

STARLITE HOLDINGS LIMITED  
(Incorporated in Bermuda with limited liability)

RULES OF 2022 SHARE OPTION SCHEME

1. DEFINITIONS

(A) In this Scheme, except where the context otherwise requires, the following expressions have the following meanings:

"Acceptance Date"	the date upon which an Offer must be accepted by the relevant Participant, being a date not later than 28 days after the Date of Grant;
"Adoption Date"	_____, the date on which the Scheme was conditionally adopted by resolution of the Company in general meeting;
"associate(s)"	has the meaning as ascribed to it under the Listing Rules;
"Auditors"	the auditors for the time being of the Company;
"Board"	the board of directors of the Company or a duly authorised committee thereof;
"Bye-Laws"	the bye-laws of the Company, as amended from time to time;
"business day"	any day (excluding Saturday) on which banks in Hong Kong generally are open for banking business;
"close associate(s)"	has the meaning as ascribed to it under the Listing Rules;
"Commencement Date"	in respect of any particular Option duly accepted in accordance with the terms of the Scheme, the Date of Grant of that particular Option;
"Company"	Starlite Holdings Limited, a company incorporated in Bermuda with limited liability;
"connected person"	has the meaning as ascribed to it under the Listing Rules;
"core connected person"	has the meaning as ascribed to it under the Listing Rules;
"Date of Grant"	the date on which an Offer is made to a Participant and shall be a business day;

"Director(s)"	Director(s) of the Company for the time being;
"Exercise Price"	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option as described in Paragraph 5;
"Expiry Date"	in respect of an Option, the date of the expiry of the Option as may be determined by the Board, which shall not be more than ten years after the Commencement Date of such Option;
"Financial Year"	a year or other period for which the Company's consolidated accounts are prepared;
"Grantee"	any Participant who accepts an Offer in accordance with the terms of the Scheme or (where the context so permits) a person who is entitled to any such Option in consequence of the death of the original Grantee;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Offer"	the offer of the grant of an Option made in accordance with Paragraph 4;
"Option"	a right granted to subscribe for Shares pursuant to the Scheme;
"Option Period"	in respect of any particular Option, the period commencing on the expiry of 6 calendar months after the Commencement Date and expiring on the Expiry Date for such Option;
"Participant"	<ul style="list-style-type: none"> <li>(i) any full-time employee of the Company or of any subsidiary;</li> <li>(ii) any executive director and non-executive director (excluding independent non-executive directors) of the Company or of any subsidiary; and</li> <li>(iii) any person approved by the Board;</li> </ul>
"Scheme"	the 2022 share option scheme in its present form or as amended from time to time in accordance with the provisions hereof;

"Scheme Mandate Limit"	shall have the meaning given to that term in Paragraph 8(A);
"Shareholders"	holders of the Shares;
"Shares"	ordinary shares of HK\$0.10 each in the capital of the Company (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification or reconstruction of the share capital of the Company from time to time);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"subsidiary"	has the meaning ascribed to it under the Listing Rules; and
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong.

- (B) Paragraph headings are inserted for convenience of reference only and shall be ignored in the interpretation of the Scheme. References to Paragraphs are to paragraphs of the Scheme.
- (C) Where the context so permits, the singular shall include the plural and vice versa.
- (D) References to any ordinance or law shall include any statutory modification amendment or re-enactment thereof.
- (E) Headings are inserted for convenience only and shall not affect the construction of the provisions of the Scheme.

## 2. CONDITIONS

The Scheme shall take effect subject to (i) the passing of the necessary resolution by the Shareholders in general meeting to approve and adopt the Scheme and authorising the Board to grant Options under the Scheme to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of any Options granted under the Scheme; and (ii) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in any Shares to be issued pursuant to the exercise of Options which Shares must not in aggregate exceed 10% of the issued share capital of the Company as at the Adoption Date no later than three calendar months after the Adoption Date (or such later date as the Board may decide). If such permission is not granted by such date (a) the Scheme shall forthwith determine, (b) any Option granted or agreed to be granted pursuant to the Scheme and any offer of such a grant shall be of no effect, and (c) no person shall be entitled to any rights or benefits or be under any obligation under or in respect of the Scheme or any Option.

