

**RULES  
OF  
BOYAA INTERACTIVE INTERNATIONAL LIMITED  
2024 SHARE OPTION SCHEME**

**Adopted conditionally pursuant to an Ordinary Resolution  
of  
the Shareholders passed on [●] 2024**

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**RULES OF BOYAA INTERACTIVE INTERNATIONAL LIMITED  
2024 SHARE OPTION SCHEME**

**Purpose**

The purpose of this Scheme is to incentivize and reward the Eligible Persons for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company. This Scheme may, at the discretion of the Board, be used in conjunction with any cash based compensation, incentive compensation or bonus plan. Unless the Directors otherwise determined and stated in the terms of offer for the grant of the Options pursuant to Rule 3.1 of this Scheme, no performance target is required to be achieved before any Option can be granted to the Eligible Person or exercised by the Option-holder.

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**1 Interpretation**

**1.1 Defined Terms**

In these Rules:

“**Associate**” has the meaning ascribed to this term under the Listing Rules;

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

“**Board**” means the board of directors of the Company (including any committee or delegate of the Board appointed by the Board to perform any of its functions hereunder);

“**Board Approval Date**” means, in relation to any proposed grant of Options under Rule 7.4.2 or Rule 8.1.2, the date referred to in Rule 7.4.3 or Rule 8.1.3, as the case may be;

“**Business Day**” means a day on which banks in Hong Kong are generally open for business to the public and which is not a Saturday, Sunday or public holiday in Hong Kong;

“**Company**” means Boyaa Interactive International Limited (formerly known as Boyaa Interactive Limited), a company incorporated in the British Virgin Islands on 14 June 2010 and redomiciled to the Cayman Islands 7 June 2013 as an exempted company with limited liability;

“**Connected Person**” has the meaning ascribed to this term under the Listing Rules;

“**Contract**” means, in relation to an employee or Director, his contract of employment or service contract with his Employer (as amended from time to time), whether or not such contract is written or oral and comprised in one or more documents;

“**Director**” means a director of the Company;

“**Effective Date**” means the date on which the conditions referred to in Clause 2.1 are fulfilled;

“**Eligible Person**” means any of (i) Employee Participant(s); (ii) Related Entity Participant(s); and (iii) the Service Provider Participant(s);

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“**Employee Participant(s)**” means any Director(s) or employee(s) (whether full-time or part-time) of the Group;

“**Employer**” means, in relation to an employee, the member of the Group which employs or has appointed him under his Contract;

“**Exercise Price**” means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option, which must be at least the higher of (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange’s daily quotations sheet on the date of grant, which must be a trading day; and (ii) the average closing price of the Shares as stated in the Hong Kong Stock Exchange’s

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daily quotations sheets for the five (5) trading days immediately preceding the date of grant. **“Grantee”** means any Eligible Person who accepts the offer of the grant of any Option in accordance with the terms of this Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the Eligible Person who accepted the offer;

**“Group”** means the Company and its subsidiaries;

**“HK\$”** means Hong Kong dollars, the lawful currency of Hong Kong;

**“Hong Kong”** means the Hong Kong Special Administrative Region of the PRC;

**“Hong Kong Stock Exchange”** means The Stock Exchange of Hong Kong Limited;

**“Independent Non-Executive Director”** means a person who is an independent non-executive director of the Company within the meaning of the Listing Rules;

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

**“Offer Date”** means, in relation to an Option, the date on which the Board offers an Eligible Person such Option pursuant to Rule 3.1, which must be a Business Day;

**“Option(s)”** means a right granted under this Scheme to subscribe for Shares in accordance with this Scheme;

**“Option Certificate”** means an Option Certificate issued by the Company in accordance with Rule 3.2 in such form as the Board may determine, and setting out the Exercise Price, Option Period and any other conditions of exercise as contemplated by these Rules;

**“Option-holder”** means a person holding an Option (and, where relevant, includes his personal representatives);

**“Option Period”** means, in relation to an Option, the period which is notified by the Board at the Offer Date when making an offer to an Eligible Person under Rule 3.1 and which is specified on the Option Certificate, such period not to exceed the period of ten (10) years from the Offer Date of such Option and the Board may provide restrictions on the exercise of an Option (including but not limited to the imposition of a minimum period an Option must be held before it can be exercised);

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**“PRC”** means the People's Republic of China, but for the purpose of these Rules, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan;

