
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Unlimited Creativity Holdings Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for onward transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

UNLIMITED CREATIVITY HOLDINGS LIMITED
無限創意控股有限公司

(formerly known as “**B. A. L. Holdings Limited**” in English and “**變靚D控股有限公司**” in Chinese)

(Continued into Bermuda with limited liability)

(Stock code: 8079)

PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS,
PROPOSED TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME

AND

NOTICE OF SPECIAL GENERAL MEETING

A notice convening the special general meeting of the Company to be held at Room 1401, 14th Floor, Guardian House, 32 Oi Kwan Road, Wanchai, Hong Kong on Tuesday, 4 January 2011 at 4:30 p.m. or any adjournment is set out from pages 25 to 26 of this circular.

Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy to the Company’s share registrar in Hong Kong, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the special general meeting of the Company. Completion and return of the form of proxy shall not preclude you from attending and voting at the special general meeting of the Company should you so wish.

This circular will remain on the “Latest Company Announcements” page of the website of the GEM at www.hkgem.com for at least 7 days from the date of its posting and on the Company’s website at www.ulcreativity.com.

16 December 2010

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“associate(s)”	has the meaning as ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day on which the Stock Exchange is open for the business of dealing in securities
“Bye-Laws”	the bye-laws of the Company
“Company”	Unlimited Creativity Holdings Limited (formerly known as “B.A.L. Holdings Limited”), an exempted company continued into Bermuda with limited liability and the Shares of which are listed on GEM
“controlling shareholder(s)”	shall have the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Employee”	means any employee (whether full time or part time, including any executive director but not any non-executive director) of the Company, any Subsidiary or any Invested Entity
“Eligible Participant(s)”	means any of the following: <ul style="list-style-type: none">(a) any Eligible Employee;(b) any non-executive director (including independent non-executive director) of the Company, any Subsidiary or any Invested Entity;(c) any supplier of goods or services to any member of the Group or any Invested Entity;(d) any customer of the Group or any Invested Entity;(e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;(f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;

DEFINITIONS

	(g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and
	(h) 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 the Group.
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to an ordinary resolution of the Company passed on 24 September 2001
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing committee of the board of directors of the Stock Exchange with responsibility for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Scheme Limit”	the total number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Group and which must not in aggregate exceed 10 per cent. of the Shares in issue as at the day of the passing of the relevant ordinary resolution approving the New Share Option Scheme
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Invested Entity”	any entity in which any member of the Group holds an equity interest
“Latest Practicable Date”	13 December 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“New Share Option Scheme”	the share option scheme proposed to be adopted by the Company at the SGM, a summary of its principal terms is set out in Appendix II to this circular

DEFINITIONS

“Option(s)”	an option (if any) to subscribe for Shares granted or to be granted under the Existing Share Option Scheme or the New Share Option Scheme, as the context requires
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“SGM”	the special general meeting of the Company to be convened on Tuesday, 4 January 2011 at 4:30 p.m., to consider and, if thought fit, to approve (i) the re-election and appointment of Directors; and (ii) the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme
“Share(s)”	ordinary shares(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a company which is for the time being and from time to time a subsidiary or a subsidiary undertaking (within the meaning of the Companies Ordinance (Cap. 32 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong, the Cayman Islands, the British Virgin Islands, the People’s Republic of China or elsewhere or any entity which is accounted for or consolidated in the audited accounts of the Company pursuant to the applicable Hong Kong Financial Reporting Standards or International Financial Reporting Standards
“substantial shareholder(s)”	shall have the meaning ascribed to it under the GEM Listing Rules
“%”	per cent.

In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.

LETTER FROM THE BOARD

UNLIMITED CREATIVITY HOLDINGS LIMITED
無限創意控股有限公司

(formerly known as “B. A. L. Holdings Limited” in English and “變靚D控股有限公司” in Chinese)

(Continued into Bermuda with limited liability)

(Stock code: 8079)

Executive Directors:

Ms. Siu York Chee

Mr. Shiu Yeuk Yuen

Mr. Leung Ge On, Andy

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

Independent non-executive Directors:

Mr. Hung Anckes Yau Keung,

F CPA (Practising), FCCA, CICPA, CGA

Dr. Siu Yim Kwan, Sidney, *S.B.St.J.*

Mr. Tsui Pui Hung, Walter,

LL.B. (Hons), LL.M, BSc (Hons)

*Head office and principal place of
business in Hong Kong:*

Room 1401, 14th Floor

Guardian House

32 Oi Kwan Road

Wanchai

Hong Kong

16 December 2010

To the shareholders of the Company

Dear Sir or Madam,

**PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS,
PROPOSED TERMINATION OF EXISTING SHARE OPTION SCHEME AND
ADOPTION OF NEW SHARE OPTION SCHEME**

AND

NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 1 December 2010 regarding the appointment and resignation of executive Directors.