### 3. PURPOSE, DURATION AND ADMINISTRATION

- (A) The purpose of the Scheme is to provide Participants with the opportunity to acquire proprietary interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.
- (B) Subject to Paragraph 13, the Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date, after which period no further Options will be granted.
- (C) The Scheme shall be subject to the administration of the Board in accordance with the terms of the Scheme and the Board's decision (save as otherwise provided herein) shall be final and binding on all parties. 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, subject to Paragraph 5 and Paragraph 8, in relation to such Options, (iii) subject to Paragraph 12, make such appropriate and equitable adjustments to the terms of the Options granted under this Scheme as it deems necessary, and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of this Scheme.
- (D) No member of the Board shall be personally liable by reason of any contract or other instrument executed by such member or on his behalf in his capacity as a member of the Board or for any mistake of judgment made in good faith for the purposes of this Scheme, and the Company shall indemnify and hold harmless each employee, officer or director of the Company to whom any duty or power relating to the administration or interpretation of this Scheme may be allocated or delegated, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such person's own fraud or bad faith.

### 4. GRANT OF OPTION

- (A) On and subject to the terms of the Scheme, the Board shall be entitled at any time within 10 years after the Adoption Date to make an Offer to any Participant as the Board may in its absolute discretion select to subscribe for such number of Shares (subject to Paragraph 8) as the Board may determine at the Exercise Price.
- (B) (i) An Offer shall be made to a Participant by letter in such form as the Board may from time to time determine requiring the 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 the Scheme and shall remain open for acceptance by the Participant to whom an Offer is made for a period of 28 days from the Date of Grant provided that no such Offer shall be open for acceptance after the tenth anniversary of the Adoption Date or after the Scheme has been terminated in accordance with the provisions hereof.

- (ii) The letter as mentioned in Sub-paragraph (B)(i) above shall include the following terms which shall be at the discretion of the Board and shall state, inter alia:-
  - (a) the Participant's name, address and occupation;
  - (b) the Date of Grant;
  - (c) the Acceptance Date;
  - (d) the Exercise Price and the manner of payment of the Exercise Price for the Shares on and in consequence of the exercise of the Option;
  - (e) the number of Shares in respect of which the Option is offered;
  - (f) the Expiry Date in relation to that Option;
  - (g) the method of exercise of the Option which shall, unless the Board otherwise determines, be set out in Paragraph 6; and
  - (h) such other terms and conditions relating to the Offer including (i) any minimum periods for which an Option must be held before it can be exercised; and/or (ii) minimum performance targets that must be reached before the Option can be exercised in whole or in part; and/or (iii) any other terms as may be imposed (or not imposed) either on a case-by-case basis or generally which in the opinion of the Board are fair and reasonable but not being inconsistent with the rules and procedures applicable to the Scheme.
  
- (C) An Offer shall be deemed to have been accepted and the Option to which the Offer relates shall be deemed to have been granted when the duplicate letter comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$10.00, irrespective of the number of Shares in respect of which the Option is accepted, by way of consideration for the grant thereof is received by the Company on or before the relevant Acceptance Date. Such remittance shall in no circumstances be refundable.
  
- (D) Any Offer may be accepted in respect of less than the number of Shares for which it is 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. In such event, the Grantee must indicate in the acceptance of the Offer the number of Shares accepted. To the extent that the Offer is not accepted by the Acceptance Date in the manner indicated in Paragraph 4(C), it will be deemed to have been irrevocably declined.
  
- (E) Each grant of Options to any director, chief executive or substantial Shareholder of the Company, or any of their respective associates (as such terms are defined in rule 1.01 of the Listing Rules) shall be subject to the prior approval of the independent non-executive directors of the Company (excluding any independent non-executive

director who is a proposed grantee of the Option). Where any grant of Options to a substantial Shareholder or an independent non-executive director of the Company, or any of their respective associates (as such term is defined in rule 1.01 of the Listing Rules), would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:-

- (i) representing in aggregate over 0.1% (or such other percentage as may from time to time be specified by the Stock Exchange) of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant in excess of HK\$5 million (or such other amount as may from time to time be specified by the Stock Exchange),

such further grant of Options shall be subject to prior approval by resolution of the Shareholders (voting by way of poll). In such case, the Company must send a circular to the Shareholders containing all the information as required under the Listing Rules, including but not limited to Chapter 17 of the Listing Rules. Such grantee, his associates and all core connected persons (as defined in the Listing Rules) of the Company must abstain from voting in favour at such general meeting.

