

BETTERS MEDICAL INVESTMENT HOLDINGS LIMITED

百德医疗投资控股有限公司

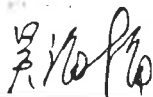
(Incorporated in the Cayman Islands with limited liability)

**RULES OF THE
PRE-IPO SHARE OPTION SCHEME
ADOPTED BY A RESOLUTION OF THE SHAREHOLDERS
PASSED ON 24 SEPTEMBER 2021
(AS AMENDED AND RESTATED BY A RESOLUTION OF THE SHAREHOLDERS
PASSED ON 11 SEPTEMBER 2022)**

I, Wu Haimei, a director of BETTERS MEDICAL INVESTMENT HOLDINGS LIMITED
百德医疗投资控股有限公司 (the “**Company**”) hereby certify that the rules of the attached
pre-IPO share option scheme of the Company were adopted by the shareholders of the
Company on 24 September 2021 (as amended and restated by a resolution of the Shareholders
passed on 11 September 2022).

Rule
17.02(1)(a)

Dated 11 September 2022



Name: Wu Haimei
Director

1. DEFINITIONS

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

“Adoption Date”	24 September 2021, being the date on which this Scheme has been approved by a resolution of the Shareholders;
“Articles”	the articles of association of the Company, as amended from time to time;
“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;
“Company”	BETTERS MEDICAL INVESTMENT HOLDINGS LIMITED 百德医疗投资控股有限公司, an exempted company incorporated in the Cayman Islands with limited liability;
“Director(s)”	the director(s) of the Company for the time being;
“Electronic Communication”	means a communication sent by electronic transmission in any form through any medium;
“Eligible Participant(s)”	(a) any directors, whether executive or non-executive and whether independent or not, of any member of the Group; and (b) any full time or part time employees of any member of the Group;
“Global Offering”	the issue and offer of new Shares for subscription by the public in Hong Kong and the placing of the new Shares to professional, institutional and other investors
“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 5.6(b)) his/her Personal Representative(s);
“Group”	the Company and all of its subsidiaries from time to time;

Rule
17.03(2)

“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;
“Listing Date”	the date on which dealings in the Shares on the Main Board of the Stock Exchange first commence;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“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”	an option to subscribe for Shares granted pursuant to this Scheme;
“Option Period”	in respect of any Option, the period to be determined and set forth in the Rules of the Scheme and the Offer Circular, subject to the approval of the Directors to the Grantee thereof as set forth in Rule 17.03(5) and 17.03(11) of the Rules, 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);
“Scheme”	this Share Option Scheme in its present form or as may be amended in accordance with paragraph 12;
“Share(s)”	means ordinary share(s) of HK\$0.01 each 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;

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option (whether granted prior to or after the amendment and restatement of this Schedule) pursuant to paragraph 4; and
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers.

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 any body established to replace or assume the functions of the same.

2. PURPOSE, DURATION AND ADMINISTRATION

- 2.1 The purpose of this Scheme is to give Eligible Participants an opportunity to have a personal stake in the Company and help motivate them to optimise their future performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group. 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 effect shall be final and binding on all persons who may be affected thereby. Rule
17.03(1)
17.03(2)
- 2.2 Subject to paragraph 13, this Scheme shall be valid and effective from the Adoption Date to the Listing Date (including the former date but excluding the later date). Subject to the early termination of this Scheme, no further Options may be granted on or after the Listing Date but Options which are granted during the Rule
17.03(11)

duration of this Scheme and remain unexercised immediately prior to the expiry or termination of this Scheme shall continue to be exercisable in accordance with their terms of grant within the Option Period and 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.

2.3 An Eligible Participant shall ensure that any exercise of his/her Option under paragraph 5 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.

2.4 Subject to sub-paragraph 5.5, there is no specified minimum period under this Scheme for which an Option must be held or specified performance target which must be achieved before an Option can be exercised under the term of this Scheme. Rules 17.03(6) 17.03(7)

3. GRANT OF OPTIONS

3.1 The Board shall, subject to and in accordance with the provisions of this Scheme, be entitled (but shall not be bound) at any time and from time to time on any Business Day between the Adoption Date and the Listing Date (including the former date but excluding the later 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 as the Board may, subject to paragraph 7, determine at the Subscription Price, 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. Rule 17.05

3.2 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 early of the expiry or termination of this Scheme.

3.3 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 stated therein, together with a remittance in favour of the Company of Rule 17.03(8)

HK\$1.00 by way of consideration for the grant thereof is received by the Company.

- 3.4 Any Offer may be accepted by an Eligible Participant in respect of less than the number of Shares which are offered 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 3.2). To the extent that the Offer is not accepted within the stated period, it will be deemed to have been irrevocably declined.
- 3.5 Upon an Offer being accepted by an Eligible Participant in whole or in part in accordance with sub-paragraph 3.3 or 3.4, 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 3.2) in the manner indicated in sub-paragraph 3.3 or 3.4 it will be deemed to have been irrevocably declined.
- 3.6 No further grant of the Options shall be allowed after the Listing Date.