The Board also proposes to the Shareholders to terminate the Existing Share Option Scheme and adopt the New Share Option Scheme at the SGM. The purpose of this circular is to provide Shareholders with the information concerning the resolution to be proposed at the SGM for approving the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme.

LETTER FROM THE BOARD

A summary of the principal terms of the New Share Option Scheme is set out in Appendix II to this circular. This serves as a summary of the terms of the New Share Option Scheme but does not constitute the full terms of the same. A copy of the rules of the New Share Option Scheme is available for inspection at the principal place of business of the Company at Room 1401, 14th Floor, Guardian House, 32 Oi Kwan Road, Wanchai, Hong Kong during normal business hours for a 14-day period immediately preceding the SGM.

PROPOSED RE-ELECTION AND APPOINTMENT OF DIRECTORS

On 1 December 2010, the Company announced the appointment of Mr. Shiu Yeuk Yuen and Mr. Leung Ge On Andy as the executive Directors with effect from 1 December 2010. In accordance with the Bye-Laws, ordinary resolution will be proposed at the SGM to re-elect Mr. Shiu Yeuk Yuen and Mr. Leung Ge On Andy as the executive Directors. To enable Shareholders to make an informed decision on the re-election of these retiring Directors, the biographical details of each of the retiring Directors, as required under Chapter 17 of the GEM Listing Rules, are set out in Appendix I to this circular for information of the Shareholders.

TERMINATION OF EXISTING SHARE OPTION SCHEME AND ADOPTION OF NEW SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company on 24 September 2001 and will be terminated on the date on which the New Share Option Scheme comes into effect upon the fulfillment of the conditions set out below. Upon termination of the Existing Share Option Scheme, no further Options will be granted thereunder, but the provisions of the Existing Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of Options (to the extent not already exercised) granted prior to its termination or otherwise as may be required in accordance with the provisions of the Existing Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination will continue to be valid and exercisable in accordance with the Existing Share Option Scheme.

The New Share Option Scheme is conditional upon:

- (i) the passing of an ordinary resolution at the SGM approving the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme, and authorising the Directors to grant options thereunder and to allot and issue Shares pursuant to the exercise of any Option; and
- (ii) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, any new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the Options that may be granted under the New Share Option Scheme up to the General Scheme Limit.

As at the Latest Practicable Date, there were 427,334,130 Shares in issue. Assuming that there are no further allotment of Shares from the Latest Practicable Date up to the date of approval of the New Share Option Scheme, Options to subscribe for up to 42,733,413 Shares may be issued under the New Share Option Scheme and any other schemes of the Company pursuant to Rule 23.03(3) of the GEM Listing Rules, representing 10 per cent. of Shares in issue as at the date of approval of the New Share Option Scheme.

LETTER FROM THE BOARD

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such Options cannot be determined. These variables include but not limited to, the subscription price payable for Shares upon the exercise of subscription rights attaching to the Options, whether or not Options will be granted under the New Share Option Scheme and the timing of the granting of such Options, the period during which the subscription rights may be exercised, the discretion of the Board to impose any performance target that has to be achieved before the subscription rights attaching to the Options can be exercised and any other conditions that the Board may impose with respect to the Options and whether or not such Options, if granted, will be exercised. The subscription price payable for the Shares depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme and, if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the subscription price of the Shares given the volatility to which the price of Shares may be subject to during the ten-year life span of the New Share Option Scheme. The Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options will not be meaningful and may be misleading to Shareholders in the circumstances.

The Company is not required to appoint any trustee for the purpose of administering the New Share Option Scheme. The New Share Option Scheme will be subject to administration of the Board. None of the Directors is or will be a trustee of the New Share Option Scheme or have a direct or indirect interest in any such trustee.

Application for listing

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options that may be granted under the New Share Option Scheme up to the General Scheme Limit.

Reasons for adopting the New Share Option Scheme

The Existing Share Option Scheme will expire on 23 September 2011. The Directors consider that it is appropriate to adopt the New Share Option Scheme. The purpose of the New Share Option Scheme is to enable the Group to recruit and retain senior executives and key employees, attract human resources that are valuable to the Group and the Invested Entity, and motivate employees' performance measurable against key drivers of value to the Shareholders. With this in mind, the management of the Company proposes that the Existing Share Option Scheme be replaced by the New Share Option Scheme so as to further expand the exact scope of Eligible Participants that the New Share Option Scheme is intended to benefit. The scope of Eligible Participants under the New Share Option Scheme is wider than that under the Existing Share Option Scheme so that it not only encompasses full time and part time employees, directors (including non-executive directors and independent non-executive Directors), any consultant

LETTER FROM THE BOARD

advisers of the Group and the Invested Entity and other persons who, at the sole determination of the Board, have made contributions to the Group, it also encompasses suppliers and customers of the Group or any Invested Entity, which are not included in the scope of Eligible Participants under the Existing Share Option Scheme. The New Share Option Scheme also expressly provides that, the Board may, with respect to each grant of Options, determine the subscription price (being not less than the minimum price specified in the GEM Listing Rules), the conditions precedent and any performance targets that apply to the Options. The Directors believe the New Share Option Scheme will provide the Board with flexibility in determining the applicable performance targets and any other conditions to which the specific grant of Options may be subject on a case-by-case basis, and thus will place the Group in a better position to attract human resources that are valuable to the long term growth and development of the Group. There are no businesses or interests of the Directors that compete or may compete with the business of the Group.