(F) No Offer shall be made and no Option shall be granted to any Participant:

- (i) after inside information (as defined in the Securities and Future Ordinance (Chapter 571 of the laws of Hong Kong)) of the Group has come to the knowledge of the Board (including but not limited to the occurrence of a price sensitive event or a price sensitive matter has been the subject of a decision) until (and including) the business day after such inside information has been announced pursuant to the requirements of the Listing Rules;
- (ii) during the period commencing one month immediately preceding the earlier of:
  - (a) the date of the board meeting (as such date is first notified to the Stock 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
  - (b) the deadline for the Company to publish an announcement of its 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 the date of the results announcement. For the avoidance of doubt, the period during which no Options shall be granted mentioned above shall include any period of delay in the publication of a results announcement; or

- (iii) (applicable to grant of an Option to any Director only) during the periods or times in which Directors are prohibited from dealing in shares pursuant to the

Model Code for Securities Transactions by Directors of Listed Companies prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

5. EXERCISE PRICE

The Exercise Price shall be a price determined by the Board in its absolute discretion and notified to a Participant and shall be at least the higher of:-

- (i) the closing price of a Share as stated in the daily quotations sheet issued by the Stock Exchange on the Date of Grant which must be a business day; or
- (ii) the average closing price of a Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant.

6. EXERCISE OF OPTIONS

- (A) 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 in favour of any third party over or in relation to any Option, or purport to do so.
- (B) An Option may be exercised in whole or in part in the manner as set out in Paragraph 6(C) by the Grantee (or his or her legal 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 exercised. Each such notice must be accompanied by a remittance for the aggregate amount of the Exercise Price multiplied by the number of Shares in respect of which the notice is given. Within 21 days after receipt of the notice, the Company shall allot and issue the relevant Shares to the Grantee (or his or her legal personal representative(s)) credited as fully paid and issue to the Grantee (or his or her legal personal representative(s)) a share certificate in respect of the Shares so allotted.
- (C) Subject as hereinafter provided the Option may be exercised by the Grantee at any time during the Option Period provided that:-
  - (i) the period within which the Options must be exercised will be specified by the Company at the time of grant. This period must expire no later than 10 years from the relevant Date of Grant (being the business day on which the Board resolves to make an offer of Option to the relevant Participant);
  - (ii) in the event of the Grantee ceasing to be an employee of the Company or its subsidiaries for any reason other than on his or her death or the termination of his or her employment on one or more of the grounds specified in Sub-paragraph (iii) and Paragraph 7(v), the Grantee may exercise the Option at any time on or before the date of cessation or such date as may be determined by the Board in accordance with the provisions of Paragraph 6(B) up to his or her entitlement at the date of cessation (to the extent not already exercised) which date shall be the

last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not (or such date as may be determined by the Board from time to time);

- (iii) in the event of the Grantee ceasing to be an employee of the Company or its subsidiaries (being an employee) upon the termination on the part of the Company or the relevant subsidiary (not for any grounds specified in Paragraph 7(v)), the Grantee may exercise the Option (to the extent not exercised) within the period of six (6) months following the date of cessation of his or her employment which date shall be the last actual working day with the Company or the relevant subsidiary whether salary is paid in lieu of notice or not (or such date as may be determined by the Board);
- (iv) in the event the Grantee, not being an employee of the Company or its subsidiaries, ceases to be a director of the Company for any reason other than on his or her death or for any grounds specified in Paragraph 7(v), the Grantee may exercise the Options up to his or her entitlement within a period of six (6) months from the date of cessation, or such longer period as the Board may determine;
- (v) in the event the Grantee dies before exercising the Option in full and none of the events which would be a ground for termination of his or her employment or directorship under Paragraph 7(v) arises, the legal personal representative(s) of the Grantee shall be entitled on presentation of a letter of probate within a period of 12 months from the date of death, or such longer period as the Board may determine, to exercise the Option up to the entitlement of such Grantee as at the date of death (to the extent not already exercised);
- (vi) if a general offer (whether by way of takeover offer, share repurchase offer or otherwise in like manner other than by way of scheme of arrangement contemplated in Paragraph 6(vii)) 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 association or concert with the offeror) and such offer becomes or is declared unconditional prior to the Expiry Date of the relevant Option, the Grantee (or his or her legal personal representatives) shall be entitled to exercise the Option in full (to the extent not already exercised even though the Option Period has not come into effect during the occurrence of the general offer) at any time within one month after the date on which the offer becomes or is declared unconditional;
- (vii) if a general offer by way of scheme of arrangement is made to all the holders of Shares with the Scheme having been approved by the necessary number of holders of Shares at the requisite meetings, the Grantee (or his or her legal personal representative(s)) may thereafter (but before such time as shall be notified by the Company) exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in such notice; and
- (viii) in the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit,



approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to the Grantee and the Grantee (or his or her legal personal representatives) may at any time thereafter (but before such time as shall be notified by the Company) exercise the Option either to its full extent or to the extent notified by the Company, and the Company shall as soon as possible and in any event no later than three days prior to the date of the proposed Shareholders' meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such Option.

- (D) The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the Bye-Laws and Bermuda laws in force at the relevant time and will rank pari passu with the fully paid Shares in issue on the date the name of the Grantee is registered on the register of members of the Company. Prior to the Grantee being registered on the register of members of the Company the Grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation) of the Company, in respect of the Shares to be issued upon the exercise of the Option provided always that when the date of exercise of the Option falls on a date upon which the register of members of the Company is closed then the exercise of the Option shall become effective on the first business day in Hong Kong on which the register of members of the Company is re-opened.
- (E) Any Options granted but not exercised may be cancelled if the Grantee so agrees and new Options may be granted to the Grantee provided such new Options are granted within the limits prescribed by Paragraph 8 and are otherwise granted in accordance with the terms of this Scheme with available unissued Options (excluding such cancelled Options).
- (F) There is no general provision which requires that any Option granted under the Scheme shall be exercisable only after any performance target is met by the Grantee; however, the Board may in its sole discretion set the conditions for the exercise of the Option so long as such conditions are set out clearly in the offer when the Option is granted.

## 7. LAPSE OF OPTION

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:-

- (i) the Expiry Date of the Option;
- (ii) the expiry of the periods referred to in Paragraph 6(C)(i), (ii), (iii), (iv) or (v);
- (iii) subject to a court of competent jurisdiction not making an order prohibiting the offeror to acquire the remaining Shares in the general offer, the expiry of the period referred to in Paragraph 6(C)(vi);

- (iv) subject to the scheme of arrangement referred to in Paragraph 6(C)(vii) becoming effective, the expiry of the period referred to in Paragraph 6(C)(vii);
- (v) the date on which the Grantee ceases to be a Participant by reason of the termination of his or her employment or directorship on the grounds that he or she has been guilty of serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty or (if so determined by the Board) on any other grounds on which the Company or the relevant subsidiary would be entitled to terminate his or her employment or directorship at common law or pursuant to any applicable laws or under the Grantee's service contract with the Company or the relevant subsidiary. A resolution of the Board or the board of directors of the relevant subsidiary to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in this Paragraph 7(v) shall be conclusive;
- (vi) subject to Paragraph 6(C)(viii), the date of the commencement of the winding-up of the Company;
- (vii) the date on which the Grantee commits a breach of Paragraph 6(A);
- (viii) the date falling on the expiry of ten years from the Date of Grant of the Option; and
- (ix) notwithstanding any terms of this Scheme, the date on which the Participant ceases to be employed by the Company if such date occurs during the 12-month period following the Commencement Date of his or her particular Option.

No compensation shall be payable upon the lapse of any Option, provided that the Board shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case.

## 8. MAXIMUM NUMBER OF SHARES SUBJECT TO OPTIONS

- (A) The maximum number of Shares which may be issued upon exercise of all Options to be granted under this Scheme and other share option schemes of the Company shall not in aggregate exceed 10% of the Shares in issue on the Adoption Date (the "**Scheme Mandate Limit**") unless the Company obtains a fresh approval from its Shareholders pursuant to Paragraph 8(B). Options lapsed in accordance with the terms of the Scheme shall not be counted for the purpose of calculating the Scheme Mandate Limit.
- (B) The Company may renew the Scheme Mandate Limit at any time subject to prior Shareholders' approval. However, the Scheme Mandate Limit as renewed shall not exceed 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. Options previously granted under this Scheme and other share option

schemes (including those outstanding, cancelled, lapsed in accordance with its terms or exercised), shall not be counted for the purpose of calculating the limit as renewed. A circular containing all the information as may be required by and in compliance with the Listing Rules must be sent to Shareholders in connection with the meeting at which their approval will be sought.