4. SUBSCRIPTION PRICE

The Subscription Price shall be HK\$0.6622 per Share, subject to any adjustments made pursuant to paragraph 8, be determined at the discretion of the Board at its absolute discretion.

Rule
17.03(9)

5. EXERCISE OF OPTIONS

- 5.1 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.
- 5.2 Subject to sub-paragraph 5.5, any Option granted under this Scheme shall become valid and exercisable upon all of the following conditions precedent being fulfilled:
- (a) the Listing Committee of the Stock Exchange granting approval of the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of this Scheme;
 - (b) commencement of dealings in the Shares on the Stock Exchange; and

Rule
17.03(17)

- (c) any such conditions as may be specified in the relevant offer letter in respect of the grant of Options being satisfied or waived.
- 5.3 Reference in sub-paragraph 5.2 to the 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 any conditions.
- 5.4 Subject to sub-paragraphs 5.2 and 14.9, an Option shall be exercisable in whole or in part in the circumstances and in the manner as set out in this sub-paragraph 5.4 or sub-paragraph 5.6 (as the case may be) by the Grantee (or, as the case may be, his/her Personal Representative(s)) after the vesting date but before the expiry of the Option Period (the “**Exercisable Period**”) by 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 such notice must be accompanied by a remittance for the full amount of the Subscription Price for Shares in respect of which the notice is given. Within thirty (30) days after receipt of the notice and, where appropriate, receipt of the Auditors’ or independent financial adviser’s certificate pursuant to paragraph 8, the Company shall accordingly allot 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 5.6(b), to the estate of the Grantee) credited as fully paid and instruct the share registrar of the Company to issue to the Grantee (or his/her estate in the event of an exercise by his/her Personal Representative(s) as aforesaid) a share certificate for the Shares so allotted.
- 5.5 Subject to (i) the conditions as set out in the Offer; (ii) the conditions set out in sub-paragraph 5.2; and (iii) the Grantee remaining an Eligible Participant during the relevant period under the vesting schedule, and unless otherwise determined by the Board, the Options granted shall be subject to the following vesting schedule or such vesting schedule to be determined by the Board in its absolute discretion, which shall be specified in the letter of the Offer: Rule 17.03(6)
- (a) two-thirds of the total number of the Options will be vested 24 months immediately following the Listing Date; and
- (b) the remaining one-third of the total number of the Options will be vested 36 months immediately following the Listing Date,
- notwithstanding the foregoing, the earliest vesting date shall not be earlier than the Listing Date.
- 5.6 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: Rule 17.03(16)
- (a) if the Grantee ceases to be an Eligible Participant for any reason other than his/her death, ill-health or retirement in accordance with his/her contract of employment, or by way of termination of his/her employment on one or more of the grounds specified in paragraph 6.1(c) before exercising the Rule 17.03(12)

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 unless the Board otherwise determines in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part within such period as the Board may determine following the date of such cessation or termination or, if any of the events referred to in sub-paragraph 5.6(c), 5.6(d) or 5.6(e) occur during such period, exercise the Option pursuant to sub-paragraphs 5.6(c), 5.6(d) or 5.6(e) respectively. The date of cessation or termination 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.

- (b) if the Grantee ceases to be an Eligible Participant by reason of his/her death, ill health or retirement in accordance with his/her contract of employment before exercising the Option in full and none of the events which would be a ground for termination of his/her employment under sub-paragraph 6.1(c) arises, his/her Personal Representative(s) or, as appropriate, the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of sub-paragraph 5.4 within a period of six months following the date of such cessation (or such longer period as the Board may determine), 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 six months (or such longer period as the Board may determine) or at the expiration of the Option Period, whichever is earlier, or if any of the events referred to in sub-paragraph 5.6(c), 5.6(d) or 5.6(e) occur during such period, exercise the Option pursuant to sub-paragraphs 5.6(c), 5.6(d) or 5.6(e) respectively;
- (c) 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 holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in 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 of the Company. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to shareholders in the Company, the Grantee 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 5.4 at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under the scheme of arrangement, as the case may be;
- (d) in the event a notice is given by the Company to its members 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 member of the Company 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 (such notice shall be received by the Company no later than five (5) Business Days prior to the proposed extraordinary general meeting), accompanied by a remittance for the full amount of the aggregate Subscription 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

- (e) in the event of a compromise or arrangement between the Company and its members or 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 its members or creditors to summon a meeting to consider such a scheme or arrangement and any Grantee or his/her Personal Representative(s) may by notice in writing to the Company (such notice shall be received by the Company no later than five (5) Business Days prior to the proposed meeting), accompanied by a remittance of the full amount of the Subscription Price in respect of which the notice is given exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice and 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 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.

5.7 Shares to be allotted and issued 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 on the date on which the name of the Grantee is registered on the register of members of the Company as holder thereof and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after such date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before such 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.

