

WING TAI PROPERTIES LIMITED

SHARE OPTION PLAN

Shareholders' approval [23 May] 2023

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2033

WARNING

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice

THE RULES OF SHARE OPTION PLAN

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WING TAI PROPERTIES LIMITED SHARE OPTION PLAN

1. INTERPRETATION AND CONSTRUCTION

1.1 Definitions

In this Plan, the following expressions have the meanings shown next to them:

Adoption Date – the date of approval and adoption of the Plan by the shareholders of the Company;

Associate – the same meaning as defined in the Listing Rules;

Board - the board of directors of the Company;

Business Day - any day on which the Exchange is open for the business of dealing in securities;

Chief Executive – the same meaning as defined in the Listing Rules;

Close Associate – the same meaning as defined in the Listing Rules;

Committee – the Remuneration Committee or such other sub-committee as the Remuneration Committee or the Board may delegate to carry out any function under or in connection with the Plan;

Company – Wing Tai Properties Limited, a company incorporated in Bermuda with limited liability and registered in Hong Kong with No. F0005246;

Companies Ordinance - the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) as amended from time to time;

Control - the power of a person to secure:

- (i) by means of holding of shares or the possession of voting power in or in relation to that corporation or any other corporation; or
- (ii) by virtue of any powers conferred by the articles of association or other constitutional document regulating that corporation or any other corporation,

that the affairs of the first-mentioned corporation are conducted in accordance with the wishes of that person;

Core Connected Person – the same meaning as defined in the Listing Rules;

Eligible Person - any person who is eligible to take part in the Plan according to Rule 2 (*Eligibility*);

Engagement – a Participant's position as a director, employee or Re-Engaged Consultant of any member of the Group, and "Engaged" shall be construed accordingly;

Exchange - the Stock Exchange of Hong Kong Limited or any successor exchange which may take over its function;

Exercise Period - in relation to an Option, the period which starts on the Vesting Date and ends on the day before the tenth anniversary of the Grant Date unless the Board or the Committee sets a shorter period at the time of grant;

Exercise Price - the price payable to subscribe for a Share on the exercise of an Option;

Grant Date - subject to Rule 31(B) (*Restrictions on grant*), the date on which an Option is granted, which will be the date on which the Option is offered to an Eligible Person under Rule 3.6 (*Offer and acceptance*);

Group:

- (i) except as provided in (ii) below, the Company and its Subsidiaries; and
- (ii) for the purposes of Rule 9 (*Leaving Engagement*) only, the Company and its Subsidiaries together with any other company of which not less than 20% of its equity share capital (within the meaning of section 194 of the Companies Ordinance is beneficially owned (directly or indirectly) by the Company and its Subsidiaries and which the Board has resolved for the time being should be treated for the purposes of that Rule as a member of the Group,

and the expression **member of the Group** will be construed accordingly;

Listing Rules – the Rules Governing the Listing of Securities on the Exchange, as amended from time to time;

Option - a right to subscribe for Shares granted under this Plan;

Option Shares – in respect of any Option, the Shares over which an Option is granted;

Participant – any Eligible Person who accepts an offer of an Option made to him under Rule 3.6 (*Offer and acceptance*);

Plan - this plan as amended from time to time including any schedule to the Rules;

Re-Engaged Consultant - an individual who (a) is a former director or employee of any member of the Group and (b) has entered into a consultancy contract to provide consultancy services to any member of the Group on a continuing and recurring basis in its ordinary and usual course of business who, in the sole and absolute direction of the Board or the Committee, has contributed or will contribute to the long-term growth of the Group (hereinafter referred to as an “**Individual Consultant**”). “Re-Engaged Consultant” shall also include any corporation owned and operated by such an Individual Consultant through which he enters into an agreement to provide consultancy services to any member of the Group on a continuing and recurring basis (a “**Corporate Consultant**”). For the avoidance of doubt, “Re-Engaged Consultant” excludes (a) placing agents or financial advisers providing advisory services for fundraising, mergers or

acquisitions, and (b) professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity.;

Re-Engaged Consultant Sub-limit – the same meaning as defined in Rule 5 (*Sub-limit for Re-Engaged Consultants*);

Remuneration Committee – the remuneration committee of the Company;

Rules - the rules of this Plan;

Scheme Mandate Limit – the same meaning as defined in Rule 6 (*Total number of Shares*);

senior manager – the same meaning as defined in Chapter 17 of the Listing Rules;

Share - the share(s) in the capital of the Company with a par value of HK\$0.5 each (or such other nominal value as may result from a sub-division, consolidation, reclassification or reconstruction of share capital of the Company from time to time);

Subsidiary - the same meaning as in section 15 (*Subsidiary*) of the Companies Ordinance;

Substantial Shareholders – the same meaning as defined in the Listing Rules;

Unvested Option - any Option, or (as the case may be) that part of an Option, which is not a Vested Option;

Vested Option - subject to the Rules, an Option, or (as the case may be) that part of an Option, which has vested;

Vesting Date - in relation to each Option, the or (as the case may be) each, date on and after which the Option may be exercised; and

Vesting Period - in relation to each Option, the period for which an Option must be held by the Participant before the Option can be exercised under the terms of the Plan.

