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## **Tycoon Group Holdings Limited**

**滿貫集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3390)**

### **ADOPTION OF SHARE AWARD SCHEME**

On 25 May 2020, the Board adopted the Share Award Scheme with immediate effect for the purposes of (i) recognising the contributions by certain Eligible Persons and giving incentives thereto in order to retain them for the continuing operation and development of the Group; and (ii) attracting suitable personnel for further development of the Group. The total number of the Shares to be awarded pursuant to the Share Award Scheme shall not exceed 5% of the total issued share capital of the Company as at the Adoption Date (i.e. 40,000,000 Shares). The maximum number of Shares which may be awarded to a Selected Grantee at any one time shall not exceed 0.50% of the total number of the issued Shares as at the Adoption Date and the total number of Shares awarded to such Selected Grantee in aggregate shall not exceed 1% of the total number of the issued Shares as at the Adoption Date.

The Share Award Scheme does not constitute a share option scheme nor an arrangement analogous to a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No shareholders' approval is required for the adoption of the Share Award Scheme.

### **THE SHARE AWARD SCHEME**

On 25 May 2020, the Board adopted the Share Award Scheme which has taken effect immediately. The Share Award Scheme is not a share option scheme nor an arrangement analogous to a share option scheme and is not subject to the provisions of Chapter 17 of the Listing Rules.

The following is a summary of the principal terms and conditions of the Share Award Scheme:

### **Purposes**

The purposes of the Share Award Scheme are:

- (i) to recognise the contributions by certain Eligible Persons and to give incentives thereto in order to retain them for the continuing operation and development of the Group; and
- (ii) to attract suitable personnel for further development of the Group.

### **Duration**

Subject to any early termination as may be determined by the Board in accordance with the rules of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date, provided that no further settlement of the Reference Amount shall be made by the Company on or after the 10th anniversary of the Adoption Date.

### **Administration of the Share Award Scheme**

The Share Award Scheme shall be subject to the administration of the Board in accordance with the terms stated in the Share Award Scheme. The decision of the Board with respect to any matter arising under the Share Award Scheme (including the interpretation of any provision therein) shall be final and binding. The Trustee will hold the Shares and the income derived therefrom in accordance with the terms of the Trust Deed. The Company shall comply with all applicable laws, codes or regulations including without limitation those imposed by the Listing Rules from time to time.

### **Grantees to the Share Award Scheme**

Pursuant to the rules of the Share Award Scheme, the Board may, from time to time, at their absolute discretion select any Eligible Person for participation in the Share Award Scheme as a Grantee (i.e. Selected Grantee). Until so selected, no Eligible Person shall be entitled to participate in the Share Award Scheme.

For this purpose:

- (i) an Eligible Person shall mean any Employee or consultant of any Group company other than any person being a connected person of the Company or an associate of any such connected person; and
- (ii) a Grantee shall mean any Eligible Person or such Eligible Person's wholly owned company or trust (the beneficiaries of which include such Eligible Person and/or his/her immediate family members), but excluding any Excluded Grantee.

## **Awards**

An Award gives the Selected Grantee a conditional right, when the Awarded Shares vest, to obtain the Awarded Shares.

For the avoidance of doubt, a Selected Grantee shall have no rights in (i) the cash dividend in respect of a scrip dividend scheme in relation to any unvested Awarded Shares which may be elected by the Board in accordance with the Share Award Scheme; (ii) the monetary dividends and distributions and other monies or sums which are or may become payable in respect of any unvested Awarded Shares; (iii) the Returned Shares; and (iv) the fractional Shares resulting from any allocation of bonus Shares or scrip dividend in respect of unvested Awarded Shares or adjustment to the unvested Awarded Shares resulting from a consolidation of the Shares.

## **Grant of Awards**

After identifying the Selected Grantee(s), the Board shall at its absolute discretion determine the number of Awarded Shares to each Selected Grantee and the vesting conditions of such Award (if any) and inform such Selected Grantee accordingly.

The Board shall immediately inform the Trustee of (i) the name of the Selected Grantee(s); (ii) the number of Awarded Shares to be awarded; (iii) the amount of the Reference Amount; and (iv) the Vesting Date and the conditions for vesting, once the grant of Award(s) to the Selected Grantee(s) has been approved by the Board.

## **Maximum number of Shares to be granted**

The aggregate number of Shares to be awarded pursuant to the Share Award Scheme shall not exceed 5% of the total issued share capital of the Company as at the Adoption Date (i.e. 40,000,000 Shares).

The maximum number of Shares which may be awarded to a Selected Grantee at any one time shall not exceed 0.50% of the total number of issued Shares as at the Adoption Date and the total number of Shares awarded to such Selected Grantee in aggregate shall not exceed 1% of the total number of issued Shares as at the Adoption Date.