Rules
17.03(10)
17.03(15)

6. LAPSE OF OPTION

- 6.1 An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:
- (a) the expiry of the Option Period;
 - (b) the expiry of the periods referred to in sub-paragraph 5.6, where applicable;
 - (c) the date on which the Grantee ceases to be an Eligible Participant by reason of termination of his/her employment on the grounds that (i) he/she has been guilty of persistent or serious misconduct; or (ii) has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally; or (iii) 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 date of cessation or termination 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;
 - (d) the date of the commencement of the winding-up of the Company;
 - (e) the date on which the Grantee commits or permits or attempts to commit or permit a breach of the terms of this Scheme or any terms or conditions attached to the grant of that or any other Option; or
 - (f) the date on which the Option is cancelled by the Board as provided in paragraph 9.
- 6.2 If an Option shall lapse, the Board shall notify the Grantee in writing of such lapse.

7. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- 7.1 The maximum number of Shares which may be issued upon exercise of all Options which may be granted at any time under this Scheme is 96,000,000 Shares (the “**Scheme Mandate Limit**”), and each Option granted prior to the amendment and restatement of this Schedule shall be adjusted to 5.3333333 Options subject to rounding to nearest integer.

Rule
17.03(3)
Notes (1)
and (2)

8. REORGANISATION OF CAPITAL STRUCTURE

- 8.1 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) after the Listing Date, 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:

Rule
17.03(13)

- (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 subject to any Option so far as such Option remains unexercised; and/or
 - (ii) the Subscription Price.

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

- (1) any such adjustment shall satisfy the requirements set forth in Rule 17.03(13) of the Listing Rules and/or the note thereto and FAQ No. 072-2020 and any future guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time;
 - (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 equity capital of the Company to which such Grantee was previously entitled before such adjustment;
 - (4) the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
- (b) in respect of any such adjustments, other than any made on a capitalisation issue, 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.

8.2 If there has been any alteration in the capital structure of the Company as referred to in sub-paragraph 8.1, the Company shall, upon receipt of a notice from a Grantee in accordance with sub-paragraph 5.4, 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 8.1.

8.3 In giving any certificate under this paragraph 8 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.

9. CANCELLATION OF OPTIONS

The Board shall be entitled for the following causes to cancel any Option granted but not exercised by giving notice in writing to the Grantee stating that such Option is thereby cancelled with effect from the date specified in such notice (the “**Cancellation Date**”):

- (a) the Grantee consents to the cancellation of the Option in writing; or
- (b) the Grantee has, in the sole opinion of the Board, conducted himself/herself in any manner whatsoever to the detriment of or prejudicial to the interests of the Group.

The Option which has not been exercised shall be deemed to have been cancelled with effect from the Cancellation Date. No compensation shall be payable upon any such cancellation. Where the Company cancels Options and issues new ones to the same holder of the Option, the issue of such new Options may only be made under a scheme with available unissued options (excluding the cancelled Options) within the Scheme Mandate Limit.

10. 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.

11. DISPUTES

Any dispute arising in connection with this Scheme (whether as to the number of Shares of an Option, the Subscription Price or otherwise) shall be referred to the decision of the Board in its absolute discretion and whose decision shall be final and binding.

12. ALTERATION OF THIS SCHEME

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

Rule
17.03(18)

- (a) any alteration to the advantage of the Eligible Participants in relation to any matter contained in Rule 17.03 of the 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, except alterations which 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 (if any) in relation to any alteration to the terms of this Scheme; and
- (d) the provisions of this Scheme as to the definitions of “Eligible Participant”,

“Grantee”, and “Option Period” in sub-paragraph 1.1,

which shall only be altered with the prior sanction of a resolution of the Company 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 holders of the Shares under the memorandum of association and Articles for the time being of the Company for a variation of the rights attached to Shares. Any alterations to the terms and conditions of this Scheme shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

13. TERMINATION

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 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.

Rule
17.03(16)

14. MISCELLANEOUS

- 14.1 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 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.
- 14.2 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.
- 14.3 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.
- 14.4 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.
- 14.5 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 or the People's Republic of China as notified to the Company from time to time provided that in case of notice or other communication given by the Company to a Grantee, it may be given by Electronic Communication.

- 14.6 Any notice or other communication if sent by the Grantee shall be irrevocable and shall not be effective until actually received by the Company.
- 14.7 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 posing to an address in a different territory;
 - (c) upon completion of transmission if sent by facsimile; and
 - (b) when delivered, if delivered by hand.
- 14.8 Any notice or other communication by Electronic Communication by the Company to a Grantee shall be deemed to have been served on the day on which the Electronic Communication is transmitted to the Grantee and no notification has been received by the Company that the Electronic Transmission has not reached the Grantee. Any failure in transmission of the Electronic Communication which is beyond the sender's control shall not invalidate the effectiveness of the notice or communication being served.
- 14.9 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/she 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.
- 14.10 A Grantee shall pay all tax and discharge all other liabilities to which he/she may become subject as a result of his/her participation in this Scheme or the exercise of any Option.
- 14.11 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 for loss of any rights under this Scheme.
- 14.12 This Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.