**“Related Entity Participant(s)”** means director(s) or employee(s) of the holding companies, fellow subsidiaries or associated companies of the Company;

**“Rules”** means the rules of this Scheme (as amended from time to time);

**“Scheme”** means this share option scheme in its present or any amended form;

**“Scheme Mandate Limit”** having the meaning ascribed in Clause 7.1.1;

**“Service Providers Participant(s)”** means any person(s) (including entity(ies)) who provides services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group as determined by the Board pursuant to the criteria: (a) suppliers of services to any member of the Group, that operates in the industries in which the Group operates from time to time; (b) advisors (professional or otherwise) or consultants, with specialties or expertise in areas that supplement the Group or with which the Group would consider important to maintain a close business relationship on an ongoing basis and bring benefits and strategic value to Group's development and future prospects; and (c) independent contractors that provides advisory services, consultancy services, licensing services, product development services, sales and marketing services and/or other professional services, excluding (a) placing agents or financial advisors providing advisory services for fundraising, mergers or

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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;

“**Service Provider Sublimit**” means the sublimit on the total number of Shares that may be issued in respect of the Options to be granted to Service Providers Participant(s) within the Scheme Mandate Limit as ascribed in Clause 7.1.2;

“**Shares**” means fully paid ordinary shares of US\$0.00005 each in the capital of the Company;

“**Shareholder(s)**” means the holder(s) of the Shares;

“**subsidiary**” or “**subsidiaries**” has the meaning ascribed to this term under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended or supplemented or otherwise modified from time to time; and

“**Substantial Shareholder**” has the meaning ascribed to this term under the Listing Rules.

## 1.2 **References to Enactments**

Any reference in these Rules to any enactment or regulatory requirement means a reference to such enactment or regulatory requirement as amended from time to time.

## 2 **Adoption, Duration and Administration of this Scheme**

2.1 This Scheme shall take effect conditional upon:

(a) the passing of an ordinary resolution by the Shareholders at its general meeting:

- (i) to approve and adopt this Scheme; and
- (ii) to authorize the Board to grant Options under this Scheme; and

(b) the Listing Committee of the Hong Kong Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued and allotted pursuant to the exercise of the Options under this Scheme.

## 2.2 **Duration**

Subject to Rule 11, this Scheme shall be valid and effective for a period of ten (10) years commencing on the Effective Date, after which period no further Options will be granted but the provisions of this Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto which are at that time or become thereafter capable of exercise under the Rules, or otherwise to the extent as may be required in accordance with the provisions of this Scheme.

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2.3 This Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) shall, subject to compliance with the Listing Rules, be final and binding on all parties. The Board shall, subject to the provisions contained herein, have the right to (i) interpret and construe the provisions of this Scheme; (ii) determine the persons (other than Directors, chief executive, Substantial Shareholders of the Company) to whom Options will be granted under this Scheme; (iii) determine the number and the Exercise Price of Options to be granted; (iv) determine the date on which any Option to be granted; (v) determine the minimum period (if any) for which

an Option must be held before it may be exercised; (vi) make such appropriate and equitable adjustments to the terms of Options granted under this Scheme as it deems necessary; (vii) make such other decisions or determinations as it shall deem appropriate in the administration of this Scheme; and (viii) delegate any or all of its powers to a committee of the Board to be established by the Board from time to time.

### **3 Offer and Acceptance of Grant of Options**

#### **3.1 Offer of Grant**

Subject to the terms of this Scheme, the Listing Rules (in particular the restrictions under Rule 17.05 of the Listing Rules), the Board shall be entitled at any time and from time to time within ten (10) years after the Effective Date to offer to grant to any Eligible Person as the Board may in its absolute discretion select, and subject to such other conditions (including but not limited to terms and conditions in relation to vesting, exercise or otherwise) as the Board may think fit provided that no Options may be exercised more than ten (10) years after it has been granted and no such conditions shall be inconsistent with any other terms and conditions of this Scheme, an Option to subscribe for such number of Shares as the Board may determine at the Exercise Price.

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- 3.2 An offer of the grant of an Option shall be made to an Eligible Person by letter (in duplicate) in such form as the Board may from time to time determine requiring the Eligible Person 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 Person within twenty-eight (28) days from the Offer Date provided that no such offer shall be open for acceptance after the tenth (10th) anniversary of the Effective Date or after this Scheme has been terminated.