1.2 Meaning of ceasing to be Engaged

- (A) For the purposes of Rule 9 (*Leaving Engagement*) but subject to (B), a Participant is to be treated as ceasing to be Engaged when his Engagement ends. For the avoidance of doubt, a Participant will cease to be Engaged if the company by which he is Engaged ceases to be a member of the Group.
- (B) If a Participant is away from work:
 - (i) in circumstances where he has a contractual or statutory right to return to work at the end of the period of leave; or
 - (ii) because of a period of leave approved by the Chairman of the Board or the Chief Executive of the Company for this purpose,

the Participant will be treated for the purposes of Rule 9 (*Leaving Engagement*) as continuing to be Engaged (whether or not he is) unless and until the Chairman of the Board or the Chief Executive of the Company is satisfied that there is no longer any reasonable expectation that the Participant will return to work and not to have ceased to be so Engaged if he returns to work at the end of that period of leave.

1.3 Construction of Rules

(A) Any reference in the Plan:

- (i) to the singular includes the plural and vice versa;
- (ii) to the masculine includes the feminine;
- (iii) (in the context of Re-Engaged Consultants) to the masculine includes the neuter; and
- (iv) to an enactment or any rules includes that enactment or those rules as for the time being amended or re-enacted.

(B) Any reference in a Rule to a number or letter in parenthesis (for example (B)) is a reference to the paragraph in that Rule with that number or letter.

(C) The headings to the Rules are for reference purposes only and are not to be used in construing the meaning of the Rules.

1.4 Governing law

Unless the Rules say otherwise, this Plan and any Option granted under it are governed by Hong Kong law.

1.5 Administration

Unless the Rules or the Listing Rules then prevailing say otherwise, the Plan shall be subject to the administration of the Board whose decision on all matters arising in relation to the Plan or its interpretation or effect shall (save as otherwise provided herein or in the Listing Rules then prevailing) be final and binding on all parties. The Board may delegate any or all of its powers in relation to the Plan to the Committee.

1.6 Disputes

The decision of the Board or the Committee on the construction of the Rules and on any disputes arising under the Plan is final and binding on all persons.

1.7 Purpose

The purpose of the Plan is to:

- (i) recognise, motivate and provide incentives to those who make contributions to the Group;

- (ii) help the Group retain its existing directors, employees and Re-Engaged Consultants and recruit additional directors, employees and Re-Engaged Consultants who will be valuable to the Group; and
- (iii) provide existing and future directors, employees and Re-Engaged Consultants with direct economic interests in the long-term development and growth of the Group.

1.8 Listing Rules

Should there be any inconsistency between the requirements under the Listing Rules in relation to share option plans and the terms and conditions of this Plan, the relevant requirements under the Listing Rules will prevail.

1.9 Conditions

The Plan will take effect upon:

- (i) the approval of the Plan by the shareholders of the Company in general meeting; and
- (ii) the Exchange granting the listing of, and the permission to deal in, the Option Shares which are to be issued under the Plan.

2. ELIGIBILITY

2.1 General

Subject to the Listing Rules then prevailing and such terms and conditions that the Board or the Committee may determine at its sole discretion on a general or case-by-case basis, a person is eligible to be granted an Option at the discretion of the Board or the Committee if he is a bona fide director, employee or Re-Engaged Consultant of any member of the Group on the Grant Date.

2.2 Absent on leave

Where an individual is away from work with any member of the Group in circumstances where he has a statutory or contractual right to return to work at the end of the period of leave, he may be treated as continuing to be Engaged by the member of the Group and continuing to be regarded as an employee and eligible to be granted an Option in that capacity unless and until the Chairman of the Board or the Chief Executive of the Company is satisfied that there is no longer any reasonable expectation of the individual returning to work in exercise of his statutory or contractual rights to do so.

3. GRANTING OPTIONS

3.1 Restrictions on grant

(A) The Board or the Committee must make sure:

- (i) that the limits in Rules 4 (*Individual limit*), 5 (*Sub-limit for Re-Engaged Consultants*) and 6 (*Total number of shares*) are not exceeded;

- (ii) that Options are not granted after 5.00 p.m. (Hong Kong time) on the 10th anniversary of the Adoption Date;
 - (iii) that no grant shall be made after inside information has come to the knowledge of the Company until such information has been published in accordance with the Listing Rules. In particular, no grant may be made during the period commencing 1 month immediately preceding the earlier of (i) the date of the meeting of the Board (as such date is first notified by the Company to the Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for publishing an announcement of the Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on and including the date of the results announcement; and
 - (iv) that the Plan is not operated at any time, or in any circumstances, when to do so would breach the Company's code for securities transactions, the Listing Rules or any other applicable laws or regulations.
- (B) Any grant of Options or any matters relating to the grant of Options to a director or senior manager of the Company must be approved by the Remuneration Committee.

