to the Shareholders seeking approval of the first new share option scheme to be established after such

termination.

15. MISCELLANEOUS

15.1 This Scheme shall not form part of any contract of employment between the Company and any Eligible Participant who is the employee of the Group and the rights and obligations of any such Eligible Participant under the terms of his/her office or employment shall not be affected by his/her participation in this Scheme or any right which he/she may have to participate 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.

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

15.3 The Company shall bear the costs of establishing and administering this Scheme, including any costs of the Auditors and the independent financial advisers in relation to the preparation of any certificate by them or providing any other service in relation to this Scheme.

15.4 A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to Shareholders at the same time or within a reasonable time of any such notices or documents being sent to Shareholders.

15.5 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its principal place of business in Hong Kong and, in the case of the Grantee, his/her address in Hong Kong as notified to the Company from time to time or, if none or incorrect or out of date, his/her last place of employment with the Company or the Company's principal place of business in Hong Kong from time to time.

15.6 Any notice or other communication if sent by the Grantee shall be irrevocable and shall not be effective until actually received by the Company.

15.7 Any notice or other communication if sent to the Grantee shall be deemed to be given or made:

(a) one (1) day after the date of posting, if sent by mail;

(b) seven (7) days after the date of posting to an address in a different territory;

(c) upon completion of transmission if sent by facsimile or other form of electric transmissions; and

(d) when delivered, if delivered by hand.

15.8 A Grantee shall, before accepting an Offer or exercising his/her Option, obtain all

necessary consents and approvals that may be required to enable him/her to accept the Offer or to exercise the Option and the Company to allot and issue to him/her in accordance with the provisions of this Scheme the Shares falling to be allotted and issued upon the exercise of his/her Option. By accepting an Offer or exercising his/her Option, the Grantee thereof is deemed to have represented to the Company that he has obtained all such consents and approvals. Compliance with this sub-paragraph shall be a condition precedent to an acceptance of an Offer by a Grantee and an exercise by a Grantee of his/her Options.

15.9 A Grantee shall pay all tax and discharge all other liabilities to which he/she may become subject as a result of his participation in this Scheme or the exercise of any Option.

15.10 By accepting an Offer a Grantee shall be deemed irrevocably to have waived any entitlement, by way of compensation for loss of office or otherwise howsoever to any sum or other benefit to compensate him/her for loss of any rights under this Scheme.

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