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If you have sold or transferred all your shares in China Aluminum Cans Holdings Limited 中國鋁罐控股有限公司 (the “**Company**”), you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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CHINA ALUMINUM CANS HOLDINGS LIMITED
中國鋁罐控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6898)

**(1) PROPOSED ADOPTION OF THE PRE-IPO SHARE OPTION SCHEME
AND THE POST-IPO SHARE OPTION SCHEME OF
PRECIOUS DRAGON TECHNOLOGY HOLDINGS LIMITED
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular unless otherwise stated.

A notice dated 21 March 2019 convening the EGM to be held at Room Diamond, Level 22, Nexus Building, 41 Connaught Road Central, Hong Kong on Friday, 12 April 2019 at 2:30 p.m. is set out in this circular. A form of proxy for use at the EGM is enclosed herewith. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.6898hk.com).

Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event no less than 48 hours before the time fixed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM and any adjournment meeting if you so wish.

21 March 2019

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise.

“Adoption Date”	18 March 2019, being the date the Precious Dragon Pre-IPO Share Option Scheme and the Precious Dragon Post-IPO Share Option Scheme were conditionally adopted by the Precious Dragon Shareholder
“Board”	the board of Directors of the Company
“Business Day(s)”	any day(s) (other than Saturday or Sunday) on which licensed banks are generally open for business in Hong Kong and the Stock Exchange is open for the business of dealing in securities
“Company”	China Aluminum Cans Holdings Limited (中國鋁罐控股有限公司), a company incorporated in the Cayman Islands with limited liability with its securities listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened at Room Diamond, Level 22, Nexus Building, 41 Connaught Road Central, Hong Kong on Friday, 12 April 2019 at 2:30 p.m. for the Shareholders to consider and, if thought fit, approve the adoption of the Share Option Schemes by Precious Dragon
“Eligible Employee(s)”	any employee (whether full time or part time, including any executive director but excluding any non-executive director) of Precious Dragon Group or the Invested Entity
“Eligible Participant(s)”	(i) the Eligible Employee(s); (ii) the non-executive director(s) (including independent non-executive director(s)) of the Precious Dragon Group or the Invested Entity; or (iii) any other eligible group or classes of participants whom the Precious Dragon Board or person(s) authorised by it may in their sole discretion consider to have contributed or will contribute to the Precious Dragon Group in the future, details of which are set out in the Appendix II to this circular
“Grantee(s)”	any Eligible Participant who accepts the offer of the grant of an option in accordance with the terms of the Precious Dragon Pre-IPO Share Option Scheme and/or the Precious Dragon Post-IPO Share Option Scheme
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which the Precious Dragon Group holds at least 20% of its issued share capital
“Latest Practicable Date”	18 March 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Date”	the date on which the Precious Dragon Shares are listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Post-IPO Share Option(s)”	the share option(s) representing the right(s) granted to the Eligible Participant(s) to subscribe for the Precious Dragon Share(s) pursuant to the terms of the Precious Dragon Post-IPO Share Option Scheme
“Pre-IPO Share Options”	the share options to subscribe for an aggregate of 8,005,000 Precious Dragon Shares to be granted under the Precious Dragon Pre-IPO Share Option Scheme
“Precious Dragon”	Precious Dragon Technology Holdings Limited (保寶龍科技控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands and an indirect subsidiary of the Company as at the Latest Practicable Date
“Precious Dragon Board”	the board of directors of Precious Dragon
“Precious Dragon Group”	Precious Dragon and its subsidiaries
“Precious Dragon Post-IPO Share Option Scheme”	the post-listing share option scheme conditionally approved and adopted by Precious Dragon and proposed to be approved by the Company at the EGM, a summary of the principal terms of which is set out in the Appendix II to this circular
“Precious Dragon Pre-IPO Share Option Scheme”	the pre-listing share option scheme conditionally approved and adopted by Precious Dragon and proposed to be approved by the Company at the EGM, a summary of the principal terms of which is set out in the Appendix I to this circular
“Precious Dragon Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of Precious Dragon
“Precious Dragon Shareholder(s)”	holder(s) of the Precious Dragon Share(s)

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Option Schemes”	the Precious Dragon Pre-IPO Share Option Scheme and the Precious Dragon Post-IPO Share Option Scheme
“Share Option(s)”	Pre-IPO Share Options and Post-IPO Share Options
“Shareholder(s)”	holder(s) of the Share(s)
“Spin-off”	the proposed spin-off of Precious Dragon by way of a distribution in specie of the entire issued share capital of Precious Dragon owned by the Company to the Shareholders and the separate listing of the Precious Dragon Shares on the Main Board of the Stock Exchange by way of introduction
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD

CHINA ALUMINUM CANS HOLDINGS LIMITED
中國鋁罐控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6898)

Executive Directors:

Mr. Lin Wan Tsang (*Chairman*)
Mr. Dong Jiangxiong
Ms. Ko Sau Mee
Mr. Lin Hing Lung

Registered office:

Clifton House, 75 Fort Street,
P.O. Box 1350,
Grand Cayman KY1-1108,
Cayman Islands

Non-executive Director:

Mr. Kwok Tak Wang

*Principal place of business
in Hong Kong*

Unit G, 20/F., Golden Sun Centre,
Nos. 59/67 Bonham Strand West,
Sheung Wan,
Hong Kong

Independent non-executive Directors:

Dr. Lin Tat Pang
Ms. Guo Yang
Mr. Chung Yi To
Mr. Yip Wai Man Raymond

21 March 2019

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED ADOPTION OF THE PRE-IPO SHARE OPTION SCHEME
AND THE POST-IPO SHARE OPTION SCHEME OF
PRECIOUS DRAGON TECHNOLOGY HOLDINGS LIMITED
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

As announced by the Company on 28 September 2018, Precious Dragon submitted an application to the Stock Exchange for the listing by way of introduction of, and permission to deal in the Precious Dragon Shares on the Main Board of the Stock Exchange. In connection with such application for listing, Precious Dragon will adopt (i) the Precious Dragon Pre-IPO Share Option Scheme to grant the Pre-IPO Share Options to certain executive directors, members of the senior management and other employees of the Precious Dragon Group prior to the Listing Date; and (ii) the Precious Dragon Post-IPO Share Option Scheme to grant the Post-IPO Share Options to the Eligible Participants after the Listing Date.

Since Precious Dragon is an indirect wholly-owned subsidiary of the Company as at the Latest Practicable Date, each of the Share Option Schemes constitutes a share option scheme governed by Chapter 17 of the Listing Rules and, insofar as the Company is concerned, the adoption of the Share Option Schemes by Precious Dragon is subject to the Shareholders' approval in accordance with Rule 17.01(4) of the Listing Rules.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Precious Dragon Group is principally engaged in the design, development, manufacture and sale of a wide range of automotive beauty and maintenance products, personal care products and other products including household products, which are in the form of aerosol and non-aerosol products.

The Spin-off is subject to, among other things, the approval of the Stock Exchange, and the final decisions of the respective boards of directors of the Company and Precious Dragon. Accordingly, Shareholders and potential investors of the Company should be aware that there is no assurance that the Spin-off will take place or as to when it may take place. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the Shares. Any person who is in doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

The purpose of this circular is to provide you with information in respect of resolutions to be proposed at the EGM for the approval of the adoption of the Share Option Schemes by Precious Dragon. This circular gives all the information reasonably necessary to enable the Shareholders to make informed decisions on whether to vote for or against the resolutions to be proposed at the EGM.

A notice convening the EGM is set out on pages 33 to 34 of this circular.

2. ADOPTION OF THE PRECIOUS DRAGON PRE-IPO SHARE OPTION SCHEME

An ordinary resolution will be proposed to the Shareholders at the EGM for approval of the adoption of the Precious Dragon Pre-IPO Share Option Scheme by Precious Dragon.

The Precious Dragon Pre-IPO Share Option Scheme is an incentive scheme to recognise and motivate the contributions that certain executive directors of Precious Dragon, members of the senior management and other employees of Precious Dragon Group have made or may make to the Precious Dragon Group. The Precious Dragon Pre-IPO Share Option Scheme would allow the Grantees to benefit from an increase in share price (if any) of the Precious Dragon Shares on and after the Listing Date, which would assist in recognising and motivating such Grantees.

The Precious Dragon Pre-IPO Share Option Scheme does not stipulate either a minimum period for which an option must be held or any performance target a Grantee is required to achieve before an option may be exercised. However, under the Precious Dragon Pre-IPO Share Option Scheme, the Precious Dragon Board may at its discretion specify any conditions which must be satisfied before any option may be exercised in the offer letter for the grant of the option. This discretion allows the Precious Dragon Board to provide incentive and reward to selected Eligible Employees as it thinks fit.