#### **3.3 Acceptance of Offers of Options**

3.3.1 Offers of Options shall be open for acceptance in writing or by electronic communication received by the chairman of the Board (or a person designated by him with the approval of the Board) for such period (not exceeding twenty-eight (28) days inclusive of, and from, the Offer Date) as the Board may determine and notify to the Eligible Persons concerned provided that no such offer shall be open for acceptance after the expiry of the duration of this Scheme as specified in Rule 2.2. Offers of Options not accepted within this period shall lapse.

3.3.2 The Company shall issue Option Certificates to any Eligible Person who has accepted an offer in accordance with Rule 3.4.1 under the common seal of the Company (or the securities seal of the Company) within seven (7) days after the end of the period for acceptance of the offer referred to in Rule 3.4.1.

#### **3.4 Terms of Options**

An Option shall be subject to such terms and conditions (if any) as may be

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determined by the Board and specified in the offer of the Option, including any vesting schedule and/or conditions, any minimum period for which any Option must be held before it can be exercised and/or any performance target which need to be achieved by an Option-holder before the Option can be exercised. The Board may at its discretion specify any conditions which may be satisfied before an Option may be granted, including achievement of operation targets, etc.. Any terms and conditions determined by the Board must not be contrary to the purpose of this Scheme and must be consistent with such guidelines (if any) as may be approved from time to time by the Shareholders.

### **3.5 Payment on Grant**

The amount payable for the acceptance of the grant of an Option shall be the sum of HK\$1.00 which shall be paid upon such acceptance. This consideration shall not be refundable to the Option-holder and shall not be deemed to be a part payment of the Exercise Price.

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### **3.6 Non-Transferability of Options**

An Option shall be personal to the Option-holder and shall not be assignable nor transferable (unless a waiver has been obtained from the Hong Kong Stock Exchange in accordance with the Listing Rules), and no Option-holder shall in any way sell, transfer, charge, mortgage, encumber or create any interest (whether legal or beneficial) in favour of any party over or in relation to any Option or attempt to do so. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option, or any part thereof, granted to such Option-holder.

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## **4 Vesting and Exercise of Options**

### **4.1 Vesting of Options**

The vesting period of the Options shall not be less than twelve (12) months from the date of grant. A shorter vesting period may be granted to the Employee Participants at the discretion of the Board or the remuneration committee of the Company or any other authorised agent(s) as deemed appropriate at the sole discretion of the Board in any of the following circumstances:

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- (i) grants of “make-whole” Options to new joiners to replace the share awards or options they forfeited when leaving the previous employers; or
- (ii) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event; or
- (iii) grants of Option the timing of which is determined by administrative or compliance requirements not connected with the performance of the Employee Participant, in which case the vesting date may be adjusted to take account of the time from which the Option would have been granted if not for such administrative or compliance requirements; or

- (iv) grants of Options with a mixed or accelerated vesting schedule such as where the Option may vest evenly over a period of twelve (12) months.

each of which are considered appropriate to provide flexibility to grant Options (1) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (i) and (iv)); (2) to reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (ii) and (iii)); (3) to reward exceptional performers with accelerated vesting (sub-paragraph (iv)); (4) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (v)); and (5) in exceptional circumstances where justified (sub-paragraph (i) to (v)), which is consistent with the purpose of this Scheme.

#### **4.2 Exercise of Options**

Subject to the restriction set out in Rule 4.4, any Option:

- 4.2.1 which has vested;
- 4.2.2 the conditions of which have been satisfied or waived by the Board in its sole discretion; and
- 4.2.3 which has not lapsed or cancelled,

may, unless the Board determines otherwise in its absolute discretion, be exercised at any time from the next Business Day after the offer of Options has been accepted by an Option-holder in accordance with Rule 3.4. However, in any event the Options must be exercised within ten (10) years from the date of grant.

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#### **4.3 Manner of Exercise**

An Option-holder may exercise any or all of his Options by notice of exercise in writing in such form as the Board may from time to time require delivered to the chairman of the Board (or a person designated by him with the approval of the Board). The notice of exercise of the Option must be completed, signed by the Option-holder or by his appointed agent, and must be accompanied by the:

- 4.3.1 relevant Option Certificate; and
- 4.3.2 correct payment in full in cleared funds of the total Exercise Price for the number of Shares being acquired.

#### **4.4 Restriction on Exercise**

No Option may be exercised in circumstances where such exercise would, in the opinion of the Board, be in breach of a statutory or regulatory requirement.