If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation or subdivision (“**Capital Reorganisation**”) and the effective date of such Capital Reorganisation falls on a day when the Share Award Scheme remains in effect, the maximum number of the Shares referred to above shall be adjusted proportionally. Such adjustment shall automatically become effective on the date on which the Capital Reorganisation takes effect.

## **Rights attached to the Award**

A Selected Grantee shall only have a contingent interest in the Awarded Shares which are referable to him/her/it subject to the vesting of such Shares in accordance with the Share Award Scheme and the due execution of the relevant transfer documents and such other documents as prescribed by the Trustee by such Selected Grantee regarding the relevant Award.

No instructions may be given by a Selected Grantee to the Trustee in respect of the Awarded Shares and such other properties of the Trust until and except after the Award becomes vested.

## **Voting Rights**

The Trustee shall not exercise any voting rights in respect of any Shares held under the Trust.

The Board is of the view that the non-exercise of the voting rights by the Trustee would help avoid potential misperception of the Company's influence over the Trustee's decision in casting the votes in respect of the Shares held under the Trust at general meetings.

## **Rights attached to the Shares**

Any Awarded Shares transferred to a Selected Grantee in respect of any Award(s) will be subject to all the provisions of the articles of association of the Company and will rank *pari passu* in all respects with the existing fully paid Shares in issue.

## **Operation of the Share Award Scheme**

Subject to compliance with all applicable laws, codes or regulations including without limitation those imposed by the Listing Rules from time to time, the Board shall cause the Company to instruct the Trustee to purchase the Awarded Shares. In each case, the purchase shall be made on the open market with the Reference Amount from the funds of the Group. The Shares purchased shall be held by the Trustee until they are vested in the Selected Grantees.

For the avoidance of doubt, the operation of the Share Award Scheme does not involve the issue of new Shares by the Company.

No payment shall be made to the Trustee and no instructions to acquire any Shares shall be given to the Trustee under the Share Award Scheme where any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws from time to time.

## Assignment of Awards

Any Award made under the Share Award Scheme shall be personal to the Selected Grantee to whom it is made and shall not be assignable and no Selected Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person.

## Vesting of Awards

Subject to the terms and conditions of the Share Award Scheme and the fulfilment of all relevant vesting conditions (if any), Awarded Shares held by the Trustee upon the Trust and which are referable to a Selected Grantee shall vest to that Selected Grantee in accordance with a vesting schedule determined at the discretion of the Board, provided that the Selected Grantee remains at all times after the grant of the Award and on each relevant Vesting Date(s) an Eligible Person and the transfer documents and any other relevant documents as prescribed by the Trustee to effect the transfer have been duly executed by the Selected Grantee.

The Board may also, in its absolute discretion, determine the performance, operating and financial targets and other criteria, if any, to be satisfied by the Selected Grantee before the Awarded Shares can vest. Notwithstanding the aforesaid, in respect of a Selected Grantee who died or retired at his/her normal retirement date or earlier by agreement with the relevant Group company at any time prior to a Vesting Date, all the Awarded Shares of a Selected Grantee shall be deemed to be vested on the day immediately prior to his/her death or retirement at his/her normal retirement date or earlier by agreement with the relevant Group company.

## Lapse of Awards

Save for the case of death or retirement of a Selected Grantee; in the event that prior to or on the Vesting Date (i) a Selected Grantee who is an Employee ceases to be an Employee or an Eligible Person; or (ii) the Subsidiary by which a Selected Grantee is employed ceases to be a Subsidiary; or (iii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) (each of these, an event of “**Total Lapse**”), the relevant Award made to such Selected Grantee shall automatically lapse immediately and all the Awarded Shares of such Award shall become Returned Shares for the purposes of the Share Award Scheme.

In the event that (i) a Selected Grantee is found to be an Excluded Grantee; or (ii) a Selected Grantee fails to return duly executed transfer documents or any other documents as prescribed by the Trustee for the transfer of the relevant Awarded Shares within the stipulated period (each of these, an event of “**Partial Lapse**”), the relevant part of an Award made to such Selected Grantee shall automatically lapse immediately and the relevant Awarded Shares shall become Returned Shares for the purposes of the Share Award Scheme.

If an Award or part of an Award lapses as a result of an event of Total Lapse or Partial Lapse, the relevant Selected Grantee shall have no right or claim against the Company or the Trustee.

### **Change in Control**

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, the Board shall have the discretion to decide whether the Awarded Shares shall vest or lapse on the date when such change of control event becomes or is declared unconditional or when the change of control event is approved by the shareholders of the Company.

For these purposes “control” has the meaning specified in the Takeovers Code, and in overview, involves a holding of 30% or more of voting rights of a company.