As at the Latest Practicable Date, Precious Dragon proposed to grant the Pre-IPO Share Options to certain executive directors, members of the senior management and other employees of the Precious Dragon Group to subscribe for an aggregate of 8,005,000 Precious Dragon Shares. Details of the proposed grant of Pre-IPO Share Options to such Grantees are set out in the paragraph “5. Proposed grant of Pre-IPO Share Options” below.

LETTER FROM THE BOARD

Conditions precedent

The Precious Dragon Pre-IPO Share Option Scheme will become effective after all conditions precedents under this paragraph have been fulfilled. After the commencement of dealings in the Precious Dragon Shares on the Main Board of the Stock Exchange, no further options may be granted under the Precious Dragon Pre-IPO Share Option Scheme. Any options to be granted under the Precious Dragon Pre-IPO Share Option Scheme will only become valid upon:

- (a) the passing of the necessary resolution(s) by the Precious Dragon Board and the Precious Dragon Shareholder(s) to approve and adopt the Precious Dragon Pre-IPO Share Option Scheme;
- (b) the passing of the necessary resolution(s) by the Shareholders in accordance with the Listing Rules and all applicable laws at the EGM to approve the Precious Dragon Pre-IPO Share Option Scheme;
- (c) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Precious Dragon Shares to be issued and allotted pursuant to the exercise of the Pre-IPO Share Options granted under the Precious Dragon Pre-IPO Share Option Scheme; and
- (d) commencement of trading of the Precious Dragon Shares on the Stock Exchange.

An application has been made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Precious Dragon Shares to be issued and allotted pursuant to the exercise of the Pre-IPO Share Options granted under the Precious Dragon Pre-IPO Share Option Scheme.

Once the Precious Dragon Pre-IPO Share Option Scheme is adopted by the Shareholders at the EGM, any alterations to the terms and conditions thereof, which are of material nature, must be approved by the Shareholders and the Precious Dragon Shareholders, except where the alterations take effect automatically pursuant to the terms originally provided in the Precious Dragon Pre-IPO Share Option Scheme.

As at the Latest Practicable Date, Precious Dragon had conditionally adopted the Precious Dragon Pre-IPO Share Option Scheme subject to the fulfilment of the conditions precedent in this paragraph.

As at the Latest Practicable Date, Precious Dragon has not granted any Pre-IPO Share Options under the Precious Dragon Pre-IPO Share Option Scheme. The Company will publish an announcement under Rule 17.06A of the Listing Rules upon granting of the Pre-IPO Share Options under the Precious Dragon Pre-IPO Share Option Scheme.

3. ADOPTION OF THE PRECIOUS DRAGON POST-IPO SHARE OPTION SCHEME

An ordinary resolution will be proposed to the Shareholders at the EGM for the approval of the adoption of the Precious Dragon Post-IPO Share Option Scheme by Precious Dragon.

LETTER FROM THE BOARD

The purpose of the Precious Dragon Post-IPO Share Option Scheme is to motivate the Eligible Participants to optimise their performance and efficiency for the benefit of the Precious Dragon Group and to attract and retain the Eligible Participants whose contributions are beneficial to the Precious Dragon Group.

The Precious Dragon Post-IPO Share Option Scheme does not stipulate either a minimum period for which an option must be held or any performance target a Grantee is required to achieve before an option may be exercised. However, under the Precious Dragon Post-IPO Share Option Scheme, the Precious Dragon Board may at its discretion specify any conditions which must be satisfied before any option may be exercised in the offer letter for the grant of the option. This discretion allows the Precious Dragon Board to provide incentive and reward to selected Eligible Participants as it thinks fit.

Conditions precedent

The Precious Dragon Post-IPO Share Option Scheme will come into effect on the Listing Date. No options shall be granted under the Precious Dragon Post-IPO Share Option Scheme prior to the commencement of dealings in the Precious Dragon Shares on the Main Board of the Stock Exchange. The exercise price of the options to be granted under the Precious Dragon Post-IPO Share Option Scheme will be determined by the Precious Dragon Board in accordance with and to the extent permissible under Chapter 17 of the Listing Rules. Any options to be granted under the Precious Dragon Post-IPO Share Option Scheme will only become valid upon:

- (a) the passing of the necessary resolution(s) by the Precious Dragon Board and the Precious Dragon Shareholder(s) to approve and adopt the Precious Dragon Post-IPO Share Option Scheme;
- (b) the passing of the necessary resolution(s) by the Shareholders in accordance with the Listing Rules and applicable laws at the EGM to approve the Precious Dragon Post-IPO Share Option Scheme;
- (c) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Precious Dragon Shares to be issued and allotted pursuant to the exercise of the Post-IPO Share Options granted under the Precious Dragon Post-IPO Share Option Scheme; and
- (d) commencement of trading of the Precious Dragon Shares on the Stock Exchange.

An application has been made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Precious Dragon Shares to be issued and allotted pursuant to the exercise of the Post-IPO Share Options granted under the Precious Dragon Post-IPO Share Option Scheme.

LETTER FROM THE BOARD

Once the Precious Dragon Post-IPO Share Option Scheme is adopted by the Shareholders at the EGM, any alterations to the terms and conditions thereof, which are of material nature, must be approved by the Shareholders and/or the Precious Dragon Shareholders, except where the alterations take effect automatically pursuant to the terms originally provided in the Precious Dragon Post-IPO Share Option Scheme.

As at the Latest Practicable Date, the Precious Dragon Group had conditionally adopted the Precious Dragon Post-IPO Share Option Scheme subject to the fulfilment of the conditions precedent in this paragraph.

As at the Latest Practicable Date, Precious Dragon has not granted any Post-IPO Share Options under the Precious Dragon Post-IPO Share Option Scheme. The Company will publish an announcement under Rule 17.06A of the Listing Rules upon granting of the Post-IPO Share Options under the Precious Dragon Post-IPO Share Option Scheme.

4. WAIVER IN RELATION TO THE SHARE OPTION SCHEMES

According to Note (1) of Rule 17.03(3) of the Listing Rules, the maximum number of Precious Dragon Shares which may be issued upon exercise of the options that may be granted under the Share Option Schemes shall not exceed 10% (the “**General Scheme Limit**”) of the total number of the issued Precious Dragon Shares as at the date of approval of the Share Option Schemes. The maximum number of Precious Dragon Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Schemes shall not exceed 30% of the total number of Precious Dragon Shares in issue from time to time.

As at the Adoption Date, there was 1 Precious Dragon Share in issue and the issued share capital of Precious Dragon shall remain unchanged between the Latest Practicable Date and the date of the EGM. Upon completion of the Spin-off which will be effected by way of distribution in specie, it is expected that a total of 234,544,750 Precious Dragon Shares will be issued on the Listing Date. Precious Dragon Post-IPO Share Option Scheme will not take effect until the listing of Precious Dragon. Despite the fact the Precious Dragon Pre-IPO Share Option Scheme will take effect on the Adoption Date, none of the options to be granted thereunder will be exercisable before the Listing Date. In other words, the Precious Dragon Pre-IPO Share Option Scheme does not serve any meaningful purpose for the Grantees until the Precious Dragon Shares are listed on the Main Board of the Stock Exchange. Taking into consideration the fact that (i) the Share Option Schemes are conditional upon listing of Precious Dragon as described above; and (ii) the significant difference of the number of Precious Dragon Shares in issue between the Adoption Date and the Listing Date, it would be unreasonable to set a 10% limit of the Share Option Schemes as required by Note (1) of Rule 17.03(3) of the Listing Rules given the number of the Precious Dragon Share in issue as at the Adoption Date is 1 only whilst the Precious Dragon Shares in issue as at the Listing Date will be significantly higher. The Company has therefore applied for and the Stock Exchange has granted a waiver from strict compliance with the requirement under Note (1) of Rule 17.03(3) of the Listing Rules to set the General Scheme Limit on the basis of the total number of Precious Dragon Shares in issue on the Listing Date.

LETTER FROM THE BOARD

5. PROPOSED GRANT OF THE PRE-IPO SHARE OPTIONS

The Precious Dragon Board proposed to grant to 124 Grantees the Pre-IPO Share Options to subscribe for an aggregate of 8,005,000 Precious Dragon Shares. Such Grantees include three executive directors of Precious Dragon, members of the senior management and other employees of the Precious Dragon Group. Assuming that the number of the Precious Dragon Shares in issue on the Listing Date is 234,544,750, the Pre-IPO Share Options represent approximately 3.4% of the total issued share capital of Precious Dragon upon completion of the Spin-off (assuming none of the Pre-IPO Share Options have been exercised), and approximately 3.3% of the total issued share capital of Precious Dragon upon completion of the Spin-off (assuming all the Pre-IPO Share Options have been exercised in full). The exercise price for the Pre-IPO Share Options shall be HK\$2.17 per Precious Dragon Share. A nominal consideration of HK\$1 is payable by each Grantee on acceptance of the grant of the Pre-IPO Share Options.