### **5 Lapse and Cancellation of Options**

#### **5.1 Lapse on Expiry of Option Period**

An Option will lapse automatically (to the extent not already exercised) on the earlier of:

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- 5.1.1 the expiry of the Option Period; or



- 5.1.2 the expiry of the time provided for in the applicable rule where any of the circumstances provided in Rules 5.2 to 5.6 below apply.

## 5.2 Lapse on Cessation of Employment

### 5.2.1 Resignation

If an Option-holder ceases to be an Eligible Person by reason of his voluntary resignation (other than in circumstances where he is constructively dismissed), any outstanding offer of Options and all Options, vested or unvested, shall lapse on the date of cessation of employment of such Eligible Person.

### 5.2.2 Termination by Employer

If an Option-holder ceases to be an Eligible Person by reason of his:

- (i) Employer terminating his Contract in accordance with its terms or any right conferred on his Employer by law; or
- (ii) Contract, being a Contract for a fixed term, expiring and not being renewed; or
- (iii) Employer terminating his Contract for misconduct; or
- (iv) Conduct for act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an Employer would be entitled to terminate his Contract at common law or pursuant to any applicable laws,

then any outstanding offer of an Option and all Options, vested or unvested, will lapse on the date the Option-holder ceases to be an Eligible Person.

### 5.2.3 Death, Disability, Retirement and Transfer

If an Option-holder ceases to be an Eligible Person by reason of:

- (i) his death; or
- (ii) his serious illness or injury which in the opinion of the Board renders the Option-holder concerned unfit to perform the duties of his employment and which in the normal course would render the Option-holder unfit to continue performing the duties under his Contract for the following 12 months provided such illness or injury is not self-inflicted; or
- (iii) his retirement in accordance with the terms of an Option-holder's Contract; or
- (iv) his early retirement by agreement with the Option-holder's Employer; or
- (v) if the Board determines in its absolute discretion that circumstances exist which mean that it is appropriate and consistent with the purpose of this Scheme to treat an Option-holder whose Options would otherwise lapse so that such Options do not lapse but continue

to subsist in accordance with (and subject to) the provisions of this Rule 5.2.3,

then, subject to Rule 5.2.4, any outstanding offer of an Option which has not been accepted under Rule 3.4 and any unvested Option will lapse and the Option-holder or his personal representatives (if appropriate) may (subject to Rule 5.1) exercise all his Options (to the extent vested but not already exercised) within a period of three (3) months of the date of cessation of employment. Any Option not exercised prior to the expiry of this period shall lapse.

#### **5.2.4 Lapse After Leaving Employment**

If the Board determines that an Option-holder who ceases to be an Eligible Person in circumstances such that his Options continue to subsist in accordance with the above Rule 5.2.3:

- (i) is guilty of any misconduct which would have justified the termination of his Contract for cause but which does not become known to the Company until after he has ceased employment with any member of the Group; or
- (ii) is in breach of any material term of Contract (or other contract or agreement related to his Contract), without limitation, any confidentiality agreement or agreement containing non-competition or non-solicitation restrictions between him and any member of the Group;

then it may, at its absolute discretion, determine that any unexercised Options, vested or not vested, held by the Option-holder shall immediately lapse upon the Board resolving to make such determination (whether or not the Option-holder has been notified of the determination).

#### **5.2.5 Lapse in Other Circumstances**

If the Board determines that an Option-holder who:

- (i) has disclosed trade secrets or confidential information of any member of the Group; or
- (ii) has entered into competition with a Member of the Group or breached any non-solicitation provisions in his Contract; or
- (iii) is in breach of the regulations or labor disciplines of the Company; or
- (iv) is guilty of serious dereliction of duty and dishonesty, causing loss to the Company; or
- (v) is employed with other companies other than a member of the Group or holding any part-time position in other companies other than a member of the Group; or
- (vi) is not qualified to perform his duty under the Contract, and after training is given or the position is changed, still being unqualified for his job; or
- (vii) unable to reach an agreement with the Company in respect to the