3.2 Grant to a director, Chief Executive or Substantial Shareholder of the Company

- (A) Any grant of Options to a director, Chief Executive or Substantial Shareholder of the Company, or any of their respective Associates under the Plan must be approved by the independent non-executive directors of the Company (but excluding any independent non-executive director of the Company who is a Participant of the relevant Options).
- (B) Where any grant of Options to an independent non-executive director or Substantial Shareholder of the Company, or any of their respective Associates would result in the Shares issued and to be issued in respect of all options and awards granted under the Plan and any other share schemes of the Company (excluding any options and awards lapsed in accordance with the terms of the Plan or the terms of such other share schemes of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant must be approved by shareholders of the Company in a general meeting. The Participant, his Associates and all Core Connected Persons of the Company must abstain from voting in favour of such resolution in such general meeting. The Company shall issue a circular to the shareholders containing such information as may be required by the Listing Rules then prevailing to be included in such circular.
- (C) Any change in the terms of the Options granted to a Participant who is a director, Chief Executive or Substantial Shareholder of the Company, or any of their respective Associates must be approved by shareholders of the Company in the manner as set out in (B) above if the initial grant of the Options requires such approval (except where the changes take effect automatically under the existing terms of the Plan).

3.3 Procedure on grant

Subject always to compliance with the Listing Rules, the Board or the Committee may adopt such procedure as it thinks fit for granting each Option.

3.4 Performance targets

The Board or the Committee may at its discretion specify any performance targets which must be satisfied before the Options become vested. If performance targets are imposed on a Participant, the Board or the Committee may assess such performance targets against key performance indicators for the Group, its business units, projects or individuals, which may include a combination of factors such as cash flow; earnings per Share; return on assets; return on equity; sales; revenue; profits; and such other goals as the Board or the Committee may determine from time to time. The Board or the Committee shall have absolute discretion to assess and determine whether the performance targets of a Participant are satisfied.

3.5 Exercise Price

The Board or the Committee must set the Exercise Price, which must be at least the higher of: (i) the closing price of the Shares as stated in the Exchange's daily quotations sheet on the Grant Date, which must be a Business Day; and (ii) the average closing price of the Shares as stated in the Exchange's daily quotations sheets for the five Business Days immediately preceding the Grant Date.

3.6 Offer and acceptance

- (A) Subject to the terms of the Plan, the Board shall be entitled at any time before the Plan expires (but in any event no later than the tenth anniversary of the Adoption Date) to make offers of Options to such Eligible Persons as the Board may in its absolute discretion select.
- (B) Subject to Rule 3.3:
 - (i) a grant of Options shall be made to an Eligible Person by letter in such form as the Board or the Committee (save for the grant of Options to directors and senior managers of the Company which must be approved by the Remuneration Committee) may from time to time determine setting out the terms and conditions of the Options including requiring the Eligible Person to undertake to hold the Option on the terms on which it is to be granted including but not limited to the Vesting Period (in respect of all or some of the Option Shares subject to the Option) and the Exercise Period and to be bound by the provisions of the Plan (the **"Grant Letter"**) and shall remain open for acceptance by the Eligible Person for a period of twenty-eight (28) days from the Grant Date (the **"Acceptance Period"**);
 - (ii) Unless otherwise specified in the Grant Letter, no consideration shall be payable by the Eligible Person upon acceptance of the Option; and
 - (iii) an Option shall be deemed to have been accepted and to have been granted on the Grant Date when a duplicate of the Grant Letter, comprising acceptance of the offer, duly signed by the Participant, is received by the Company within the Acceptance Period.

3.7 Vesting Period and Exercise Period

- (A) Without prejudice to (B), the minimum Vesting Period shall be twelve months from (and including) the Grant Date.
- (B) Notwithstanding any other provisions in this Plan, the Vesting Period of an Option may be shorter than twelve months from the Grant Date in the following circumstances:
 - (i) The Board or the Committee may grant Options with a Vesting Period shorter than twelve months to any new director or employee of any member of the Group for the purpose of compensating him for any loss of share options or awards or any other form of compensation due to leaving his previous employer(s);
 - (ii) The vesting of an Option (which is held by a Participant who is/was a director or employee of any member of the Group as of the last day of his Engagement) as may be decided by the Board or the Committee in accordance with Rule 9.1(B) (*Leaving Engagement – general*) or 9.3 (*Leaving Engagement - Unvested Options*);
 - (iii) The vesting of an Option in accordance with Rule 9.4(A) (*Death of a Participant*) upon the death of a Participant; and
 - (iv) Subject to Rule 10 (*Change of Control and Liquidation*), any relevant Vesting Period of an Option held by a Participant who is a director or employee of any member of the Group may be shortened to the extent necessary for, or for the purpose of giving effect to, the immediate vesting of Unvested Options as provided under Rule 10.1(B).
- (C) Each Vesting Date shall be determined by the Board or the Committee, but no Vesting Date may fall after the tenth anniversary of the date of the offer of the Option to which it relates.
- (D) Each Exercise Period shall be determined by the Board or the Committee, but no Exercise Period may expire after the tenth anniversary of the Grant Date of the Option to which it relates.