Pursuant to the Precious Dragon Pre-IPO Share Option Scheme, in respect of each Grantee, the Pre-IPO Share Options conditionally granted to him/her are subject to the following vesting and exercise period:

- (i) 50% of the options shall become vested and exercisable on the 1st anniversary date of the Listing Date (the “**1st Vesting Date**”), and the exercise period in respect thereof shall commence on the 1st Vesting Date and end on the day immediately before the 10th anniversary date of the offer date (the “**Expiration Date**”) (both dates inclusive); and
- (ii) 50% of the options shall become vested and exercisable on the 2nd anniversary date of the Listing Date (the “**2nd Vesting Date**”), and the exercise period in respect thereof shall commence on the 2nd Vesting Date and end on the Expiration Date (both dates inclusive).

LETTER FROM THE BOARD

Particulars of the Pre-IPO Share Options are set out below:

Category of Grantees	Number of Grantees	Number of the underlying Precious Dragon Shares	Approximate % of issued share capital of Precious Dragon upon completion of the Spin-off <i>(Note)</i>
Executive directors of Precious Dragon			
Ko Sau Mee (“ Ms. Ko ”)		500,000	0.21%
Lin Hing Lei (“ Ms. Flora Lin ”)		500,000	0.21%
Lin Hing Lung (“ Mr. Alex Lin ”)		<u>500,000</u>	<u>0.21%</u>
Sub-total	3	<u>1,500,000</u>	<u>0.63%</u>
Senior management of Precious Dragon			
	4	860,000	0.37%
Other employees of Precious Dragon Group			
	117	<u>5,645,000</u>	<u>2.41%</u>
Total	124	<u><u>8,005,000</u></u>	<u><u>3.41%</u></u>

Note: Assuming that the number of Precious Dragon Shares in issue after completion of the Spin-off is 234,544,750.

As set out in the above table, each of Ms. Ko, Ms. Flora Lin and Mr. Alex Lin will be entitled to 500,000 Pre-IPO Share Options. Pursuant to Rule 17.04(1) of the Listing Rules, each grant of the Pre-IPO Share Options to the directors of the Company under the Precious Dragon Pre-IPO Share Option Scheme shall be approved by the independent non-executive Directors. Accordingly, the Company shall ensure that the approval of the independent non-executive Directors in relation to the grant of the Pre-IPO Share Options to Ms. Ko and Mr. Alex Lin, who are the executive directors of the Company as at the Latest Practicable Date, is obtained before granting the Pre-IPO Share Options to Ms. Ko and Mr. Alex Lin.

In addition, since Ms. Ko, Ms. Flora Lin and Mr. Alex Lin are the wife, daughter and son of Mr. Lin Wan Tsang, respectively, who is the substantial shareholder of the Company, Ms. Ko, Ms. Flora Lin and Mr. Alex Lin are the associates of the substantial shareholder of the Company under the Listing Rules. On the basis of a total of 234,544,750 Precious Dragon Shares which are expected to be issued immediately after completion of the Spin-off, the Company confirms that the Precious Dragon Shares to be issued upon the exercise of the Pre-IPO Share Options to Ms. Ko, Ms. Flora Lin and Mr. Alex Lin will be over 0.1% of the issued share capital of Precious Dragon after completion of the Spin-off, but the aggregate value which is based on the exercise price of the Pre-IPO Share

LETTER FROM THE BOARD

Options as at the date of such grant, is expected not to exceed HK\$5 million. Accordingly, the grant of the Pre-IPO Share Options to Ms. Ko, Ms. Flora Lin and Mr. Alex Lin under the Precious Dragon Pre-IPO Share Option Scheme does not need to be approved by the Shareholders under Rule 17.04(1) of the Listing Rules.

6. VALUES OF THE SHARE OPTIONS

The Directors consider that it is not appropriate to state the value of all Share Options that can be granted under the Share Option Schemes as if they had been granted as at the Latest Practicable Date as a number of variables which are crucial for the calculation of the value of the share options have not been determined. Such variables include but are not limited to the time when all the conditions precedent to the Share Option Schemes are fulfilled and the trading prices of the Precious Dragon Shares upon listing on the Stock Exchange. The Directors believe that any calculation of the value of the Share Options as at the Latest Practicable Date based on a great number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

7. PRINCIPAL TERMS OF THE SHARE OPTION SCHEMES

Summaries of the principal terms of the Precious Dragon Pre-IPO Share Option Scheme and the Precious Dragon Post-IPO Share Option Scheme are set out in Appendix I and Appendix II to this circular, respectively.

The terms of the Share Option Schemes are in compliance with the provisions of Chapter 17 of the Listing Rules, which governs the terms of the share option schemes of listed companies and their subsidiaries.

None of the Directors is a trustee of the Share Option Schemes or has a direct or indirect interest in the trustee of the Share Option Schemes, if any.

8. EGM AND PROXY ARRANGEMENT

The EGM is to be held for the purpose of seeking the approval of the Shareholders for the adoption of the Share Option Schemes by Precious Dragon.

A notice of the EGM is set out on pages 33 to 34 of this circular.

A form of proxy for use at the EGM is enclosed herewith. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.6898hk.com). Whether or not you are able to attend the EGM, you are requested to complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

There is no Shareholder who has any material interest in the adoption of the Share Option Schemes, and therefore no Shareholder is required to abstain from voting on the ordinary resolutions proposed to adopt the Share Option Schemes by Precious Dragon.

9. VOTE BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, the voting on all resolutions at the EGM will be conducted by way of poll.

10. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

11. RECOMMENDATION

The Directors (including independent non-executive Directors) consider that the adoption of the Share Option Schemes is in the best interests of the Company and the Shareholders as a whole and, accordingly, recommend all Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Share Option Schemes are available for inspection at the Company's principal place of business in Hong Kong at Unit G, 20/F., Golden Sun Centre, Nos. 59/67 Bonham Strand West, Sheung Wan, Hong Kong during normal business hours for a period of not less than 14 days before the date of the EGM (i.e. from 28 March 2019 to 11 April 2019 (both days inclusive)) and at the EGM.

Yours faithfully,
By Order of the Board of
China Aluminum Cans Holdings Limited
中國鋁罐控股有限公司
Lin Wan Tsang
Chairman and executive Director

The following is a summary of the principal terms of the Precious Dragon Pre-IPO Share Option Scheme to be approved and adopted at the EGM. It does not form part of, nor is it intended to be part of the terms of the Precious Dragon Pre-IPO Share Option Scheme. The Directors reserve the right at any time prior to the EGM to make such amendments to the Precious Dragon Pre-IPO Share Option Scheme as they may consider necessary or appropriate provided such amendments do not conflict with any material aspects with the summary of this Appendix.

1. Purpose of the Precious Dragon Pre-IPO Share Option Scheme

The Precious Dragon Pre-IPO Share Option Scheme is an incentive scheme established to recognise and motivate the contributions that certain executive directors, members of the senior management and other employees of Precious Dragon Group have made or may make to the Precious Dragon Group. The Precious Dragon Pre-IPO Share Option Scheme would allow the Grantees to benefit from an increase in share price (if any) of the Precious Dragon Shares on and after the Listing Date, which would assist in recognising and motivating such Grantees.

2. Who may join and basis of eligibility

The Precious Dragon Board may at its discretion grant the Pre-IPO Share Options to the following eligible participants (the “**Eligible Grantees**”), including:

- (i) any Eligible Employees; and
- (ii) any non-executive directors (including independent non-executive directors) of Precious Dragon Group, or the Invested Entity.

The basis of eligibility of any participant to be granted any option shall be determined by the directors (or as the case may be, the independent non-executive directors) of Precious Dragon from time to time on the basis of his/her contribution or potential contribution to the development and growth of the Precious Dragon Group.

3. Exercise price

The exercise price for the Precious Dragon Shares under the Precious Dragon Pre-IPO Share Option Scheme shall be HK\$2.17 per Precious Dragon Share (the “**Exercise Price**”) which is primarily determined with reference to the fair value of the Precious Dragon Shares as at 31 December 2018 based on an independent valuation performed by an independent valuer appointed by Precious Dragon. No adjustment to the Exercise Price will be allowed.