- change of the content of the Contract where there is a significant change to the objective circumstances on which the conclusion of the Contract is based, leading to the non-performance of the Contract; or
- (viii) is on the list of employees subject to the economic layoffs conducted by the Company in accordance with applicable laws and regulations; or
- (ix) is guilty of appropriating the Group's funds, assets, equipment or facilities for other use without obtaining prior consent in due course;
- (x) has caused serious damage to the Company's reputation or economic loss to the Company as a result of his improper behavior or speech; or
- (xi) is guilty of negligence or improper behavior at work, causing certain economic loss to the Company or other adverse impact on the Company;
- (xii) is held criminally liable for any breach of applicable laws and regulations or is subject to any administrative penalties for such breach;
- (xiii) is in breach of the Contract or the terms of grant of Option; or
- (xiv) caused his employment relationship with the Group to be terminated abnormally, and his vested and unvested Options should lapse as evaluated by the Company,

then it may, at its absolute discretion, determine that any unexercised Options, vested or not vested, held by the Option-holder shall immediately lapse upon the Board resolving to make such determination (whether or not the Option-holder has been notified of the determination).

The grant of Options is not subject to any clawback mechanism to recover or withhold the remuneration (which may include any options or awards granted) to any Eligible Person(s) in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances.

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### 5.3 **Lapse on Cessation to be a Director**

In the event that any Director ceases to be a Director, the Company shall, as soon as practicable thereafter, give notice to the relevant Option-holder who as a result ceases to be an Eligible Person. Any outstanding offer of an Option which has not been accepted under Rule 3.4 and any unvested Option will lapse on the date the Option-holder ceases to be an Eligible Person. The Option-holder (or his personal representative) may (subject to Rule 5.1) exercise all his Options (to the extent vested but not already exercised) within a period of three (3) months of the date of the notification by the Board. Any Option not exercised prior to the expiry of this period shall lapse.

### 5.4 **Lapse on a General Offer**

5.4.1 If as a result of any general offer made to the holders of Shares, the Board becomes aware that the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror, any company controlled by the offeror and

any person associated with or acting in concert with the offeror (a **“Change of Control”**), the Board will notify every Option-holder of this within fourteen (14) days of becoming so aware or as soon as practicable after any legal or regulatory restriction on such disclosure no longer applies.

5.4.2 Subject to Rule 4.4 and Rule 5.1, each Option-holder will be entitled at any time during the Change of Control Period as defined in Rule 5.4.3 to exercise his Options (to the extent vested but not already exercised). All Options, vested or unvested, not exercised before the end of the Change of Control Period will lapse at the end of the Change of Control Period.

5.4.3 **“Change of Control Period”** means the period of one (1) month starting on the date of the Board's notification under Rule 5.4.1.

## 5.5 **Lapse on Company Reconstructions**

In the event of a compromise or arrangement, the Company shall give notice to all Option-holders on the same date as it gives notice of the meeting to the Shareholders or its creditors to consider such a compromise or arrangement and each Option-holder (or his personal representative) may at any time thereafter, but before such time as shall be notified by the Company, exercise all or any of his Options (to the extent vested but not already exercised), and subject to the Company receiving the exercise notice and the Exercise Price, the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting, allot, issue and register under the name of the Option-holder such number of fully paid Shares which fall to be issued on exercise of such Options. Any Options, vested or unvested, not so exercised will lapse.

## 5.6 **Lapse on Winding-Up**

In the event a notice is given by the Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall on the same date as or soon after it dispatches such notice to the Shareholders give notice thereof to all Option-holders and (subject to Rule 4.4 and Rule 5.1) each Option-holder (or his personal representative) shall be entitled to exercise all or any of his Options (to the extent vested but not already exercised) at any time no later than seven days prior to the proposed general meeting of the Company, and subject to the Company receiving the exercise notice and the Exercise Price, the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting, allot, issue and register under the name of the Option-holder such number of fully paid Shares which fall to be issued on exercise of such Options. Any Options, vested or unvested, not so exercised will lapse.

## 5.7 **Cancellation of Options**

Any cancellation of Options granted but not exercised, if the Grantee of the relevant Options so agrees, must be approved by the Board. Where the Company cancels Options and issues new ones to the same Grantee, the issue of such new Options may only be made under this Scheme with available unissued Options (excluding the cancelled Options) within the limit as mentioned in Clause 7. The Options cancelled

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will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and Service Provider Sublimit.

## **6 Shares**

### **6.1 Issue of Shares**

Shares to be issued following the exercise of an Option will be issued as soon as reasonably practicable (and, unless otherwise agreed between the Company and the Option-holder, in any event within thirty (30) days after the date on which correct payment in cleared funds of the Exercise Price for the number of Shares to be issued is received by the Company). However, if the Board considers that any restriction under any law or regulation or the rules of any stock exchange prevents the issue of Shares within this timeframe, the Shares will be issued or transferred within thirty (30) days of the lifting of the restrictions.