SGM

At the SGM, an ordinary resolution will be proposed to approve the re-election and appointment of Directors.

In addition, under the Existing Share Option Scheme, the Company may by ordinary resolution in general meeting at any time terminate the operation of such scheme. An ordinary resolution will thus also be proposed for the approval of the Shareholders at the SGM that, subject to approval and adoption of the New Share Option Scheme by the Shareholders at the SGM, the Existing Share Option Scheme be terminated. To the best knowledge of the Directors, no Shareholder has a material interest in the New Share Option Scheme different to that of any other Shareholders and therefore, no Shareholder will abstain from voting at the SGM.

A notice for convening the SGM is set out from pages 25 to 26 of this circular. The SGM will be convened for the purpose of considering and, if thought fit, passing the ordinary resolutions to approve (i) the re-election and appointment of Directors; and (ii) the termination of the Existing Share Option Scheme and the adoption of the New Share Option Scheme. A form of proxy for use at the SGM is enclosed with this circular.

Whether or not you are able to attend the SGM in person, you are requested to complete and return the accompanying form of proxy to the Company's share registrar in Hong Kong, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the SGM. Completion and return of the form of proxy shall not preclude you from attending and voting at the SGM (or any adjourned meeting thereof) should you so wish. The voting at the SGM will be taken by way of poll. An announcement will be made by the Company following the conclusion of the SGM to inform you of its results.

RECOMMENDATION

The Directors consider that all proposed resolutions as set out in the notice of SGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote in favour of all proposed resolutions at the SGM.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 or this circular misleading.

Yours faithfully,
For and on behalf of the Board of
Unlimited Creativity Holdings Limited
Siu York Chee
Chairperson

APPENDIX I DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Details of the executive Directors proposed to be re-elected at the SGM and their respective biographical details are set out as follows:–

Mr. Shiu Yeuk Yuen (“Mr. Shiu”), aged 61, has over 35 years’ experience in the ceramic tile and marble and granite products industry and over ten years’ experience in securities investment. He was one of the founders and has been the executive director of Companion Building Material International Holdings Limited (together with its subsidiaries, the “**CBMI Group**”, currently known as Pacific Century Premium Developments Ltd, stock code: 432), a company listed on the Stock Exchange, for the period from September 1993 to January 2002 during which he was responsible for the development of the CBMI Group’s corporate strategies. Save as disclosed herein, as at the Latest Practicable Date, Mr. Shiu did not hold any directorship in other listed public companies in the last three years and does not hold any other positions with the Company and any of its subsidiaries.

Pursuant to the letter of appointment issued by the Company dated 25 November 2010, the appointment of Mr. Shiu is for a term effective from 1 December 2010 and subject to retirement by rotation and re-election in accordance with the Bye-Laws. Mr. Shiu is entitled to a monthly remuneration of HK\$48,000 and a discretionary bonus as determined by the remuneration committee of the Company with reference to his duties and performance and the operating results of the Company. Mr. Shiu’s remuneration was fixed with reference to his duties and responsibilities with the Company as well as the Company’s remuneration policy.

As at the Latest Practicable Date, Mr. Shiu held 771,728 Shares, representing approximately 0.18% of the total issued share capital of the Company, of which 1,170 Shares were held by his spouse and 770,558 Shares were held by him and Ms. Siu York Chee as the trustees of Ms. Shiu Yo Yo and Ms. Shiu Sound Sound. Save as disclosed herein, as at the Latest Practicable Date, Mr. Shiu did not have any other interest in the Shares within the meaning of Part XV of the SFO.

Mr. Shiu is the brother of Ms. Siu York Chee, an executive Director and the chairperson of the Company, the brother-in-law of Mr. Leung Kwok Kui, the resigning executive Director, the uncle of Mr. Leung Ge On Andy and Ms. Leung Ge Yau, an executive Director and the resigning executive Director, respectively. Save as disclosed herein, (a) Mr. Shiu does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; and (b) there are no other matters concerning Mr. Shiu that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to the requirements of the GEM Listing Rules.

Mr. Leung Ge On Andy (“Mr. Leung”), aged 42, served as the executive director of Skynet (International Group) Holdings Limited (currently known as Paul Y. Engineering Group Limited, stock code: 577) for the period from April 1996 until April 2002 during which he was in charge of the sales team for installation projects. He was also a non-executive director of hkcyber.com (Holdings) Limited (stock code: 8118), a company listed on GEM, for the period from September 1999 to July 2001. Mr. Leung obtained a Bachelor of Arts degree in Economics at York University in Canada. Prior to joining the Company, Mr. Leung had been a business operation manager of Nutriplus (Asia) Limited, a subsidiary of the Company, since 2005. Save as disclosed herein, as at the Latest Practicable Date, Mr. Leung did not hold any directorship in other listed public companies in the last three years.