4. Grant of the Pre-IPO Share Options and acceptance of offers

An offer for the grant of Pre-IPO Share Options shall be deemed to have been accepted when Precious Dragon receives the letter containing the offer duly signed by the Grantee together with a remittance of HK\$1.00 (or such other nominal sum in any currency as the directors of Precious Dragon may determine) in favour of Precious Dragon as consideration for the grant thereof within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable. Once accepted, the Pre-IPO Share Options are granted as from the date on which they were offered to the relevant Eligible Grantees.

5. Maximum number of Precious Dragon Shares

Subject to adjustment in the event of alteration to the share capital of Precious Dragon as provided for in paragraph 13 in this Appendix, the total number of the Precious Dragon Shares subject to the Precious Dragon Pre-IPO Share Option Scheme is 8,005,000. As at the Adoption Date, there was 1 Precious Dragon Share in issue. Upon completion of the Spin-off which will be effected by way of distribution in specie, it is expected that a total of 234,544,750 Precious Dragon Shares will be issued on the Listing Date. The maximum number of Precious Dragon Shares which may be issued pursuant to the Precious Dragon Pre-IPO Share Option Scheme will be 8,005,000 Precious Dragon Shares. Assuming that the number of Precious Dragon Shares in issue on the Listing Date is 234,544,750, the Pre-IPO Share Options represent approximately 3.4% of the total issued share capital of Precious Dragon immediately upon completion of the Spin-off (assuming none of the Pre-IPO Share Options have been exercised), and approximately 3.3% of the total issued share capital of Precious Dragon upon completion of the Spin-off (assuming all the Pre-IPO Share Options have been exercised in full). The maximum number of 8,005,000 Precious Dragon Shares is determined based on, amongst other things, the period of working relationship, past contribution, working performance and potential contribution of the Eligible Grantees during their tenure with the Precious Dragon Group.

6. Maximum entitlement of each Eligible Grantees

No Pre-IPO Share Options shall be granted to any Eligible Grantees which, if exercised in full, would result in the total number of the Precious Dragon Shares issued and to be issued upon exercise of the Pre-IPO Share Options already granted or to be granted to such Eligible Grantees under the Precious Dragon Pre-IPO Share Option Scheme (including exercised, cancelled and outstanding Pre-IPO Share Options) in any 12-month period up to and including the date of such grant exceeding 1% in aggregate of the Precious Dragon Shares in issue on the Listing Date. Any grant of further options above this limit shall be subject to the following requirements:

- (i) approval of the Shareholders and the Precious Dragon Shareholders at their respective general meetings, with such Eligible Grantees and his/her close associates (or his/her associates if the Eligible Grantees is a connected person of the Company) abstaining from voting;
- (ii) a circular in relation to the proposal for such further grant must be sent by Precious Dragon and the Company to the Shareholders with such information from time to time as required by the Listing Rules; and

- (iii) the number and terms (including the exercise price) of the Pre-IPO Share Options to be granted to such Eligible Grantees shall be fixed before the shareholders' approval mentioned in (i) above.

No further grant of Pre-IPO Share Option shall be allowed after the Listing Date.

7. Requirements on granting Pre-IPO Share Options to certain core connected persons

Any grant of options to any director, chief executive or substantial shareholder of Precious Dragon, or any of their respective associates, must be approved by the independent non-executive directors of the Company and Precious Dragon (excluding an independent non-executive director who or whose associate is a proposed grantee of an option).

Where any grant of options to a substantial shareholder or an independent non-executive director or any of their respective associates of Precious Dragon would result in the total number of the Precious Dragon 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% of the total number of Precious Dragon Shares in issue on the Listing Date; and
- (ii) having an aggregate value, based on the exercise price of the Precious Dragon Shares at the date of such grant, in excess of HK\$5 million,

such further grant of options must be approved by the Shareholders and Precious Dragon Shareholders by poll in a general meeting where the grantee, his/her associates and core connected persons of the Company must abstain from voting in favour at such general meeting. The Company will send a circular to the Shareholders containing the information required under the Listing Rules.

8. Time of exercise of Pre-IPO Share Options

A Pre-IPO Share Option may (and may only) be exercised in accordance with the terms of the Precious Dragon Pre-IPO Share Option Scheme at any time during a period as the directors of Precious Dragon may determine which shall not exceed 10 years from the offer date subject to the provisions of early termination thereof, and provided that the directors of Precious Dragon may determine the minimum period for which a Pre-IPO Share Option has to be held or other restrictions before its exercise.

The grantee shall not exercise a Pre-IPO Share Option to the extent that the public float of Precious Dragon will be less than 25% (or such higher percentage as required by the Stock Exchange or the Listing Rules) of the issued share capital of Precious Dragon immediately after the allotment and issue of the Precious Dragon Shares upon such exercise of the Pre-IPO Share Options.

9. Performance targets

Save as determined by the directors of Precious Dragon on a case by case basis and provided in the offer of grant of the Pre-IPO Share Options which the Precious Dragon Board may think fit, including, amongst other things, continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by Precious Dragon and/or the Grantee, there is no performance target that must be achieved before the Pre-IPO Share Options can be exercised.

10. Ranking of Precious Dragon Shares

The Precious Dragon Shares to be allotted and issued upon exercise of a Pre-IPO Share Option shall be subject to all the provisions of the articles of association of Precious Dragon for the time being in force and shall rank *pari passu* in all respects with the then existing fully paid Precious Dragon Shares in issue on the allotment date and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made on or after the allotment date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the allotment date. Any Precious Dragon Share allotted and issued upon the exercise of a Pre-IPO Share Option shall not carry voting rights until the name of the grantee has been duly entered into the register of members of Precious Dragon as the holder thereof.

11. Rights are personal to grantee

The Pre-IPO Share Options shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any option or enter into any agreement so to do. Any breach of the foregoing by a grantee shall entitle Precious Dragon to cancel any option granted to such grantee to the extent not already exercised.

12. Rights on cessation of employment

- (i) In the event of death of the grantee (being an individual) before exercising the Pre-IPO Share Options in full, his/her personal representative(s) may exercise the Pre-IPO Share Options up to the grantee's entitlement (to the extent exercisable as at the date of his/her death and not already exercised) within a period of 12 months following his/her death or such longer period as the directors of Precious Dragon may determine.
- (ii) In the event of the grantee who is an Eligible Grantees ceasing to be an Eligible Grantees for any reason other than his/her death, or the termination of his/her employment pursuant to paragraph 17(v), the grantee may exercise the option (to the extent exercisable as at the date of such cessation and not already exercised) within 30 days following such cessation or such longer period as the directors of Precious Dragon may determine. The date of cessation as aforesaid shall be the last day on which the grantee was actually at work with Precious Dragon or the relevant subsidiary or the Invested Entity whether salary is paid in lieu of notice or not, or such longer period as the directors of Precious Dragon may determine.

13. Effects of alterations to share capital

In the event of any alteration in the capital structure of Precious Dragon while an option remains exercisable or the Precious Dragon Pre-IPO Share Option Scheme remains in effect, whether by way of capitalisation of profits or reserves, rights issue, consolidation, reclassification, subdivision or reduction of share capital of Precious Dragon, such corresponding alterations (if any) shall be made in the number or nominal amount of Precious Dragon Shares to which the Precious Dragon Pre-IPO Share Option Scheme or any option(s) relate so far as unexercised; and/or the exercise price; and/or the method of exercise of the options; and/or the maximum number of the Precious Dragon Shares subject to the Precious Dragon Pre-IPO Share Option Scheme.

Any adjustments required under this paragraph must be made in compliance with the Listing Rules and give a grantee the same proportion of the equity capital as that to which that grantee was previously entitled and shall be made on the basis that the aggregate exercise price payable by a grantee on the full exercise of any option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but no such adjustments may be made to the extent that Precious Dragon Shares would be issued at less than nominal value, provided that in such circumstance, the exercise price shall be reduced to the nominal value. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, the independent financial adviser of Precious Dragon or the auditor(s) of Precious Dragon must confirm to the Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

14. Rights on a general offer

If a general or partial offer (whether by way of takeover offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner) is made to all the holders of Precious Dragon Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror), Precious Dragon shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, the Precious Dragon Shareholders. If such offer becomes or is declared unconditional, the grantee shall be entitled to exercise the option (to the extent exercisable as at the date on which the offer becomes or is declared unconditional and not already exercised) in full or in part at any time within 14 days after the date on which the offer becomes or is declared unconditional.