4. INDIVIDUAL LIMIT

Subject always to the Listing Rules, each Option must be limited, and must therefore take effect, so that the total number of Shares issued and to be issued in respect of all share awards and share options of the Company granted to each Participant (including both exercised and outstanding (vested or unvested) share options, and utilised and outstanding (vested or unvested) share awards of the Company) in the twelve-month period up to and including the date of such grant does not exceed one per cent. of the Company's total issued share capital. Any grant of further Options above this limit shall be separately approved by shareholders of the Company in a general meeting (with such Participant and his Close Associates abstaining from voting), and the Company, in connection with the seeking of such separate shareholders' approval, has first sent a circular to shareholders of the Company containing such information as may be required by the Listing Rules then prevailing to be included in such circular.

5. SUB-LIMIT FOR RE-ENGAGED CONSULTANTS

Subject always to the Listing Rules, the total number of Shares which may be issued in respect of all Options to be granted under the Plan and any other share option and share awards to be granted under any share schemes of the Company in aggregate to the Re-Engaged Consultants shall not exceed 2 per cent. of the Company's issued share capital as at the Adoption Date (the "**Re-Engaged Consultant Sub-limit**").

6. TOTAL NUMBER OF SHARES

- (A) Subject always to the Listing Rules, the total number of Shares which may be issued in respect of all Options to be granted under the Plan and any other share option and share awards to be granted under any share schemes of the Company in aggregate shall not exceed 10 per cent. of the Company's issued share capital as at the Adoption Date (the "**Scheme Mandate Limit**"). For the avoidance of doubt, the Re-Engaged Consultant Sub-limit shall be counted towards the Share Mandate Limit.
- (B) The Scheme Mandate Limit referred to under (A) (including the Re-Engaged Consultant Sub-limit referred to under Rule 5) may be refreshed, subject to shareholders' approval, after three years from the date of shareholders' approval for the Plan (or the date of shareholders' approval for the last refreshment) but in any event, the total number of Shares which may be issued in respect of all Options to be granted under the Plan and any other share option and share awards to be granted under any share schemes of the Company under the limit as refreshed must not exceed 10 per cent. of the Shares in issue as at the date of approval of the refreshed limit. Additional refreshment within any three-year period must be approved (i) by independent shareholders of the Company, where any controlling shareholder of the Company or their Associates (or if there is no controlling shareholder, the directors (excluding independent non-executive directors) and the Chief Executive of the Company and their respective Associates) must abstain from voting in favour of such resolution in such general meeting or (ii) otherwise in accordance with the requirements under the Listing Rules.
- (C) Notwithstanding the foregoing, the Company may grant Options beyond the Scheme Mandate Limit to Eligible Persons if (a) separate shareholders' approval has been obtained for granting Options beyond the Scheme Mandate Limit to Eligible Persons specifically identified by the Company before such Shareholders' approval is sought; and (b) the Company, in connection with the seeking of such separate shareholders' approval, has first sent a circular to shareholders of the Company containing such information as may be required by the Listing Rules then prevailing to be included in such circular.
- (D) Options or share awards previously granted by the Company which lapsed in accordance with the terms of the Plan or the terms of any other share option schemes or any share award schemes of the Company (as applicable) will not be counted for the purpose of calculating the Scheme Mandate Limit referred to under (A) (or the Re-Engaged Consultant Sub-limit referred to under Rule 5, if applicable) whether before or after their refreshment.

7. RESTRICTIONS UPON EXERCISE

7.1 General

Rule 7 overrides the other Rules except where otherwise stated.

7.2 Exercise

A Participant may not exercise his Option:

- (i) before the start of the Exercise Period except where either Rule 9 (*Leaving Engagement*) or Rule 10 (*Change of Control and liquidation*) applies; or
- (ii) after the end of the Exercise Period except where Rule 9.4 (*Death of Participant*) applies,

and, subject to Rule 9.4 (*Death of Participant*), a Participant's Option will lapse on the expiry of the Exercise Period.

7.3 Lapsing of Options

If an Option (or a part of an Option) lapses under any Rule, it (or, as the case may be, the relevant part of it) may not be exercised subsequently under any other Rule.

7.4 Code for securities transactions

A Participant's exercise of his Option is subject always to compliance with the Company's code for securities transactions.

8. EXERCISE OF OPTION

8.1 Exercise during Exercise Period

A Participant may exercise his Vested Options during the Exercise Period or at such other times as the Rules may permit. Where an Option is exercisable, it may be exercised in whole or in part and from time to time.

8.2 Method of exercise

To exercise his Vested Option, a Participant must give notice to the Company or to such other person as the Board or the Committee may direct. The notice of exercise must be in such form, and be accompanied by such other documents, as the Board or the Committee may decide.