APPENDIX I DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Pursuant to the letter of appointment issued by the Company dated 25 November 2010, the appointment of Mr. Leung is for a term effective from 1 December 2010 and subject to retirement by rotation and re-election in accordance with the Bye-Laws. Mr. Leung is entitled to a monthly remuneration of HK\$30,000 and a discretionary bonus as determined by the remuneration committee of the Company with reference to his duties and performance and the operating results of the Company. Mr. Leung's remuneration was fixed with reference to his duties and responsibilities with the Company as well as the Company's remuneration policy. As at the Latest Practicable Date, Mr. Leung did not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Leung is the son of Ms. Siu York Chee and Mr. Leung Kwok Kui, the chairperson of the Company and the resigning executive Director, respectively, the brother of Ms. Leung Ge Yau, the resigning executive Director, and the nephew of Mr. Shiu, an executive Director. Save as disclosed herein, (a) Mr. Leung does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company, and (b) there are no other matters concerning Mr. Leung that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to the requirements of GEM Listing Rules.

This appendix summaries the principal terms of the New Share Option Scheme but does not form part of, nor was it intended to be, part of the New Share Option Scheme nor should it be taken as effecting the interpretation of the rules of the New Share Option Scheme.

1. PURPOSE, DURATION AND ADMINISTRATION

- (a) The purpose of the New Share Option Scheme is to enable the Group to grant Options to the Eligible Participants (as defined in paragraph 3(a) below) as incentives or rewards for their contribution to the Group.
- (b) The New Share Option Scheme shall be subject to the administration of the Directors whose decision on all matters arising in relation to the New Share Option Scheme or their interpretation or effect shall (save for the grant of Options referred to in paragraph 3(b) which shall be approved in the manner referred to therein and save as otherwise provided herein) be final and binding on all persons who may be affected thereby.
- (c) Subject to paragraphs 1 and 13, the New Existing Share Option Scheme shall be valid and effective until the close of business of the Company on the date which falls ten (10) years after the Adoption Date (as hereinafter defined) (the “**Termination Date**”), after which period no further Options may be issued but the provisions of the Existing Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted or exercised prior thereto or otherwise as may be required in accordance with the provisions of the Existing Share Option Scheme.
- (d) An Eligible Participant who accepts the offer in accordance with the terms of the New Share Option Scheme or (where the context so permits and as referred to in paragraph 5(d)(i)) his personal representative (the “**Grantee**”) shall ensure that the acceptance of an offer, the holding and exercise of the Option in accordance with the New Share Option Scheme, the allotment and issue of Shares to him upon the exercise of the Option and the holding of such Shares are valid and comply with all laws, legislation and regulations including all applicable exchange control, fiscal and other laws to which he is subject. The Directors may, as a condition precedent of making an offer and allotting Shares upon an exercise of an Option, require an Eligible Participant or a Grantee (as the case may be) to produce such evidence as it may reasonably require for such purpose.

2. CONDITIONS

- (a) The New Share Option Scheme is conditional upon:
 - (i) the GEM Listing Committee granting the listing of and permission to deal in such number of Shares representing the General Scheme Limit to be allotted and issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme; and

- (ii) the passing of the necessary resolution to approve and adopt the New Share Option Scheme in general meeting or by way of written resolution of the Shareholder(s).
- (b) If the conditions referred to in paragraph 2(a) are not satisfied on or before the date falling 30 days after the date of this circular, the New Share Option Scheme shall forthwith determine and no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the New Share Option Scheme.
- (c) Reference in paragraph 2(a)(i) to the GEM Listing Committee formally granting the listing and permission referred to therein shall include any such listing and permission which are granted subject to the fulfilment of any condition precedent or condition subsequent.
- (d) A certificate of a Director that the conditions set out in paragraph 2(a) have been satisfied and the date on which such conditions were satisfied or that such conditions have not been satisfied as of any particular date and the exact date on which the New Share Option Scheme is adopted upon fulfilment of the condition set out in paragraph 2(a)(ii) (the “**Adoption Date**”) shall be conclusive evidence of the matters certified.