### **Consolidation**

In the event that the Company undertakes a consolidation of the Shares, all fractional Shares arising out of such consolidation in respect of the Awarded Shares of a Selected Grantee shall not be transferred to the relevant Selected Grantee on the relevant Vesting Date.

### **Alteration of the Share Award Scheme**

The Share Award Scheme may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Grantee under the Share Award Scheme except with:

- (i) the consent in writing of Selected Grantees is obtained amounting to three-fourths in nominal value of all Shares so held by the Trustee on behalf of the Selected Grantees on that date (but for the avoidance of doubt, excluding for this purpose any Shares representing the Related Income) on that date; or
- (ii) the sanction of a special resolution passed at a meeting of the Selected Grantees.

### **Termination**

Provided that such termination shall not affect any subsisting rights of any Selected Grantee under the Share Award Scheme, the Share Award Scheme shall terminate on the earlier of:

- (i) on the 10th anniversary date of the Adoption Date; and
- (ii) such date of early termination as determined by the Board.

## LISTING RULES IMPLICATIONS

The Share Award Scheme does not constitute a share option scheme nor an arrangement analogous to a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No shareholders' approval is required for the adoption of the Share Award Scheme.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions have the meanings ascribed to them below:

“Adoption Date”	the date on which the Share Award Scheme is adopted by the Board, being 25 May 2020
“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“Award(s)”	a provisional award(s) granted by the Board to a Selected Grantee pursuant to the rules of the Share Award Scheme
“Awarded Shares”	in respect of a Selected Grantee, such number of Shares determined by the Board under an Award, together with, where applicable, the Related Income and the related rights thereto
“Board”	the board of Directors
“Company”	Tycoon Group Holdings Limited (stock code: 3390), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	any Employee or consultant of a Group company, other than any person being a connected person of the Company or an associate of any such connected person
“Employee”	any employee (whether full time or part time) of any Group company

“Excluded Grantee”	any Grantee who is resident in a place where the settlement of the Reference Amount and the award of the Awarded Shares and/or the award of the Returned Shares and/or the vesting and transfer of Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws and regulations of such place or where in the view of the Board (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such Grantee
“Grantee”	any Eligible Person or his/her wholly owned company or trust (the beneficiaries of which include such Eligible Person and/or his/her immediate family members), but excluding any Excluded Grantee
“Group”	the Company and its subsidiaries and “Group company” means any one of them
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Reference Amount”	the amount in cash as determined by the Board which shall be used to purchase Shares as Awarded Shares
“Related Income”	all income derived from a Share (net of all expenses or charges incurred in relation to the receipt or payment of such income) held upon the Trust in the form of Shares (including but not limited to, any bonus Shares or scrip Shares received in respect of the Share). For the avoidance of doubt, excluding any nil paid rights, options, warrants or the net proceeds from any sale of such rights, warrants, options and/or non-cash distributions, or any cash remaining in the Trust
“Returned Shares”	such Awarded Shares which are not vested after their purchase and/or was forfeited in accordance with the terms of the Share Award Scheme
“Selected Grantee(s)”	Grantee(s) selected by the Board for participation in the Share Award Scheme
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company

“Share Award Scheme”	the share award scheme adopted by the Board on the Adoption Date as may be amended from time to time
“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 (within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere
“Takeovers Code”	the Code on Takeovers and Mergers published by the Securities and Futures Commission as may be amended and in force from time to time
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	the trust deed to be executed between the Company and the Trustee in respect of, among other matters, the appointment of the Trustee and the administration and operation of the Share Award Scheme (as amended or supplemented from time to time)
“Trustee”	Tricor Trust (Hong Kong) Limited, a company incorporated in Hong Kong, which is independent and not connected with the Group or other trustee or trustees for the time being appointed for the purpose of administration of the Trust
“Vesting Date”	the date or dates on which the Awarded Shares held by the Trustee upon the Trust and which are referable to a Selected Grantee are to vest to that Selected Grantee in accordance with a vesting schedule determined at the discretion of the Board

By Order of the Board  
**Tycoon Group Holdings Limited**  
**Wong Ka Chun Michael**  
*Chairman, Executive Director and  
Chief Executive Officer*

Hong Kong, 25 May 2020

*As at the date of this announcement, the Board comprises Mr. Wong Ka Chun Michael and Mr. Chan Fan Shing as executive Directors; Mr. Yao Qingqi, Ms. Chong Yah Lien, Mr. Ng Wang Yu Gary and Ms. Li Ka Wa Helen as non-executive Directors; and Mr. Wong Yuk Woo Louis, Mr. Chung Siu Wah and Ms. Chan Ka Lai Vanessa as independent non-executive Directors.*