8.3 Payment of Exercise Price

The Exercise Price in respect of all Option Shares to which a notice of exercise relates must be paid in cash in full or an undertaking to pay must be given at the same time as the notice of exercise is given. Alternatively, the Participant may enter into any arrangements as the Board or the Committee may in its sole discretion approve for the payment of the Exercise Price to be made by the Company in cash.

8.4 Time of exercise

- (A) Unless the Company and the Participant agree a later date, the date of exercise will (subject to (B)) be the date on which the notice of exercise, complete in all material respects, and the relevant Exercise Price in respect of all Option Shares to which the notice of exercise relates (subject to Rule 8.3) are received by the Company (or by such other person as the Board or the Committee may have directed).
- (B) The Board or the Committee may limit the number of days (each an **exercise date**) in each month on which Options may be exercised but there must be at least two exercise dates in each month. The Board or the Committee may also stipulate that, in order to exercise an Option on an exercise date, the notice of exercise, complete in all material respects, and the relevant Exercise Price in respect of all Option Shares to which the notice of exercise relates (subject to Rule 8.3) must be received by the Company (or by such other person as the Board or the Committee may have directed) a specified number of days (not exceeding seven) prior to that exercise date failing which, unless the Board or the Committee otherwise permits, the notice of exercise will not take effect until the next following exercise date.

8.5 Allotment of Shares

- (A) Within 30 days of the date of exercise (as determined in accordance with Rule 8.4) of the Options, the Company must issue and allot the number of Shares stated in the notice of exercise to the Participant.
- (B) This obligation is, however, subject to:
 - (i) any necessary consents or approvals as may be required by any competent authority having first been obtained;
 - (ii) the Participant having complied with the terms of the Option; and
 - (iii) if applicable, some of the Shares being sold in accordance with Rule 8.6.

8.6 Withholding obligations

- (A) This Rule applies if any person is required by law to make a payment to the appropriate authorities on account of the Participant's liability to tax, duties, social security contributions or other amounts in respect of his Option becoming exercisable or being exercised or on any other event in connection with his Option.
- (B) The Participant must either pay that person the amount which that person needs to pay (or has paid) to the appropriate authorities or agree to such other arrangements as may be approved by the Company. If the Participant does not do so within such period as is specified by the Company, then he will be deemed to have authorised the disposal of such number of his Option Shares as is necessary to ensure that the net proceeds of sale of those Shares are as nearly as possible equal to the amount due to (or paid to) the appropriate authorities, or as are required to ensure that the Participant complies with his obligations, and the payment of the net proceeds of sale to that person.

9. LEAVING ENGAGEMENT

9.1 Leaving Engagement - general

- (A) If a Participant's Engagement ends for any reason whatsoever, his Unvested Options (if any) will lapse on the date on which his Engagement ends unless any of the following provisions of Rule 9 apply.
- (B) If all of the following conditions are satisfied:
 - (i) a Participant ceases to have an Engagement;
 - (ii) but for this Rule, his Option would lapse (in whole or in part) on his Engagement ending; and
 - (iii) under the laws of the country in which the Participant works or lives or to which he is subject, such lapsing is unlawful or may render the member of the Group which Engaged the Participant liable to some disadvantage,

subject to Rule 3.7 (*Vesting Period and Exercise*), the Board or the Committee may take such action as it considers appropriate (to the minimum extent necessary to comply with those laws or to ensure that the member of the Group which Engaged the Participant is not liable to that disadvantage) including (without limitation) deciding that the Option will become a Vested Option and that the Participant may exercise his Option.

9.2 Leaving Engagement - Vested Options

This Rule applies if a Participant's Engagement ends at a time when he holds a Vested Option and his Engagement ends for any reason other than those referred to in Rule 9.5 (*Leaving Engagement due to cause etc.*) (in which case his Option will lapse) or his death (see Rule 9.4 below). The Participant may exercise his Options in accordance with Rule 8 (*Exercise of Option*) in the period of 6 months (or such other period as the Chairman of the Board or (where the Chairman of the Board is the Participant) the Chief Executive of the Company may decide) starting on the date on which his Engagement ends. At the end of that period, the Option will lapse unless the Participant dies during that period in which case Rule 9.4 will apply.

9.3 Leaving Engagement - Unvested Options

- (A) This Rule applies if a Participant's Engagement ends at a time when he holds an Unvested Option and his Engagement ends due to disability or illness and the Chairman of the Board or (where the Chairman of the Board is the Participant) the Chief Executive of the Company, acting fairly and reasonably, decides that this Rule will apply in relation to that Option.
- (B) The Board or the Committee in its absolute discretion may decide that any Unvested Option held by a Participant on the day on which his Engagement ends will (i) become a Vested Option in part or in full in respect of all the Option Shares, subject to Rule 3.7 (*Vesting Period and Exercise*), or (ii) be cancelled, subject to conditions and limitations that the Board or the Committee may apply in its absolute discretion. If an Option becomes a Vested Option in accordance with this Rule, the Participant may exercise it in accordance with Rule 8 (*Exercise of Option*) within the relevant

period (see (C)) and at the end of that period it will lapse unless the Participant dies during that period in which case Rule 9.4 will apply. For avoidance of doubt, if the Board or the Committee does not exercise its discretion to make a decision under this Rule, the Unvested Options will lapse in accordance with Rule 9.1(A).