3. GRANT OF OPTIONS

- (a) Subject to paragraph 3(b), the Directors shall, in accordance with the provisions of the New Share Option Scheme and the GEM Listing Rules, be entitled but shall not be bound at any time within a period of ten (10) years commencing from the Adoption Date to make an offer to any Eligible Participants to subscribe, and no person other than the Eligible Participant named in such offer may subscribe, for such number of Shares (being a board lot for dealings in the Shares on the Stock Exchange or an integral multiple thereof) at such price per Share at which a Grantee may subscribe for the Shares on the exercise of an Option, as determined in accordance with paragraph 4 (the “**Subscription Price**”), as the Directors shall, subject to paragraph 3 and at their discretion, determine:
 - (i) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any Invested Entity;
 - (ii) any non-executive directors (including independent non-executive directors) of the Company, any Subsidiary or any Invested Entity;
 - (iii) any supplier of goods or services to any member of the Group or any Invested Entity;
 - (iv) any customer of any member of the Group or any Invested Entity;
 - (v) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;

- (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the 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 the Group or any Invested Entity; and
- (viii) any other group or classes of Eligible Participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group,

and, for the purposes of the New Share Option Scheme, the offer may be made to any company wholly owned by one or more Eligible Participants.

For the avoidance of doubt, the grant of any Options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of Eligible Participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of Option under the New Share Option Scheme.

- (b) Without prejudice to paragraph 7(d) below, the making of an offer to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the independent non-executive Directors (excluding any non-executive Director who or whose associate is the proposed Grantee of an Option).
- (c) The eligibility of any of the Eligible Participants to an offer shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group.
- (d) An offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Directors may from time to time determine, either generally or on a case-by-case basis, specifying the number of Shares under the Option and the "**Option Period**" (which means, in respect of any particular Option, a period (which may not expire later than ten (10) years from the offer date of that Option) to be determined and notified by the Directors to the Grantee thereof and, in the absence of such determination, from the offer date to the earlier of (i) the date on which such Option lapses under the provisions of paragraph 6; and (ii) ten (10) years from the offer date of that Option) in respect of which the offer is made and further requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the New Share Option Scheme and shall remain open for acceptance by the Eligible Participant concerned (and by no other person) for a period of up to 21 days from the offer date.

- (e) An offer shall state, in addition to the matters specified in paragraph 3(d), the following:
- (i) the name, address and position of the Eligible Participant;
 - (ii) the number of Shares under the Option in respect of which the offer is made and the Subscription Price for such Shares;
 - (iii) the Option Period in respect of which the Offer is made or, as the case may be, the Option Period in respect of separate parcels of Shares under the Option comprised in the offer;
 - (iv) the last date by which the offer must be accepted (which may not be later than 21 days from the offer date);
 - (v) the procedure for acceptance;
 - (vi) the performance target(s) (if any) that must be attained by the Eligible Participant before any Option can be exercised;
 - (vii) such other terms and conditions of the offer as may be imposed by the Directors as are not inconsistent with the New Share Option Scheme; and
 - (viii) a statement requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the New Share Option Scheme including, without limitation, the conditions specified in, *inter alia*, paragraphs 2(d) and 5(a).
- (f) An offer shall have been accepted by an Eligible Participant in respect of all Shares under the Option which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the offer duly signed by the Eligible Participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company 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.
- (g) Any offer may be accepted by an Eligible Participant in respect of less than the number of Shares under the Option which are offered provided that it is accepted in respect of a board lot for dealings in the Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the offer duly signed by such Eligible Participant and received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within 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.

- (h) Upon an offer being accepted by an Eligible Participant in whole or in part in accordance with paragraph 3(f) or 3(g), an Option in respect of the number of Shares in respect of which the offer was so accepted will be deemed to have been granted by the Company to such Eligible Participant on the offer date. To the extent that the offer is not accepted within the time specified in the offer in the manner indicated in paragraph 3(f) or 3(g), it will be deemed to have been irrevocably declined.
- (i) The Option Period of an Option may not end later than ten (10) years after the offer date of that Option.
- (j) Options will not be listed or dealt in on the Stock Exchange.
- (k) For so long as the Shares are listed on the Stock Exchange:
 - (i) an offer may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced in accordance with the requirements of the GEM Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:
 - (aa) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of the Company's results for any year, half-year, quarter or any other interim period (whether or not required under the GEM Listing Rules); and
 - (bb) the deadline for the Company to publish an announcement of its results for any year or half-year, quarter or any other interim period (whether or not required under the GEM Listing Rules),and ending on the date of the results announcement, no offer may be made; and
 - (ii) the Directors may not make any offer to an Eligible Participant who is a Director during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the GEM Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

4. SUBSCRIPTION PRICE

The Subscription Price in respect of any Option shall, subject to any adjustments made pursuant to paragraph 8, be at the discretion of the Directors, provided that it shall not be less than the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the offer date;

- (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the offer date; and
- (c) the nominal value of the Share.