15. Rights on winding-up

In the event notice is given by Precious Dragon to the Precious Dragon Shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up Precious Dragon, Precious Dragon shall forthwith give notice thereof to the grantee and the grantee shall be entitled to exercise all or any of his/her options (to the extent exercisable as at the date of the notice of meeting and not already exercised) at any time not later than two Business Days (excluding any period(s) of closure of Precious Dragon's share registers) prior to the proposed meeting of Precious Dragon to consider the winding-up and Precious Dragon shall, as

soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of Precious Dragon's share registers) immediately prior to the date of the proposed shareholders' meeting, allot and issue such number of Precious Dragon Shares to the grantee which falls to be issued on such exercise.

16. Rights on compromise or arrangement

In the event of a compromise or arrangement between Precious Dragon and its members or creditors being proposed in connection with a scheme for the restructuring, reconstruction or amalgamation of Precious Dragon, Precious Dragon shall give notice thereof to all grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme, and thereupon the grantee shall be entitled to exercise all or any of his/her option(s) (to the extent which has become exercisable as at the date of the notice and not already exercised) at any time not later than two Business Days (excluding any period(s) of closure of Precious Dragon's share registers) prior to the proposed meeting and Precious Dragon shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of Precious Dragon's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Precious Dragon Shares to the grantee which falls to be issued on such exercise.

17. Lapse of Pre-IPO Share Options

Pre-IPO Share Options (to the extent not already exercised) shall automatically lapse and not be exercisable on the earliest of:

- (i) the expiry of the option period;
- (ii) the expiry of any of the periods referred to in paragraph 12 above;
- (iii) subject to paragraph 15 above, the date of the commencement of the winding-up of Precious Dragon;
- (iv) the expiry of the period referred to in paragraph 16 above;
- (v) the date on which the grantee who is an Eligible Grantees ceases to be an Eligible Grantees by reason of summary dismissal or being dismissed for misconduct or other breach of the terms of his/her employment contract or other contract constituting him/her an Eligible Grantees, or the date on which he/she begins to appear to be unable to pay or has no reasonable prospect of being able to pay his/her debts or has become insolvent or has made any arrangements or composition with his or her creditors generally or on which he/she has been convicted of any criminal offence involving his or her integrity or honesty, unless otherwise resolved to the contrary by the Precious Dragon Board;
- (vi) in respect of a grantee other than an Eligible Grantees, the date on which the directors of Precious Dragon shall at their absolute discretion determine that (i)(a) such grantee has committed any breach of any contract entered into between such grantee on one part and Precious Dragon Group or any Invested Entity on the other part; or (b) such grantee has

committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (c) such grantee could no longer make any contribution to the growth and development of Precious Dragon Group by reason of the cessation of its relations with Precious Dragon Group or by any other reason whatsoever; and (ii) the option shall lapse as a result of any event specified in subparagraph (i)(a), (b) or (c) above, unless otherwise resolved to the contrary by the Precious Dragon Board;

(vii) the expiry of the period referred to in paragraph 14 above; and

(viii) the date on which the grantee commits a breach of paragraph 11 or any terms or conditions attached to the grant of the option or an event, in respect to a grantee, referred to in (2) below occurs, unless otherwise resolved to the contrary by the Precious Dragon Board.

If the grantee is a company wholly-owned by one or more Eligible Grantees:

- (1) the provisions of paragraphs 12(i) and (ii), 17(v) and (vi) shall apply to the grantee and to the options granted to such grantee, mutatis mutandis, as if such options had been granted to the relevant Eligible Grantees, and such options shall accordingly lapse or fall to be exercisable after the event(s) referred to in paragraphs 12(i) and (ii), 17(v) and (vi) shall occur with respect to the relevant Eligible Grantees; and
- (2) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly-owned by the relevant Eligible Grantees,

provided that the directors of Precious Dragon may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

18. Cancellation of Pre-IPO Share Options granted but not yet exercised

The directors of Precious Dragon shall have the absolute discretion to cancel any options granted at any time if the grantee so agreed.

19. Period of the Precious Dragon Pre-IPO Share Option Scheme

The Precious Dragon Pre-IPO Share Option Scheme will become effective after all conditions precedent under the Precious Dragon Pre-IPO Share Option Scheme have been fulfilled. Subject to the early termination of the Precious Dragon Pre-IPO Share Option Scheme, no further Pre-IPO Share Options may be issued after the Listing Date. Subject to the above, in all other respects, in particular, in respect of Pre-IPO Share Options remaining outstanding, the provisions of the Precious Dragon Pre-IPO Share Option Scheme shall remain in full force and effect.

The Precious Dragon Board may impose such terms and conditions of the offer of grant either on a case-by-case basis or generally as are not inconsistent with the Precious Dragon Pre-IPO Share Option Scheme including but not limited to the minimum period for which an option must be held before it can be exercised.

20. Alteration to the Precious Dragon Pre-IPO Share Option Scheme

The Precious Dragon Pre-IPO Share Option Scheme may be altered in any respect by resolution of the Precious Dragon Board except that the terms and conditions of the Precious Dragon Pre-IPO Share Option Scheme relating to matters set out in Rule 17.03 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) cannot be altered to the advantage of grantees or prospective grantees except with the prior approval of the Shareholders and the Precious Dragon Shareholders in general meeting. No such alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alterations except with the consent or sanction of such majority of the grantee as would be required of the Precious Dragon Shareholders under the articles of Precious Dragon for the time being of Precious Dragon for a variation of the rights attached to Shares.

Any alterations to the terms and conditions of the Precious Dragon Pre-IPO Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders and the Precious Dragon Shareholders in general meeting, except where such alterations take effect automatically under the existing terms of the Precious Dragon Pre-IPO Share Option Scheme.

Any change to the authority of the directors of Precious Dragon or administrators of the Precious Dragon Pre-IPO Share Option Scheme in relation to any alterations to the terms of the Precious Dragon Pre-IPO Share Option Scheme must be approved by the Shareholders and the Precious Dragon Shareholders in general meeting.

The amended terms of the Precious Dragon Pre-IPO Share Option Scheme and/or the options must continue to comply with the relevant provisions of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time (including the supplemental guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to the Precious Dragon Pre-IPO Share Option Scheme).

Subject to the above paragraphs, the Precious Dragon Board may at any time alter, amend or modify the terms and conditions of the Precious Dragon Pre-IPO Share Option Scheme such that the provisions of the Precious Dragon Pre-IPO Share Option Scheme would comply with all relevant legal and regulatory requirements in all relevant jurisdictions to the extent as considered necessary by the directors of Precious Dragon to implement the terms of the Precious Dragon Pre-IPO Share Option Scheme.

21. Termination to the Precious Dragon Pre-IPO Share Option Scheme

Precious Dragon by ordinary resolution in general meeting or the directors of Precious Dragon may at any time terminate the operation of the Precious Dragon Pre-IPO Share Option Scheme and in such event, no further options will be offered but the provisions of the Precious Dragon Pre-IPO Share Option Scheme shall remain in force in all other respects.

Pre-IPO Share Options complying with the provisions of the Listing Rules which are granted during the life of the Precious Dragon Pre-IPO Share Option Scheme and remain unexpired immediately prior to the termination of the operation of the Precious Dragon Pre-IPO Share Option Scheme shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Precious Dragon Pre-IPO Share Option Scheme.

22. Conditions of the Precious Dragon Pre-IPO Share Option Scheme

The Precious Dragon Pre-IPO Share Option Scheme is conditional upon:

- (a) the passing of the necessary resolution(s) by the Precious Dragon Board and the Precious Dragon Shareholders to approve and adopt the Precious Dragon Pre-IPO Share Option Scheme;
- (b) the passing of the necessary resolution(s) by the Shareholders in accordance with the Listing Rules and all applicable laws in the EGM to approve the Precious Dragon Pre-IPO Share Option Scheme;
- (c) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Precious Dragon Shares to be issued and allotted pursuant to the exercise of Pre-IPO Share Options granted under the Precious Dragon Pre-IPO Share Option Scheme; and
- (d) commencement of trading of the Precious Dragon Shares on the Stock Exchange.

As at the Latest Practicable Date, no Pre-IPO Share Options had been granted by Precious Dragon under the Precious Dragon Pre-IPO Share Option Scheme. An application has been made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in the Precious Dragon Shares to be issued and allotted by Precious Dragon pursuant to the exercise of Pre-IPO Share Options that may be granted under the Precious Dragon Pre-IPO Share Option Scheme.

The following is a summary of the principal terms of the Precious Dragon Post-IPO Share Option Scheme to be approved and adopted at the EGM. It does not form part of, nor is it intended to be part of the terms of the Precious Dragon Post-IPO Share Option Scheme. The Directors reserve the right at any time prior to the EGM to make such amendments to the Precious Dragon Post-IPO Share Option Scheme as they may consider necessary or appropriate provided such amendments do not conflict with any material aspects with the summary of this Appendix.