- (C) The **relevant period** is the period of 6 months or such other period as the Chairman of the Board or (where the Chairman of the Board is the Participant) the Chief Executive of the Company may decide starting on the date on which the Engagement ceased.

9.4 Death of Participant

- (A) This Rule applies if a Participant dies:

- (i) whilst Engaged; or
- (ii) after having ceased to be Engaged but holding an Option which has not lapsed.

If the Participant dies holding an Unvested Option, his Option will become a Vested Option.

- (B) If the Participant dies holding a Vested Option or an Unvested Option that becomes a Vested Option according to (A), his personal representative may exercise the Option in accordance with Rule 8 (*Exercise of Option*) in the period of 6 months (or such longer period as the Chairman of the Board or (where the Chairman of the Board is the Participant) the Chief Executive of the Company may decide) starting with the date of his death and at the expiry of that period his Option will lapse.

9.5 Leaving Engagement due to cause etc.

If the Participant of an Option leaves the Engagement because he has been guilty of serious misconduct or has been convicted of a criminal offence involving his honesty, that Option shall lapse automatically.

10. CHANGE OF CONTROL AND LIQUIDATION

10.1 Exercise of Options upon Change of Control or Liquidation

- (A) This Rule applies in any of the following circumstances:

- (i) a general offer (whether by way of takeover offer, share repurchase offer or otherwise in a like manner) is made to all the shareholders of the Company (other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror);
- (ii) if the Company proposes a scheme of arrangement with its members under the Companies Act 1981 of Bermuda (as amended from time to time); or
- (iii) if a notice of a general meeting of the Company is duly given to consider a proposed resolution to wind-up the Company voluntarily,

and the date on which any of these events happens is called for the purposes of Rule 10 the **relevant date**. The Company shall give due notice to each Participant on the occurrence of the circumstance in sub-paragraph (i) above. For sub-paragraph (ii) above, the Company shall give notice thereof to all Participants on the same date as it dispatches the notice which is sent to each member or creditor of the Company summoning the meeting to consider such arrangement. For sub-paragraph (iii) above, the Company shall give notice thereof to all Participants on the same date as or promptly after it dispatches the relevant notice of general meeting.

- (B) If the Participant has an Unvested Option on the relevant date, then subject to Rule 3.7 (*Vesting Period and Exercise*), it will become a Vested Option in full in respect of all the Option Shares on the **accelerated vesting date** below, provided that the Board or the Committee may decide in its absolute discretion on or before the accelerated vesting date that such vesting shall not take place, in which case the Unvested Option shall lapse automatically in accordance with Rule 10.2. The **accelerated vesting date** is:
- (i) in a case falling within (A)(i), the date on which the general offer becomes or is declared unconditional;
 - (ii) in the case falling with (A)(ii), the date on which the notice of the meeting of members of the Company convened to approve the scheme is given; and
 - (iii) in a case falling within (A)(iii), the relevant date.
- (C) If the Participant has an Option that is a Vested Option on the relevant date or becomes a Vested Option according to (B), then he may exercise it in accordance with Rule 8 (*Exercise of Option*), subject to the **appropriate procedure** (see (F)).
- (D) The Board or the Committee may in its absolute discretion decide that any Unvested Option shall be cancelled in part or in full subject to conditions and limitations that the Board or the Committee may apply in its absolute discretion.
- (E) Where a Participant exercises his Option in accordance with this Rule in a case falling within (A)(iii), he will be entitled to share in the Company's assets in the same way as he would have been entitled to had the Shares been registered in his name before the resolution was passed or the order was made.
- (F) The **appropriate procedure** is:
- (i) in a case falling within (A)(i), the Participant may, by notice in writing to the Company within 14 days after the accelerated vesting date, exercise all the Options which have not been exercised and, if this happens, the Company shall allot and issue such Shares fully paid to that Participant. Participants who have left the Engagement (other than by reason of death) on the date on which such offer so becomes or is so declared unconditional are not entitled to exercise any Options under this provision;
 - (ii) in a case falling within (A)(ii), the Participant may, by notice in writing to the Company within 7 days of the accelerated vesting date and before such arrangement is sanctioned by the court, exercise all the Options which have not been exercised, and if this happens, the Company shall allot and issue such Shares fully paid to that Participant.

Participants who have left the Engagement (other than by reason of death) on the date of such notice of the meeting of members of the Company are not entitled to exercise any Options under this provision; and

- (iii) in a case falling within (A)(iii), upon receiving the Company's notice, the Participant may, by notice in writing to the Company not later than 7 days prior to the proposed shareholders' meeting of the Company, exercise all the Options which have not been exercised and, if this happens, the Company shall allot and issue such Shares fully paid to that Participant as soon as practicable but in any event not later than the day before the proposed shareholders' meeting. Participants who have left the Engagement (other than by reason of death) on the day on which the resolution for voluntary winding-up is passed are not entitled to exercise any Options under this provision.