5. EXERCISE OF OPTIONS

- (a) An 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 the Company to cancel any Option granted to such Grantee to the extent not already exercised.
- (b) Unless otherwise determined by the Directors and stated in the offer to a Grantee, a Grantee is not required to hold an Option for any minimum period nor achieve any performance targets before the exercise of an Option granted to him.
- (c) Subject to, *inter alia*, paragraph 2(d) and the fulfilment of all terms and conditions set out in the offer, including the attainment of any performance targets stated therein (if any), an Option shall be exercisable in whole or in part in the circumstances and in the manner as set out in paragraphs 5(d) and 5(e) by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised (which, except where the number of Shares in respect of which the Option remains unexercised is less than one board lot or where the Option is exercised in full, must be for a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each such notice must be accompanied by a remittance for the full amount of the Subscription Price for Shares in respect of which the notice is given. Within 21 days (seven days in the case of an exercise pursuant to paragraph 5(d)(iii)) after receipt of the notice and, where appropriate, receipt of the certificate of the auditors or the independent financial advisers pursuant to paragraph 8, the Company shall accordingly allot and issue the relevant number of Shares to the Grantee (or, in the event of an exercise of Option by a personal representative pursuant to paragraph 5(d)(i), to the estate of the Grantee) fully paid and issue to the Grantee (or his estate in the event of an exercise by his personal representative as aforesaid) a share certificate for every board lot of Shares so allotted and issued and a share certificate for the balance (if any) of the Shares so allotted and issued which do not constitute a board lot.

- (d) Subject as hereinafter provided, an Option may (and may only) be exercised by the Grantee at any time or times during the Option Period provided that:
- (i) if the Grantee is an Eligible Employee and in the event of his ceasing to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his personal representative(s) or, as appropriate, the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 5(c) within a period of 12 months following the date of cessation of employment which date shall be the last day on which the Grantee was at work with the Company 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 may determine or, if any of the events referred to in paragraph 5(d)(iii) or 5(d)(iv) occur during such period, exercise the Option pursuant to paragraph 5(d)(iii) or 5(d)(iv) respectively;
 - (ii) if the Grantee is an Eligible Employee and in the event of his ceasing to be an Eligible Employee for any reason other than his death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds specified in paragraph 6(a)(iv) before exercising the Option in full, the Option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless the Directors otherwise determine in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 5(c) within such period as the Directors may determine following the date of such cessation or termination or, if any of the events referred to in paragraph 5(d)(iii) or 5(d)(iv) occur during such period, exercise the Option pursuant to paragraph 5(d)(iii) or 5(d)(iv) respectively. The date of cessation or termination as aforesaid shall be the last day on which the Grantee was actually at work with the Company or the relevant subsidiary or the Invested Entity whether salary is paid in lieu of notice or not;
 - (iii) if a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company 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 Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the Grantee shall, notwithstanding any other terms on which his Options were granted, be entitled to exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in accordance with the provisions of paragraph 5(c) at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be;

- (iv) in the event of a resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than two (2) Business Days before the date on which such resolution is to be considered and/or passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of paragraph 5(c) and the Company shall allot and issue to the Grantee the Shares in respect of which such Grantee has exercised his Option not less than one (1) day before the date on which such resolution is to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up; and
- (v) if the Grantee is a company wholly owned by one or more Eligible Participants:
 - (aa) the provisions of paragraphs 5(d)(i), 5(d)(ii), 6(a)(iv) and 6(a)(v) 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 fall to be exercisable after the event(s) referred to in paragraphs 5(d)(i), 5(d)(ii), 6(a)(iv) and 6(a)(v) shall occur with respect to the relevant Eligible Participant; and
 - (bb) 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 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.
- (e) Shares to be allotted and issued upon the exercise of an Option will be subject to all the provisions of the Bye-Laws for the time being in force and will rank *pari passu* in all respects with the then existing fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the “**Exercise Date**”) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise 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 Exercise Date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered on the register of members of the Company as the holder thereof.

6. EARLY TERMINATION OF OPTION PERIOD

- (a) The Option Period in respect of any Option shall automatically terminate and that Option (to the extent not already exercised) shall lapse on the earliest of:
- (i) the expiry of the Option Period;
 - (ii) the expiry of any of the periods referred to in paragraph 5(d);
 - (iii) the date of commencement of the winding-up of the Company;
 - (iv) in respect of a Grantee who is an Eligible Employee, the date on which the Grantee ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group or the Invested Entity into disrepute);
 - (v) in respect of a Grantee other than an Eligible Employee, the date on which the Directors shall at their absolute discretion determine that (aa) (1) such Grantee or his associate has committed any breach of any contract entered into between such Grantee or his associate on the one part and the Group or any Invested Entity on the other part; or (2) 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 (3) such Grantee could no longer make any contribution to the growth and development of the Group by reason of the cessation of its relations with the Group or by any other reason whatsoever; and (bb) the Option shall lapse as a result of any event specified in sub-paragraph (1), (2) or (3) above; and
 - (vi) the date on which the Directors shall exercise the Company's right to cancel the Option by reason of a breach of paragraph 5(a) by the Grantee in respect of that or any other Option.
- (b) A resolution of the Directors to the effect that the employment of a Grantee has been terminated on one or more of the grounds specified in paragraph 6(a)(iv) or that any event referred to in paragraph 6(a)(v)(aa) has occurred shall be conclusive and binding on all persons who may be affected thereby.
- (c) Transfer of employment of a Grantee who is an Eligible Employee from one member of the Group to another member of the Group shall not be considered a cessation of employment. It shall not be considered a cessation of employment if a Grantee who is an Eligible Employee is placed on such leave of absence which is considered by the directors of the relevant member of the Group not to be a cessation of employment of the Grantee.

7. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (a) The maximum number of Shares which may be allotted and issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme adopted by the Group shall not exceed 30 per cent. of the share capital of the Company in issue from time to time. No Options may be granted under the New Share Option Scheme or any other share option scheme adopted by the Group if the grant of such Option will result in the limit referred to in this paragraph 7(a) being exceeded.
- (b) The total number of Shares which may be allotted and issued upon exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Share Option Scheme and any other share option scheme of the Group) to be granted under the New Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed the General Scheme Limit provided that:
 - (i) subject to paragraph 7(a) and without prejudice to paragraph 7(b)(ii), the Company may seek approval of the Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be allotted and issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share Option scheme of the Group must not exceed 10 per cent. of the Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the New Share Option Scheme and any other share option scheme of the Group) previously granted under the New Share Option Scheme and any other share option scheme of the Group will not be counted; and
 - (ii) subject to paragraph 7(a) and without prejudice to paragraph 7(b)(i), the Company may seek separate shareholders' approval in general meeting to grant Options under the New Share Option Scheme beyond the General Scheme Limit or, if applicable, the extended limit referred to in paragraph 7(b)(i) to Eligible Participants specifically identified by the Company before such approval is sought.
- (c) Subject to paragraph 7(d), the total number of Shares issued and which may fall to be issued upon exercise of the Options and the Options granted under any other share option scheme of the Group (including both exercised or outstanding Options) to each Grantee in any 12-month period shall not exceed 1 per cent. of the issued share capital of the Company for the time being. Where any further grant of Options to a Grantee under the New Share Option Scheme would result in the Shares issued and to be issued upon exercise of all Options granted and proposed to be granted to such person (including exercised, cancelled and outstanding Options) under the New Share Option Scheme and any other share option scheme of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1 per cent. of the Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Grantee and his associates abstaining from voting.

- (d) Without prejudice to paragraph 3(b), where any grant of Options to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options 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 per cent. of the Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares at the offer date of each offer, in excess of HK\$5 million;

such further grant of Options must be approved by the Shareholders in general meeting.

- (e) For the purpose of seeking the approval of the Shareholders under paragraphs 7(b), 7(c) and 7(d), the Company must send a circular to the Shareholders containing the information required under the GEM Listing Rules and where the GEM Listing Rules shall so require, the vote at the Shareholders' meeting convened to obtain the requisite approval shall be taken on a poll with those persons required under the GEM Listing Rules abstaining from voting.

8. ADJUSTMENTS TO THE SUBSCRIPTION PRICE

- (a) In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or the New Share Option Scheme remains in effect, and such event arises from a capitalisation of profits or reserves, rights issue, consolidation or sub-division of the Shares, or reduction of the share capital of the Company, then, in any such case the Company shall instruct the auditors or an independent financial adviser to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:
- (i) the number or nominal amount of Shares to which the New Share Option Scheme or any Option(s) relates (insofar as it is/they are unexercised); and/or
 - (ii) the Subscription Price of any Option; and/or
 - (iii) (unless the relevant Grantee elects to waive such adjustment) the number of Shares comprised in an Option or which remain comprised in an Option,

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

- (iv) any such adjustment shall give the Grantee the same proportion of the issued share capital of the Company for which such Grantee would have been entitled to subscribe had he exercised all the Options held by him immediately prior to such adjustment;
- (v) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
- (vi) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
- (vii) any such adjustment shall be made in compliance with such rules, codes and guidance notes of the Stock Exchange from time to time.

In respect of any adjustment referred to in this paragraph 8(a), other than any adjustment made on a capitalisation issue, the auditors or such independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the GEM Listing Rules.

- (b) If there has been any alteration in the capital structure of the Company as referred to in paragraph 8(a), the Company shall, upon receipt of a notice from a Grantee in accordance with paragraph 5(c), inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the certificate of the auditors or the independent financial adviser obtained by the Company for such purpose or, if no such certificate has yet been obtained, inform the Grantee of such fact and instruct the auditors or the independent financial adviser as soon as practicable thereafter to issue a certificate in that regard in accordance with paragraph 8(a).
- (c) In giving any certificate under this paragraph 8, the auditors or the independent financial adviser appointed under paragraph 8(a) shall be deemed to be acting as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company and all persons who may be affected thereby.

9. CANCELLATION OF OPTIONS

- (a) Subject to paragraph 5(a) and Chapter 23 of the GEM Listing Rules, any Option granted but not exercised may not be cancelled except with the prior written consent of the relevant grantee and the approval of the Directors.
- (b) Where the Company cancels any Option granted to a Grantee but not exercised and issues new Option(s) to the same Grantee, the issue of such new Option(s) may only be made with available unissued Options (excluding, for this purpose, the Options so cancelled) within the General Scheme Limit or the limits approved by the Shareholders pursuant to paragraph 7(b)(i) or 7(b)(ii).