- (C) The Company may seek separate Shareholders' approval for granting Options beyond the Scheme Mandate Limit provided the Options in excess of the Scheme Mandate Limit are granted only to Participants specifically identified by the Company before such approval is sought. A circular shall be sent to Shareholders containing a generic description of the identified Participants, the number and terms of the Options to be granted, the purpose of granting Options to the identified Participants, and how those Options serve such purpose and any other information as may be required by and in compliance with the Listing Rules.
- (D) The total number of Shares issued and to be issued upon exercise of the Options granted and to be granted to each Participant or Grantee (as the case may be) (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the Shares in issue (the "**Individual Limit**"). Any further grant of Options to a Participant or Grantee which would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Participant or Grantee (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over the Individual Limit shall be subject to separate Shareholders' prior approval in general meeting with such Participant or Grantee (as the case may be) and his close associates (or associates if the Participant or Grantee (as the case may be) is a connected person) abstaining from voting. A circular must be sent to the Shareholders disclosing the identity of the Participant or Grantee (as the case may be), the number and terms of the Options granted and to be granted (and Options previously granted to such Participant or Grantee (as the case may be)) together with any other information or statement as may be required by and in compliance with the Listing Rules. The number and terms (including the Exercise Price) of Options to be granted to such Participant or Grantee, as the case may be, shall be fixed before Shareholders' approval is sought and the date of the Board meeting for proposing such further grant shall for all purposes be the Date of Grant for the purpose of calculating the Exercise Price.
- (E) The maximum number of Shares in respect of which Options may be issued upon exercise of all Options which then has been granted and have yet to be exercised under this Scheme and other share option schemes of the Company shall not exceed 30% of the Shares in issue of the Company from time to time.
- (F) If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued upon exercise of all options to be granted under all of the share option schemes of the Company under the 10% limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

- (G) The maximum number of Shares referred to in this Paragraph 8 shall be adjusted, in such manner as the Auditors shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of the Company in accordance with Paragraph 9 whether by way of capitalisation of profits or reserves, rights issue, subdivision or consolidation of Shares, reduction of the share capital of the Company or otherwise howsoever.

## 9. CAPITAL RESTRUCTURING

- (A) In the event of the following circumstances of alteration in the capital structure of the Company whilst any Option remains exercisable other than an issue of Shares as consideration in respect of a transaction:-

- (i) capitalisation issue at par or rights issue to holders of Shares; and
- (ii) sub-division, consolidation of Shares or reduction of capital,

such corresponding adjustment (if any) as the Board shall in its discretion deem appropriate may be made in:-

- (a) the number of Shares subject to any Option so far as such Option or any part thereof remains unexercised; and/or
- (b) the Exercise Price,

provided that such adjustment shall be made on the basis that a Grantee shall have as nearly as possible the same proportion of the equity capital of the Company as that to which he was previously entitled but 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.

- (B) With respect to any adjustment made (other than any made on a capitalisation issue), the Auditors or an independent financial adviser engaged by the Company for this purpose shall, at the request of the Company or any Grantee certify in writing to the directors either generally or as regards any particular Grantee that such adjustment is in their opinion fair and reasonable and satisfies the requirements set out in this proviso.

## 10. SHARE CAPITAL

The exercise of any Option shall be subject to the members of the Company in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

## 11. DISPUTES

Any dispute arising in connection with the Scheme shall be referred to the decision of the Auditors who shall act as experts and not as arbitrators and whose decision shall be final and binding. In the event that the Auditors fail to act, any such dispute shall be submitted to and finally settled by arbitration. The arbitration shall be governed by the Arbitration Ordinance (Chapter 609 of the Laws of Hong Kong). The number of arbitrators shall be one. The arbitration proceedings shall be conducted in English.

The arbitration shall be commenced by one party calling upon the dispute to be referred to arbitration and that party giving notice of the proposed appointment of an arbitrator to the other party/parties. If the parties cannot agree on the appointment of the sole arbitrator, the parties shall apply to the Hong Kong International Arbitration Centre (HKIAC) for the appointment of the sole arbitrator.