10.2 Lapsing of Options

- (A) To the extent that the vesting of a Participant's Option has not taken place in accordance with Rule 10.1(B), such Participant's Option will lapse on:
 - (i) in a case falling within Rule 10.1(A)(i), the date on which the general offer becomes or is declared unconditional;
 - (ii) in a case falling within Rule 10.1(A)(ii), the date on which the scheme of arrangement becomes effective; and
 - (iii) in a case falling within Rule 10.1(A)(iii), the date of commencement of the winding up of the Company.
- (B) For the avoidance of doubt, if the Participant's Option becomes a Vested Option according to Rule 10.1(B), he may exercise his Option in accordance with Rule 8 (*Exercise of Options*), subject to the **appropriate procedure** (see Rule 10.1(F)).

11. CLAWBACK

The Board or the Committee may at its discretion impose a clawback mechanism to recover or withhold the Options granted to any Participant in the event of serious misconduct, a material misstatement in the Group's financial statements or other circumstances as the Board or the Committee deems appropriate. If such an event occurs, the Board or the Committee may by notice in writing to the Participant concerned claw back such number of Options granted or extend the Vesting Period in relation to such number of Options to such longer period as it considers appropriate. If a clawback mechanism is included in a grant, the Board or the Committee will take into account individual circumstances when formulating such mechanism such as the role and the length of service of the Participant, the purpose of the grant, whether there are any tax implications and whether it is proportionate and reasonable.

12. VARIATION OF CAPITAL

12.1 Application of Rule 12

Rule 12 applies if there is a variation in the share capital of the Company including without limitation a capitalisation issue, rights issue, subdivision or consolidation of shares or reduction of capital, or in such other circumstances as the Board or the Committee considers appropriate.

12.2 Adjustment of Options

- (A) Subject to the rest of Rule 12 and Rule 14, the Board or the Committee may adjust each Option in any way that it thinks appropriate. The decision of the Board or the Committee will be final.
- (B) The adjustment may be to any or all of the nominal amount and the number of Shares subject to Options already granted and/or the Exercise Price.
- (C) For the avoidance of doubt, the Board or the Committee may adjust an Option which a notice of exercise has been given but in respect of which Shares have not yet been allotted and issued.
- (D) Where the Board or the Committee determines that any adjustments are appropriate, the auditors or an independent financial adviser shall confirm in writing to the Board that the adjustment satisfies the requirements set out in the Listing Rules or otherwise complies with the Listing Rules or other rules, practices or directions of the Exchange in effect from time to time (other than any adjustment made on a capitalisation issue, in which case such adjustment shall be made as the Board or the Committee shall consider to be in its opinion fair and reasonable).

12.3 Restrictions on adjustment

The adjustment must give a Participant the same proportion of the equity share capital as to which that person was previously entitled (rounded to the nearest whole share), but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value. The issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustments.

12.4 Notification of adjustment

The Company must tell each Participant of any adjustment to his Option as soon as possible after the decision by the Board or the Committee.

13. GENERAL

13.1 Availability of authorised capital

The Company must keep available enough unissued share capital for all Options which are to be met by the issue of new Shares.

13.2 Non-transferability of Options

An Option is personal to the Participant and no Option may be transferred or assigned. It will lapse immediately if:

- (i) the Participant transfers it or creates any interest in it in favour of any third party, save and except the vesting of an Option in the legal personal representative(s) of a Participant on his death;
- (ii) a bankruptcy order is made against the Participant or any similar event occurs under the laws of any country; or
- (iii) (for Corporate Consultants only) a winding-up order is made against the Participant or any similar event occurs under the laws of any country.

13.3 Rights of Option holders

The Options do not carry any right to vote in general meetings of the Company, or any right, dividend, transfer or any other rights, including those arising on the liquidation of the Company.

13.4 Relationship to contract of Engagement

- (A) Participation in the Plan is a matter entirely separate from, and does not affect, a Participant's terms of Engagement. If a Participant ceases to be entitled to exercise his Option because his Engagement ends (whether lawfully or unlawfully) or for any other reason, he will not be entitled to any compensation by reference to the rights granted to, or the benefits capable of being received by, him under the Plan or for the loss of such rights or benefits.
- (B) Participation in the Plan does not affect a Participant's rights (whether beneficially or adversely) under any pension scheme or provident fund scheme which relates to his Engagement. In particular (but without limitation), the contributions payable to any such pension scheme or provident fund scheme by his employer, and the benefits provided to or in respect of the Participant under the pension scheme or provident fund scheme, are not to be increased as a result of the Participant's participation in the Plan or the benefits received by him under the Plan. By accepting the grant of an Option, the Participant agrees to these terms.

13.5 Rights of new Shares issued

Any new Shares issued under the Plan will rank equally in all respects with other Shares then in issue (except for rights which attach to Shares by reference to a record time or date prior to the time or date of issue) and will be subject to all the provisions of the Bye-laws of the Company for the time being in force, including those relating to voting, dividend, transfer and other rights (such as those arising on a liquidation of the Company).