### **6.2 Rights**

No dividends (and distributions made upon the liquidation of the Company) will be payable and no voting rights will be exercisable in relation to an Option that has not been exercised. Shares allotted and issued on the exercise of an Option will rank equally in all respects with the Shares in issue on the date of allotment. They will not rank for any rights attaching to Shares by reference to a record date preceding the date of allotment.

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### **6.3 Consents**

All allotments and issues of Shares or grant or exercise of Options will be subject to any necessary consent under any relevant enactments or regulations for the time being in force under any relevant local legislation or regulations. The Option-holder will be responsible for complying with any requirements to be fulfilled in order to obtain (or avoid the necessity for) any such consent.

### **6.4 Articles of Association**

Any Shares acquired on the exercise of Options will be subject to the articles of association of the Company as amended from time to time.

## **7 Maximum Number of Shares Available for Subscription**

### **7.1 10% Limit**

7.1.1 The total number of Shares which may be issued in respect of all Options to be granted under this Scheme, together with all options and awards granted under any other schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the date of approval of this Scheme (the “**Scheme Mandate Limit**”). Options lapsed in accordance with the terms of this Scheme will not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

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7.1.2 The sublimit on the total number of Shares which may be issued in respect of all Options to be granted to Service Provider Participants within the Scheme Mandate Limit shall initially be of 1% of the total number of Shares in issue as at the date of approval of this Scheme (the “**Service Provider Sublimit**”).

## 7.2 **Refreshing the 10% Limit**

The Company may seek approval by Shareholders in general meeting for refreshing the Scheme Mandate Limit (and the Service Provider Sublimit) after three (3) years from the date of Shareholders’ approval of the adoption of this Scheme or the last refreshment (where applicable). Any refreshment within any three (3) years period must be approved by the Shareholders subject to the following:

7.2.1 any controlling Shareholders and their associates (or if there is no controlling shareholder, Directors (excluding the Independent Non-Executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and

7.2.2 the Company must comply with the requirements under rules 13.39(6) and (7), 13.40 to 13.42 of the Listing Rules.

The requirements under sub-paragraphs (i) and (ii) above do not apply if the refreshment is made immediately after an issue of the Shares by the Company to the Shareholders on a pro rata basis as set out in rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of the Shares, rounded to the nearest whole Share.

## 7.3 **Exceeding the 10% Limit**

The Board may grant Options to any Eligible Persons specifically identified by them which would cause the limit under Rule 7.1 (including, for the avoidance of doubt, any such limit as “refreshed” under Rule 7.2) to be exceeded, but only with the approval of the Shareholders in general meeting. The Company must also send a circular to the Shareholders containing the information required under Rule 17.03C(3) of the Listing Rules and the relevant approval must be obtained in the manner prescribed by the Listing Rules.

## 7.4 **Individual Limit**

Where any grant of Options to an Eligible Person would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Person pursuant to this Scheme or any other schemes of the Company (excluding any options and awards lapsed in accordance with the terms of this Scheme or any other schemes of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the ordinary share capital of the Company in issue, such grant must be separately approved by Shareholders in general meeting with such Eligible Person and his/her close associates (or associates if the Eligible Person is a connected person) abstaining from voting. The Company must send a

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circular to the Shareholders containing the information required under Rule 17.03D of the Listing Rules.

## **8 Restrictions on Grants**

### **8.1 Restriction on Grants to Key Individuals**

- 8.1.1 Each grant of Options to an Eligible Person who is a Director (including an Independent Non-Executive Director), chief executive or Substantial Shareholder of the Company, or any of their respective associates, under this Scheme must be approved by the Independent Non-Executive Directors (excluding any Independent Non-Executive Director who is the proposed grantee of the Options). LR17.04(1)
- 8.1.2 Where a grant of Option is to a Substantial Shareholder of the Company or the Independent Non-Executive Director, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options and awards granted pursuant to the Scheme or any other schemes of the Company (excluding any options and awards lapsed in accordance with the terms of this Scheme or any other 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 at the date of such grant, such further grant of Options must be approved by the Shareholders in general meeting by means of sending a circular to the Shareholders, and the 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. The circular must contain: LR17.04(3)
- (i) details of the number and terms (including the Exercise Price) of the Options to be granted to each such person, which must be fixed before the general meeting of the Company and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the Exercise Price;
  - (ii) the views of the Independent Non-Executive Directors (excluding any Independent Non-Executive Director who is the grantee of the Options) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole and their recommendation to the independent Shareholders as to voting;
  - (iii) the information required under Rule 17.02(2)(c) of the Listing Rules; and
  - (iv) the information required under Rule 2.17 of the Listing Rules.
- 8.1.3 Any change in the terms of Options granted to an Option-holder who is a Director, chief executive or Substantial Shareholder of the Company, or any of their respective associates must be approved by the Shareholders in general meeting in the manner prescribed under the Listing Rules if the initial grant