1. Purpose of the Precious Dragon Post-IPO Share Option Scheme

The Precious Dragon Post-IPO Share Option Scheme is an incentive scheme established to recognise and motivate the contributions that the Eligible Participants have made or may make to the Precious Dragon Group.

The Precious Dragon Post-IPO Share Option Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in Precious Dragon with the view to achieve the following principal objectives:

- (a) motivate the Eligible Participants to optimise their performance and efficiency for the benefit of Precious Dragon Group; and
- (b) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to the Precious Dragon Group.

2. Who may join and basis of eligibility

The Precious Dragon Board may at its discretion grant Post-IPO Share Options to the following Eligible Participants, including:

- (i) any Eligible Employees;
- (ii) any non-executive director (including independent non-executive directors) of Precious Dragon, any subsidiary or any Invested Entity;
- (iii) any supplier of goods or services of any member of Precious Dragon Group or any Invested Entity;
- (iv) any customer of any member of Precious Dragon Group or any Invested Entity;
- (v) any person or entity that provides research, development or other technological support to any member of Precious Dragon Group or any Invested Entity;

- (vi) any shareholder of any member of Precious Dragon Group or any Invested Entity or any holder of any securities issued by any member of Precious Dragon Group or any Invested Entity;
- (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of Precious Dragon Group or any Invested Entity; and
- (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of Precious Dragon Group,

and, for the purposes of the Precious Dragon Post-IPO Share Option Scheme, Post-IPO Share Options may be granted to any company wholly-owned by one or more Eligible Participants.

The basis of eligibility of any participant to be granted any option shall be determined by the directors (or as the case may be, the independent non-executive directors) of Precious Dragon from time to time on the basis of his/her contribution or potential contribution to the development and growth of the Precious Dragon Group.

3. Exercise Price of Precious Dragon Shares

The exercise price for the Precious Dragon Share under the Precious Dragon Post-IPO Share Option Scheme shall subject to any adjustments made pursuant to paragraph 14 below, be a price determined by the Precious Dragon and shall not be less than the highest of: (i) the closing price of the Precious Dragon Shares as stated in the Stock Exchange's daily quotations sheet for trade on the offer date of the relevant option, which must be a Business Day; (ii) the average closing price of the Precious Dragon Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the offer date of the relevant option; and (iii) the nominal value of a Precious Dragon Share on the offer date. For the purpose of calculating the exercise price where Precious Dragon has been listed for less than five Business Days, the closing price of the Precious Dragon Shares on the Listing Date.

4. Grant of Post-IPO Share Options and acceptance of offers

An offer for the grant of Post-IPO Share Options shall be deemed to have been accepted when Precious Dragon receives the letter containing the offer duly signed by the grantee together with a remittance of HK\$1.00 (or such other nominal sum in any currency as the directors of Precious Dragon may determine) in favour of Precious Dragon as consideration for the grant thereof within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable. Once accepted, the Post-IPO Share Options are granted as from the date on which it was offered to the relevant Eligible Participant.

5. Maximum number of Precious Dragon Shares

- (i) Subject to sub-paragraphs (ii) to (iv) below, the maximum number of Precious Dragon Shares in respect of the Post-IPO Share Options may be granted under the Precious Dragon Post-IPO Share Option Scheme and any other schemes shall not, in aggregate, exceed 10% of the total number of the Precious Dragon Shares in issue as at the Listing Date (the “**Scheme Mandate Limit**”) unless approved by the Precious Dragon Shareholders pursuant to sub-paragraph (iii) below. Share options lapsed in accordance with the terms of the scheme(s) will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (ii) Subject to sub-paragraphs (iii) and (iv) below, the Scheme Mandate Limit may be renewed by the Precious Dragon Shareholders in general meeting from time to time provided always that the Scheme Mandate Limit so renewed must not exceed 10% of the Precious Dragon Shares in issue as at the date of approval of such renewal by the Precious Dragon Shareholders. Upon such renewal, all options granted under the Precious Dragon Post-IPO Share Option Scheme and any other share option schemes of Precious Dragon (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of the Precious Dragon Post-IPO Share Option Scheme or any other share option schemes of Precious Dragon) prior to the approval of such renewal shall not be counted for the purpose of calculating the Scheme Mandate Limit as renewed. A circular must be sent to the Precious Dragon Shareholders containing such relevant information from time to time as required by the Listing Rules in connection with the general meeting at which their approval is sought.
- (iii) Subject to sub-paragraphs (iv) below, the directors of Precious Dragon may seek separate shareholders’ approval in general meeting to grant options beyond the Scheme Mandate Limit provided that the options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by Precious Dragon before such approval is sought and a circular must be sent to the Precious Dragon Shareholders containing such relevant information from time to time as required by the Listing Rules in relation to any such proposed grant to such Eligible Participants.
- (iv) The maximum number of the Precious Dragon Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Precious Dragon Post-IPO Share Option Scheme, the Precious Dragon Pre-IPO Share Option Scheme and any other share option schemes adopted by Precious Dragon Group must not, in aggregate, exceed 30% of the Precious Dragon Shares in issue from time to time. No Post-IPO Share Options may be granted under the Precious Dragon Post-IPO Share Option Scheme or any other share option schemes adopted by Precious Dragon Group if such grant will result in the said 30% limit being exceeded.

6. Maximum entitlement of each Eligible Participant

No Post-IPO Share Options shall be granted to any Eligible Participant which, if exercised in full would result in the total number of the Precious Dragon Shares issued and to be issued upon exercise of the Post-IPO Share Options already granted or to be granted to such Eligible Participant under the Precious Dragon Post-IPO Share Option Scheme and the Precious Dragon Pre-IPO Share Option Scheme (including exercised, cancelled and outstanding Share Options) in any 12-month period up to and including the date of such grant exceeding 1% in aggregate of the Precious Dragon Shares in issue as at the date of such grant. Any grant of further options above this limit shall be subject to the following requirements:

- (i) approval of the Precious Dragon Shareholders at general meeting, with such Eligible Participant and his/her close associates (or his/her associates if the Eligible Participant is a connected person of Precious Dragon) abstaining from voting;
- (ii) a circular in relation to the proposal for such further grant must be sent by Precious Dragon to the Precious Dragon Shareholders with such information from time to time as required by the Listing Rules; and
- (iii) the number and terms (including the exercise price) of the Post-IPO Share Options to be granted to such Eligible Participant shall be fixed before the Precious Dragon Shareholders' approval mentioned in (i) above.

7. Requirements on granting Post-IPO Share Options to certain core connected persons

Any grant of options to any director, chief executive or substantial shareholder of Precious Dragon, or any of their respective associates, must be approved by the independent non-executive directors of the Company and Precious Dragon (excluding an independent non-executive director who or whose associate is a proposed grantee of an option).

Where any grant of options to a substantial shareholder or an independent non-executive director or any of their respective associates of Precious Dragon would result in the total number of the Precious Dragon 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% of the total number of Precious Dragon Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Precious Dragon Shares at the date of such grant, in excess of HK\$5 million,

such further grant of options must be approved by the Shareholders and Precious Dragon Shareholders by poll in a general meeting where the grantee, his/her associates and core connected persons of Precious Dragon must abstain from voting in favour at such general meeting. The Company and Precious Dragon will send circulars to the Shareholders and the Precious Dragon Shareholders containing the information required under the Listing Rules.

8. Restrictions on the time of grant of Post-IPO Share Options

No Post-IPO Share Option shall be granted after inside information has come to the knowledge of Precious Dragon until Precious Dragon has announced the information. In particular, it may not grant any Post-IPO Share Option during the period commencing one month immediately before the earlier of (i) the date of the board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving Precious Dragon's results for any year, half-year or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for Precious Dragon to announce its results for any year or half-year under the Listing Rules, or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. No Post-IPO Share Option may be granted during any period of delay in publishing a results announcement. **"Inside information"** has the meaning defined in the SFO.

The directors of Precious Dragon may not make any offer to an Eligible Participant who is a director of Precious Dragon during the periods or times in which the directors of Precious Dragon are prohibited from dealing in Precious Dragon Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by Precious Dragon.

9. Time of exercise of Post-IPO Share Option

A Post-IPO Share Option may (and may only) be exercised in accordance with the terms of the Precious Dragon Post-IPO Share Option Scheme at any time during a period as the directors of Precious Dragon may determine which shall not exceed 10 years from the offer date subject to the provisions of early termination thereof, and provided that the directors of Precious Dragon may determine the minimum period for which a Post-IPO Share Option has to be held or other restrictions before its exercise.