13.6 Listing

The Company must apply to the Listing Committee of the Exchange for approval of the listing of and permission to deal in the Shares to be issued pursuant to the exercise of any Options which may be granted under the Plan.

13.7 Notices and circulars to shareholders

The Company need not give Participants copies of any documents sent by the Company to its shareholders. However, the Company must give Participants written notice of any events which entitle them to exercise their Options under Rule 10 (*Change of Control and liquidation*).

13.8 Costs

The Company must pay the costs of preparing and running the Plan. It may, however, require any member of the Group to share the costs on such a basis as the Board considers fair.

13.9 Notices to Eligible Persons and Participants

- (A) Any notice or document to an Eligible Person or Participant may be given either personally or through the internal post or by sending it by ordinary post, e-mail or facsimile or by other electronic means (including the internet and the intranet) to the address or number given by that person.
- (B) Where a notice or document is sent to an Eligible Person or Participant by ordinary post, it will be treated as being received 72 hours after it was put into the post properly addressed and stamped. In all other cases, the notice or document will be treated as received when it is given.
- (C) All notices and documents given or sent to Eligible Persons or Participants will be given or sent at the risk of the addressee. Neither the Company nor any of its Subsidiaries has any liability in respect of any notice or document given or sent, nor any obligation to check that the addressee actually receives it.

13.10 Notices to Company

- (A) A notice or document to the Company must be given by such means as the Board or the Committee may from time to time decide. Such means may include, but are not limited to, delivering it personally or through the internal post to the Company's principal place of business or by sending it by facsimile or e-mail or other electronic means (including the internet and the intranet).
- (B) Unless otherwise agreed by the Company, a notice or document will only be effective once it is received by the Company.
- (C) All notices and documents given or sent to the Company will be given or sent at the risk of the sender. Neither the Company nor any of its Subsidiaries nor the recipient has any liability in respect of any notice or document given or sent, nor any obligation to check that the addressee actually receives it.

14. CHANGING AND ENDING THE PLAN AND CHANGING TERMS OF OPTIONS GRANTED

14.1 Power of change - general

Subject to the limitations in Rule 14.2, the Board or the Committee may change the Plan in any way.

14.2 Power of change - limitations

- (A) The approval of the Company in general meeting must be obtained before making any change to the advantage of Participants in accordance with the requirements of the Listing Rules.
- (B) Subject to the exceptions in Rule 14.3, no change may be made if it would affect adversely any of the subsisting rights of a Participant, except either with his written consent or with the consent of most of the Participants affected by the change.
- (C) Any alterations to the terms and conditions of the Plan which are of a material nature must be approved by the shareholders of the Company in general meeting, save where the alterations take effect automatically under the existing terms of the Plan.
- (D) Any change to the terms of Options granted to a Participant must be approved by the Board, the Remuneration Committee, the independent non-executive directors of the Company and/or the shareholders of the Company (as the case may be) if the initial grant of the such Options was approved by the Board, the Remuneration Committee, the independent non-executive directors of the Company and/or the shareholders of the Company (as the case may be), except where the alterations take effect automatically under the existing terms of the Plan.
- (E) After any alteration, the amended terms of the Plan and the Options must comply with the relevant requirements of the Listing Rules.
- (F) Any change to the authority of the Board or the Committee to alter the terms of the Plan shall be subject to the approval of the shareholders of the Company in general meeting.

14.3 Power of change – exceptions to Rule 14.2

The Board or the Committee may, without consent of the Participants or the shareholders of the Company in general meeting, but subject always to the requirements of the Listing Rules:

- (i) change the Plan to take account of any changes to applicable law;
- (ii) change the Plan to get or keep favourable tax, exchange control or regulatory treatment for Participants or any member of the Group; and
- (iii) make minor changes to the Plan to ease its administration or to correct clerical errors.

14.4 Notification of changes

The Company must inform a Participant about any change which affects his rights.

14.5 Cancellation

Subject to Rules 9.3(B) and 10.1(D), the Board or the Committee may at any time, with the consent of the relevant Participant, cancel any Option granted. No compensation shall be payable upon any such cancellation, provided that the Board or the Committee shall be entitled in its discretion to pay such compensation to the Participant in such manner as it may consider appropriate in any particular case. Where the Company cancels Options granted to a Participant,

and makes a new grant to the same Participant, such new grant may only be made under the Plan where there is available Scheme Mandate Limit as specified in Rule 6 and Re-Engaged Consultant Sub-limit as specified in Rule 5 (if applicable). Any Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (and where applicable, the Re-Engaged Consultant Sub-limit).

14.6 Ending the Plan

The Board or the Committee may end the Plan at any time in which case no further Options will be granted. In all other respects, the Plan will remain in force. All Options granted prior to such termination and not then exercised shall continue to be valid and the Participant may exercise his Options subject to and in accordance with the Plan.

15. Miscellaneous

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