of the Options requires such approval (except where the changes take effect automatically under the terms of this Scheme).

## 8.2 Restriction on the time of grant of options

No grant of Options shall be made to any Eligible Person:

- (i) after inside information has come to the knowledge of the Eligible Person until (and including) such inside information has been announced as required under the Listing Rules; LR17.05
- (ii) on any day on which financial results of the Company are published and during the period commencing from one (1) month immediately before the earlier of:
  - (1) the date of the meeting of the Board (as such date is first notified to the Hong Kong Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (2) the deadline for the Company to announce 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);
- (iii) in any circumstances which are restricted and prohibited under the Listing Rules or where the requisite approval from any applicable regulatory authorities has not been granted.

## 9 Reorganization of Capital Structure

### 9.1 Adjustments

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalization of profits or reserves, further rights issues of Shares, consolidation or subdivision of shares, or reduction of the share capital of the Company in accordance with applicable laws and regulatory requirements (other than an issue of any share capital as consideration in respect of a transaction), such corresponding adjustments (if any) shall be made to: LR17.03(13)

9.1.1 the number of Shares, the subject matter of the Option (insofar as it is unexercised); and/or

9.1.2 the Exercise Price,

in such manner as the Directors (having received a confirmation in writing from the Auditors or an independent financial adviser to the Company (as the case may be), acting as experts and not as arbitrators, that in their opinion the adjustments proposed are fair and reasonable and satisfy the requirements set out in Rule 17.03(13) of the Listing Rules and the note thereto), except in the case of a capitalisation issue where no such confirmation from the Auditors or an independent financial adviser to the



Company (as the case may be) shall be required unless otherwise expressly required by the Directors) may deem appropriate provided always that:

- (a) no increase shall be made in the aggregate subscription price relating to any Option;
- (b) the proportion of the issued share capital of the Company to which an Option-holder is entitled after any adjustment (rounded to the nearest whole Share) shall remain materially the same as that to which he was previously entitled prior to such adjustment;
- (c) no adjustments shall be made which will enable a Share to be issued at less than its nominal value;
- (d) any adjustment so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Hong Kong Stock Exchange;
- (e) no adjustments shall be made in the event of an issue of Shares as consideration in respect of a transaction to which the Company is a party; and
- (f) no adjustments to the exercise price or number of shares shall be made to the advantage of the Eligible Person without specific prior Shareholders' approval.

**9.2** The Company will notify an Option-holder of any adjustments made in accordance with Rule 9.

## **10 Amendment**

### **10.1 Amendments to this Scheme**

10.1.1 Subject to the provisions of this Rule 10, the Board may amend any of the provisions of this Scheme at any time (but not so as to affect adversely any rights which have accrued to any Option-holder at that date).

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10.1.2 The Shareholders in general meeting must approve in advance by ordinary resolution any proposed amendment which is to the advantage of present or future Option-holders, and which relates to alterations to the terms and conditions of this Scheme which are of a material nature or any alterations to the provisions relating to the matters contained in Rule 17.03 of the Listing Rules.

10.1.3 Subject to Rule 10.1.2, the Board need not obtain the approval of the Shareholders in general meeting for any minor amendments:

- (i) to benefit the administration of this Scheme;
- (ii) to comply with or take account of the provisions of any proposed or existing legislation;
- (iii) to take account of any changes to any legislative or regulatory requirements; or
- (iv) to obtain or maintain favorable tax, exchange control or regulatory

treatment of any member of the Group or any present or future Option-holder.