The grantee shall not exercise a Post-IPO Share Option to the extent that the public float of Precious Dragon will be less than 25% (or such higher percentage as required by the Stock Exchange or the Listing Rules) of the issued share capital of Precious Dragon immediately after the allotment and issue of the Precious Dragon Shares upon such exercise of the Post-IPO Share Options.

10. Performance targets

Save as determined by the Precious Dragon Directors on a case by case basis and provided in the offer of grant of the Post-IPO Share Options which the Precious Dragon Board may think fit including, amongst other things, continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by Precious Dragon and/or the grantee, there is no performance target that must be achieved before the Post-IPO Share Options can be exercised.

11. Ranking of Precious Dragon Shares

The Precious Dragon Shares to be allotted and issued upon exercise of a Post-IPO Share Option shall be subject to all the provisions of the articles and association of Precious Dragon for the time being in force and shall rank *pari passu* in all respects with the then existing fully paid Precious Dragon Shares in issue on the allotment date and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made on or after the allotment date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the allotment date. Any Precious Dragon Share allotted and issued upon the exercise of a Post-IPO Share Option shall not carry voting rights until the name of the grantee has been duly entered into the register of members of Precious Dragon as the holder thereof.

12. Rights are personal to grantee

A Post-IPO Share Option shall be personal to the grantee and shall not be transferable or assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any option or enter into any agreement so to do. Any breach of the foregoing by a grantee shall entitle Precious Dragon to cancel any option granted to such grantee to the extent not already exercised.

13. Rights on cessation of employment

- (i) In the event of death of the grantee (being an individual) before exercising the Post-IPO Share Option in full, his/her personal representative(s) may exercise the Post-IPO Share Option up to the grantee's entitlement (to the extent exercisable as at the date of his/her death and not already exercised) within a period of 12 months following his/her death or such longer period as the directors of Precious Dragon may determine.
- (ii) In the event of the grantee who is an Eligible Employee ceasing to be an Eligible Employee for any reason other than his/her death, or the termination of his/her employment pursuant to paragraph 18(v), the grantee may exercise the Post-IPO Share Option (to the extent exercisable as at the date of such cessation and not already exercised) within 30 days following such cessation or such longer period as the directors of Precious Dragon may determine. The date of cessation as aforesaid shall be the last day on which the grantee was actually at work with Precious Dragon or the relevant subsidiary or the Invested Entity whether salary is paid in lieu of notice or not, or such longer period as the directors of Precious Dragon may determine.

14. Effects of alterations to share capital

In the event of any alteration in the capital structure of Precious Dragon while an Post-IPO Share Option remains exercisable or the Precious Dragon Post-IPO Share Option Scheme remains in effect, whether by way of capitalisation of profits or reserves, rights issue, consolidation, reclassification, subdivision or reduction of share capital of Precious Dragon, such corresponding alterations (if any)

shall be made in the number or nominal amount of Precious Dragon Shares to which the Precious Dragon Post-IPO Share Option Scheme or any option(s) relate so far as unexercised; and/or the exercise price; and/or the method of exercise of the options; and/or the maximum number of the Precious Dragon Shares subject to the Precious Dragon Post-IPO Share Option Scheme.

Any adjustments required under this paragraph must be made in compliance with the Listing Rules and give a grantee the same proportion of the equity capital as that to which that grantee was previously entitled and shall be made on the basis that the aggregate exercise price payable by a grantee on the full exercise of any Post-IPO Share Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but no such adjustments may be made to the extent that Precious Dragon Shares would be issued at less than nominal value, provided that in such circumstance, the exercise price shall be reduced to the nominal value. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, the independent financial adviser of Precious Dragon or the auditor(s) of Precious Dragon must confirm to the Board in writing that the adjustments satisfy the requirements of the relevant provisions of the Listing Rules.

15. Rights on a general offer

If a general or partial offer (whether by way of takeover offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner) is made to all the holders of Precious Dragon Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror), Precious Dragon shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, the Precious Dragon Shareholders. If such offer becomes or is declared unconditional, the grantee shall be entitled to exercise the option (to the extent exercisable as at the date on which the offer becomes or is declared unconditional and not already exercised) in full or in part at any time within 14 days after the date on which the offer becomes or is declared unconditional.

16. Rights on winding-up

In the event notice is given by Precious Dragon to the Precious Dragon Shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up Precious Dragon, Precious Dragon shall forthwith give notice thereof to the grantee and the grantee shall be entitled to exercise all or any of his/her options (to the extent exercisable as at the date of the notice of meeting and not already exercised) at any time not later than two Business Days (excluding any period(s) of closure of Precious Dragon's share registers) prior to the proposed meeting of Precious Dragon to consider the winding-up and Precious Dragon shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of Precious Dragon's share registers) immediately prior to the date of the proposed shareholders' meeting, allot and issue such number of Precious Dragon Shares to the grantee which falls to be issued on such exercise.

17. Rights on compromise or arrangement

In the event of a compromise or arrangement between Precious Dragon and its members or creditors being proposed in connection with a scheme for the restructuring, reconstruction or amalgamation of Precious Dragon, Precious Dragon shall give notice thereof to all grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme, and thereupon the grantee shall be entitled to exercise all or any of his/her option(s) (to the extent which has become exercisable as at the date of the notice and not already exercised) at any time not later than two Business Days (excluding any period(s) of closure of Precious Dragon's share registers) prior to the proposed meeting and Precious Dragon shall, as soon as possible and in any event no later than the Business Day (excluding any period(s) of closure of Precious Dragon's share registers) immediately prior to the date of the proposed meeting, allot and issue such number of Precious Dragon Shares to the grantee which falls to be issued on such exercise.

18. Lapse of Post-IPO Share Options

A Post-IPO Share Option (to the extent not already exercised) shall automatically lapse and not be exercisable on the earliest of:

- (i) the expiry of the option period;
- (ii) the expiry of any of the periods referred to in paragraph 13 above;
- (iii) subject to paragraph 16 above, the date of the commencement of the winding-up of Precious Dragon;
- (iv) the expiry of the period referred to in paragraph 17 above;
- (v) the date on which the grantee who is an Eligible Employee ceases to be an Eligible Employee by reason of summary dismissal or being dismissed for misconduct or other breach of the terms of his/her employment contract or other contract constituting him/her an Eligible Employee, or the date on which he/she begins to appear to be unable to pay or has no reasonable prospect of being able to pay his/her debts or has become insolvent or has made any arrangements or composition with his or her creditors generally or on which he/she has been convicted of any criminal offence involving his or her integrity or honesty, unless otherwise resolved to the contrary by the Precious Dragon Board;
- (vi) in respect of a grantee other than an Eligible Employee, the date on which the directors of Precious Dragon shall at their absolute discretion determine that (i)(a) such grantee has committed any breach of any contract entered into between such grantee on one part and Precious Dragon Group or any Invested Entity on the other part; or (b) such grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (c) such grantee could no longer make any contribution to the

growth and development of Precious Dragon Group by reason of the cessation of its relations with Precious Dragon Group or by any other reason whatsoever; and (ii) the option shall lapse as a result of any event specified in subparagraph (i)(a), (b) or (c) above, unless otherwise resolved to the contrary by the Precious Dragon Board;

(vii) the expiry of the period referred to in paragraph 15 above; and

(viii) the date on which the grantee commits a breach of paragraph 12 or any terms or conditions attached to the grant of the option or an event, in respect to a grantee, referred to in (2) below occurs, unless otherwise resolved to the contrary by the Precious Dragon Board.

If the grantee is a company wholly-owned by one or more Eligible Participants:

- (1) the provisions of paragraphs 13(i) and (ii), 18(v) and (vi) shall apply to the grantee and to the options granted to such grantee, mutatis mutandis, as if such options had been granted to the relevant Eligible Participant, and such options shall accordingly lapse or fail to be exercisable after the event(s) referred to in paragraphs 13(i) and (ii), 18(v) and (vi) shall occur with respect to the relevant Eligible Participant; and
- (2) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly-owned by the relevant Eligible Participant,

provided that the directors of Precious Dragon may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

19. Cancellation of Post-IPO Share Option granted but not yet exercised

The directors of Precious Dragon shall have the absolute discretion to cancel any options granted at any time if the grantee so agreed provided that where an option is cancelled and a new option is proposed to be issued to the same grantee, the issue of such new option may only be made with available but unissued options (excluding the cancelled options) within the limit approved by the Precious Dragon Shareholders as mentioned in the Precious Dragon Post-IPO Share Option Scheme from time to time.