## 12. ALTERATION OF THE SCHEME

(A) Subject to the Listing Rules, the Scheme may be altered from time to time in any respect by a resolution of the Board except that the following alteration shall require the prior sanction of an ordinary resolution of the Company in general meeting (with all Grantees, prospective Grantees and their respective close associates or associates abstaining from voting):

- (i) any alterations of the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantee(s) or the prospective Grantee(s)(as the case may be);
- (ii) any alterations to the terms and conditions of the Scheme which are of a material nature or any change to the terms of the Options granted, shall be subject to the approval by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Scheme; and
- (iii) any change to the authority of the Directors or administrator of the Scheme in relation to any alteration of the terms of the Scheme,

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 :-

- (a) the consent in writing of Grantees holding in aggregate Option which if exercised in full on the date immediately preceding that on which such consent is obtained would entitle them to the issue of three-fourths in nominal value of all Shares the subject of Options outstanding on that date; or
- (b) the sanction of a special resolution passed at a meeting of the Grantees.

- (B) Any amended terms of this Scheme or Options shall comply with the relevant requirements of Chapter 17 of the Listing Rules (subject to such waiver as may be granted by the Stock Exchange from time to time).
- (C) To any such meeting of Grantees all the provisions of the Bye-Laws for the time being as to general meetings of the Company shall mutatis mutandis apply as though the Options were a class of shares forming part of the capital of the Company but so that:-
- (i) not less than 14 clear days' notice of such meeting shall be given;
  - (ii) a quorum at any such meeting shall be two Grantees present in person or by proxy and holding Options entitling them to the issue of one tenth in nominal value of all Shares which would fall to be issued upon the exercise of all Options then outstanding;
  - (iii) every Grantee present in person at any of such meeting shall be entitled on a show of hands to one vote, and every Grantee present in person or by proxy at any such meeting shall be entitled on a poll to one vote for each Share to which he or she would be entitled upon exercise in full of his or her Options;
  - (iv) any Grantee present in person or by proxy may demand a poll; and
  - (v) if any such meeting is adjourned for want of a quorum, such adjournment shall be to such date and time, not being less than 7 nor more than 14 days thereafter, and to such place as may be appointed by the chairman of the meeting. At any adjourned meeting those Grantees who are then present in person or by proxy shall form a quorum and at least 7 clear days' notice of any adjourned meeting shall be given in the same manner as for an original meeting and such notice shall state that those Grantees who are then present in person or by proxy shall form a quorum.

### 13. TERMINATION

The Company by ordinary resolution of Shareholders who do not have an interest in the Scheme in general meeting or the Board may at any time terminate the operation of the Scheme and in such event no further Options will be offered but in all other respects the provisions of the Scheme shall remain in full force and effect. All Options granted prior to such termination shall continue to be valid and exercisable in accordance with the terms of the Scheme.

### 14. MISCELLANEOUS

- (A) The Scheme shall not form part of any contract of employment between the Company or any subsidiary and any Participant and the rights and obligations of any Participant under the terms of his or her office or employment shall not be affected by his or her participation in the Scheme or any right which he or she may have to participate in it and

the Scheme shall afford such Participant no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

- (B) The grant of an Option under 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.
- (C) The Company shall bear the costs of establishing and administering the Scheme.
- (D) A Grantee shall be entitled to receive copies of all notices and other documents sent by the Company to holders of Shares generally.
- (E) 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 registered office or its principal place of business as notified to the Grantee from time to time and, in the case of the Grantee, his or her address as notified to the Company from time to time.
- (F) Any notice or other communication served by post:
  - (i) by the Company shall be deemed to have been served 24 hours after the same was put in the post; and
  - (ii) by the Grantee shall not be deemed to have been received until the same shall have been received by the Company.
- (G) A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of the Option. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his or her participation in the Scheme.
- (H) The Board shall have the power from time to time to make or vary regulations for the administration and operation of this Scheme, provided that the same are not inconsistent with the provisions of this Scheme. The Board shall also have the power to delegate its powers to grant Options to Participants and to determine the Exercise Price, to the Company's chief executive officer or managing director or any committee established by the Board from time to time.

## 15. GOVERNING LAW

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

STARLITE HOLDINGS LIMITED

SHARE OPTION SCHEME

Adopted pursuant to an Ordinary Resolution dated \_\_\_\_\_

HOWSE WILLIAMS  
27/F, Alexandra House,  
18 Chater Road,  
Central, Hong Kong.