10.1.4 The amended terms of this Scheme must still comply with Chapter 17 of the Listing Rules.

## 10.2 **Amendments to terms of Options**

Where the initial grant of an Option requires the approval of the Directors, the Company's remuneration committee, the Independent Non-Executive Directors and/or the Shareholders (as the case may be), any changes to the terms of such Option must be approved by the Directors, the Company's remuneration committee, the Independent Non-Executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the proposed change takes effect automatically under the terms of this Scheme.

## 10.3 **Authority of the Board**

Any change to the authority of the Board in relation to any amendment of these Rules may only be made with the approval of the Shareholders in general meeting.

## 11 **Termination**

11.1 This Scheme will expire automatically on the day immediately preceding the 10th anniversary of the Effective Date.

11.2 The Board may terminate this Scheme at any time without Shareholders' approval by resolving that no further Options shall be granted under this Scheme.

11.3 If the Board decides to terminate this Scheme under Rule 11.2, then no new offers to grant Options under this Scheme will be made and any Options which have been granted but not yet exercised shall either:

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11.3.1 continue subject to these Rules; or

11.3.2 be cancelled in accordance with Rule 5.7.

## 12 **General**

### 12.1 **Notices**

12.1.1 Any notice or other document which has to be given to an Eligible Person or Option-holder under or in connection with this Scheme may be delivered to the Eligible Person or Option-holder or sent by post or facsimile transmission or e-mail to him at his home postal address, home or work e-mail address or facsimile number according to the records of his employing company or such other address as the Company reasonably considers appropriate.

12.1.2 Any notice or other document which has to be given to the Company under or in connection with this Scheme may be delivered or sent by post to it at its registered office (or such other place as the Board may from time to time

decide and notify to Option-holders) or by facsimile transmission to the central facsimile number of the Company.

12.1.3 Notices sent by post will be deemed to have been given by the Company on the first day after the date of posting, and by the Option-holder on the date of receipt by the Board.

## 12.2 **Availability of Shares**

The Company will keep available for allotment sufficient unissued Shares for all Options under which Shares may be subscribed.

## 12.3 **Administration**

12.3.1 The responsibility for administration of this Scheme shall rest with the Board. The Board, may, however, appoint an administrator or administrators in relation to this Scheme (or certain aspects thereof) on such terms as the Board may determine.

12.3.2 The decision of the Board on the interpretation of these Rules or as to whether any circumstances exist which may affect the treatment of any Option or any Option-holder under these Rules or in any dispute relating to any Option or matter relating to this Scheme will be final and binding (in the absence of manifest error).

## 12.4 **Terms of Employment**

Nothing in this Scheme will in any way be construed as imposing on any member of the Group a contractual obligation to any Eligible Person to offer participation in this Scheme.

Any person who ceased to be an employee of any member of the Group because of lawful dismissal or termination of employment or who is under notice of such lawful dismissal or termination of employment will in no circumstances be entitled to claim any compensation in respect of the operation of this Scheme (except as expressly provided under this Scheme).

## 12.5 **Replacement Option Certificates**

If any Option Certificate is worn out, defaced or lost, the Board may replace it on such conditions as it thinks fit concerning the surrender, continued validity or any other matter relevant to the original certificate being replaced provided such conditions are reasonable in the circumstances. If an Option is exercised in part, and the balance remains exercisable, the Board shall provide the Option-holder with a balance certificate.

## 12.6 **Withholding**

The Employer may withhold any amount and make any such arrangements, including the sale of any Shares on behalf of an Option-holder as it considers necessary to meet any liability to taxation or social security contributions in

respect of any Option granted to the Option-holder pursuant to this Scheme. These arrangements may include the sale of any Shares on behalf of an Option-holder, unless the Option-holder discharges the liability himself.

#### **12.7 General Notices**

The Option-holder shall be entitled to receive copies of all notices and other documents sent by the Company to holders of Shares generally, provided that the Option-holders are deemed to have received such notices and documents if and when they are posted on the Company's website ([www.boyya.com.hk](http://www.boyya.com.hk)).

#### **12.8 Taxation**

Each Option-holder shall pay all taxes and discharge all other liabilities to which he may become subject as a result of his participation in this Scheme or the exercise of any Option.

#### **12.9 Costs**

The Company will pay the costs of establishing and administering this Scheme.

### **13 Governing Law**

The law of the Hong Kong Special Administrative Region governs this Scheme and all Options and their construction. The Company, each Member of the Group and each Option-holder must submit to the exclusive jurisdiction of the Hong Kong courts in all matters relating to this Scheme and any Option.