10. SHARE CAPITAL

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Directors shall make available sufficient authorised but unissued share capital of the Company to allot and issue the Shares on the exercise of any Option.

11. DISPUTES

Any dispute arising in connection with the number of Shares the subject of an Option, or any adjustment under paragraph 8(a) shall be referred to the decision of the auditors who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby.

12. ALTERATION OF THE NEW SHARE OPTION SCHEME

(a) Subject to paragraphs 12(b) and 12(d), the New Share Option Scheme may be altered in any respect by a resolution of the Directors except that:

- (i) the provisions of the New Share Option Scheme as to the definitions of “Eligible Participants”, “Grantee”, “Option Period” and “Termination Date”;
- (ii) the provisions of the New Share Option Scheme relating to the matters governed by Rule 23.03 of the GEM Listing Rules;

shall not be altered to the advantage of Grantees or prospective Grantees except with the prior sanction of a resolution of the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the Bye-Laws for a variation of the rights attached to the Shares.

- (b) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted shall be approved by the Shareholders in general meeting except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (c) Any change to the authority of the Directors or the administrators of the New Share Option Scheme in relation to any alteration to the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.
- (d) The terms of the New Share Option Scheme and/or any Options amended pursuant to this paragraph 12 must comply with the applicable requirements of the GEM Listing Rules.

13. TERMINATION

The Company by resolution in general meeting may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme and Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

NOTICE OF SGM

UNLIMITED CREATIVITY HOLDINGS LIMITED 無限創意控股有限公司

(formerly known as “B. A. L. Holdings Limited” in English and “變靚D控股有限公司” in Chinese)

(Continued into Bermuda with limited liability)

(Stock code: 8079)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting (the “**Meeting**”) of Unlimited Creativity Holdings Limited (the “**Company**”) will be held at 4:30 p.m. on Tuesday, 4 January 2011 at Room 1401, 14th Floor, Guardian House, 32 Oi Kwan Road, Wanchai, Hong Kong or any adjournment thereof for the purpose of considering and, if thought fit, passing (with or without amendments) the following ordinary resolutions:

ORDINARY RESOLUTIONS

1. (a) “**THAT** Mr. SHIU Yeuk Yuen be and is hereby re-elected as an executive director of the Company.”

(b) “**THAT** Mr. LEUNG Ge On Andy be and is hereby re-elected as an executive director of the Company.”
2. “**THAT** subject to and conditional upon the GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval of the listing of, and permission to deal in, the shares of the Company to be issued and allotted pursuant to the exercise of options granted under the new share option scheme of the Company (the “**New Share Option Scheme**”), the rules of which are contained in the document marked “AA” produced to the Meeting and for the purposes of identification signed by the Chairperson thereof, the New Share Option Scheme be and is hereby approved and adopted and with effect from the date of the New Share Option Scheme becoming unconditional and coming into effect, the existing share option scheme of the Company which was adopted by the Company on 24 September 2001 be terminated therefrom and the directors of the Company be and are hereby authorised to do all 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 New Share Option Scheme, including without limitation:
 - (i) to administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for the shares of the Company, including but not limited to determining and granting the options in accordance with the terms of the New Share Option Scheme;
 - (ii) to modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to the modification and/or amendment and subject to Chapter 23 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the “**GEM Listing Rules**”);
 - (iii) to allot and issue from time to time such number of shares of the Company as may be required to be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the GEM Listing Rules;

NOTICE OF SGM

- (iv) to make application at appropriate time or times to the Stock Exchange and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for listing of and permission to deal in, any shares of the Company which may hereafter from time to time be allotted and issued pursuant to the exercise of options under the New Share Option Scheme; and
- (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.”

For and on behalf of the Board of
Unlimited Creativity Holdings Limited
Siu York Chee
Chairperson

Hong Kong, 16 December 2010

Registered office:
Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

*Head office and principal place of business
in Hong Kong:*
Room 1401, 14th Floor
Guardian House
32 Oi Kwan Road
Wanchai
Hong Kong

Notes:

1. A form of proxy for use at the Meeting is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's share registrar in Hong Kong, Tricor Standard Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the above Meeting or any adjournment thereof (as the case may be).
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the Meeting convened or at any adjourned meeting (as the case may be) and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, whether in person or by proxy, the most senior shall alone be entitled to vote. For this purpose seniority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.
7. As of the date of this notice, the Board comprises Ms. Siu York Chee, Mr. Shiu Yeuk Yuen and Mr. Leung Ge On, Andy as executive Directors; Mr. Hung Anckes Yau Keung, Dr. Siu Yim Kwan, Sidney and Mr. Tsui Pui Hung, Walter as independent non-executive Directors.