20. Period of the Precious Dragon Post-IPO Share Option Scheme

The Precious Dragon Post-IPO Share Option Scheme will come into effect on the Listing Date. Subject to the terms of the Precious Dragon Post-IPO Share Option Scheme, the Precious Dragon Post-IPO Share Option Scheme shall be valid and effective for a period of 10 years after the Adoption Date, after which no further options may be issued. Subject to the above, in all other respects, in particular, in respect of Post-IPO Share Options remaining outstanding, the provisions of the Precious Dragon Post-IPO Share Option Scheme shall remain in full force and effect.

The Precious Dragon Board may impose such terms and conditions of the offer of grant either on a case-by-case basis or generally as are not inconsistent with the Precious Dragon Post-IPO Share Option Scheme including but not limited to the minimum period for which an option must be held before it can be exercised.

21. Alteration to the Precious Dragon Post-IPO Share Option Scheme

The Precious Dragon Post-IPO Share Option Scheme may be altered in any respect by resolution of the Precious Dragon Board except that the terms and conditions of the Precious Dragon Post-IPO Share Option Scheme relating to matters set out in Rule 17.03 of the Listing Rules (or any other relevant provisions of the Listing Rules from time to time applicable) cannot be altered to the advantage of grantees or prospective grantees except with the prior approval of the Precious Dragon Shareholders in general meeting. No such alteration shall operate to affect adversely the terms of issue of any option granted or agreed to be granted prior to such alterations except with the consent or sanction of such majority of the grantee as would be required of the Precious Dragon Shareholders under the articles of Precious Dragon for the time being of Precious Dragon for a variation of the rights attached to Precious Dragon Shares.

Any alterations to the terms and conditions of the Precious Dragon Post-IPO Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Precious Dragon Shareholders in general meeting, except where such alterations take effect automatically under the existing terms of the Precious Dragon Post-IPO Share Option Scheme.

Any change to the authority of the directors of Precious Dragon or administrators of the Precious Dragon Post-IPO Share Option Scheme in relation to any alterations to the terms of the Precious Dragon Post-IPO Share Option Scheme must be approved by the Precious Dragon Shareholders in general meeting.

The amended terms of the Precious Dragon Post-IPO Share Option Scheme and/or the options must continue to comply with the relevant provisions of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time (including the supplemental guidance attached to the letter from the Stock Exchange dated 5 September 2005 to all issuers relating to the Precious Dragon Post-IPO Share Option Scheme).

Subject to the above paragraphs, the Precious Dragon Board may at any time alter, amend or modify the terms and conditions of the Precious Dragon Post-IPO Share Option Scheme such that the provisions of the Precious Dragon Post-IPO Share Option Scheme would comply with all relevant legal and regulatory requirements in all relevant jurisdictions to the extent as considered necessary by the directors of Precious Dragon to implement the terms of the Precious Dragon Post-IPO Share Option Scheme.

22. Termination to the Precious Dragon Post-IPO Share Option Scheme

Precious Dragon by ordinary resolution in general meeting or the directors of Precious Dragon may at any time terminate the operation of the Precious Dragon Post-IPO Share Option Scheme and in such event, no further options will be offered but the provisions of the Precious Dragon Post-IPO Share Option Scheme shall remain in force in all other respects.

Post-IPO Share Options complying with the provisions of the Listing Rules which are granted during the life of the Precious Dragon Post-IPO Share Option Scheme and remain unexpired immediately prior to the termination of the operation of the Precious Dragon Post-IPO Share Option Scheme shall continue to be valid and exercisable in accordance with their terms of issue after the termination of the Precious Dragon Post-IPO Share Option Scheme.

23. Conditions of the Precious Dragon Post-IPO Share Option Scheme

The Precious Dragon Post-IPO Share Option Scheme is conditional upon:

- (a) the passing of the necessary resolution(s) by the Precious Dragon Board and the Precious Dragon Shareholders to approve and adopt the Precious Dragon Post-IPO Share Option Scheme;
- (b) the passing of the necessary resolution(s) by the Shareholders in accordance with the Listing Rules and all applicable laws in the EGM to approve the Precious Dragon Post-IPO Share Option Scheme;
- (c) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Precious Dragon Shares to be issued and allotted pursuant to the exercise of Post-IPO Share Options granted under the Precious Dragon Post-IPO Share Option Scheme; and
- (d) commencement of trading of the Precious Dragon Shares on the Stock Exchange.

As at the Latest Practicable Date, no Post-IPO Share Option had been granted by Precious Dragon under the Precious Dragon Post-IPO Share Option Scheme. An application has been made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in the Precious Dragon Shares to be issued and allotted by Precious Dragon pursuant to the exercise of Post-IPO Share Options that may be granted under the Precious Dragon Post-IPO Share Option Scheme.

NOTICE OF EXTRAORDINARY GENERAL MEETING

CHINA ALUMINUM CANS HOLDINGS LIMITED

中國鋁罐控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6898)

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “EGM”) of China Aluminum Cans Holdings Limited 中國鋁罐控股有限公司 (the “**Company**”) will be held at Room Diamond, Level 22, Nexxus Building, 41 Connaught Road Central, Hong Kong on Friday, 12 April 2019 at 2:30 p.m. for the purpose of considering and, if thought fit, passing the following resolutions as an ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval of the listing of, and permission to deal in, the ordinary share(s) of HK\$0.01 each (the “**Precious Dragon Share(s)**”) in the share capital of Precious Dragon Technology Holdings Limited (“**Precious Dragon**”), a company incorporated in the Cayman Islands with limited liability and an indirect subsidiary of the Company, to be issued and allotted pursuant to the exercise of any share options that may be granted under the Pre-IPO Share Option Scheme of Precious Dragon (the “**Pre-IPO Share Option Scheme**”), the rules of which are contained in the document marked “A” produced to the meeting and signed by the chairman of the meeting for the purpose of identification, the Pre-IPO Share Option Scheme be and is hereby approved and adopted and the board of directors of Precious Dragon be and is hereby authorised, at its discretion, to grant share options thereunder and to issue and allot from time to time such number of the Precious Dragon Shares as may be required to be issued pursuant to the exercise of the share options under the Pre-IPO Share Option Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Pre-IPO Share Option Scheme.”
2. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval of the listing of, and permission to deal in, the Precious Dragon Shares in the share capital of Precious Dragon, to be issued and allotted pursuant to the exercise of any share options that may be granted under the Post-IPO Share Option Scheme of Precious Dragon (the “**Post-IPO Share Option Scheme**”), the rules of which are contained in the document marked “A” produced to the meeting and signed by the chairman of the meeting for the purpose of identification, the Post-IPO Share Option Scheme be and is hereby approved and adopted and the board of directors of Precious Dragon be and is hereby authorised, at its discretion, to grant share options thereunder and to issue and allot from time to time such number of the Precious Dragon Shares as may be

NOTICE OF EXTRAORDINARY GENERAL MEETING

required to be issued pursuant to the exercise of the share options under the Post-IPO Share Option Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Post-IPO Share Option Scheme.”

By Order of the Board of
China Aluminum Cans Holdings Limited
中國鋁罐控股有限公司
Lin Wan Tsang
Chairman and executive Director

Hong Kong, 21 March 2019

As at the date of this notice, the executive Directors are Mr. Lin Wan Tsang, Mr. Dong Jiangxiong, Ms. Ko Sau Mee and Mr. Lin Hing Lung; the non-executive Director is Mr. Kwok Tak Wang; and the independent non-executive Directors are Dr. Lin Tat Pang, Ms. Guo Yang, Mr. Chung Yi To and Mr. Yip Wai Man Raymond.

Notes:

1. Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote instead of him/her/it. A proxy needs not be a Shareholder.
2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding of the EGM or the adjourned meeting.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney or other person duly authorized.
4. Delivery of the form of proxy will not preclude a member from attending and voting in person at the EGM convened and in such event, the form of proxy shall be deemed to be revoked.
5. Where there are joint registered holders of any share, any one of such persons may vote at any EGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, then one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holder stand on the register in respect of the relevant joint holding.
6. The form of proxy must be signed by the appointor or by his attorney authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an office, attorney or other person duly authorized to sign the same.
7. The register of members of the Company will be closed from Monday, 8 April 2019 to Friday, 12 April 2019, both days inclusive, during which period no transfers of shares shall be registered. The holder of shares whose name appears on the register of members of the Company on Friday, 12 April 2019 will be entitled to attend and vote at the EGM. In order to qualify for attending and voting at the forthcoming EGM, all transfers of shares, accompanied by the relevant share certificates and transfer forms, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 4 April 2019.