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ARTGO HOLDINGS LIMITED

雅高控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3313)

**(1) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME
AND
(2) PROPOSED ADOPTION OF SHARE AWARD SCHEME**

PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME

The 2013 Share Option Scheme

The Company adopted the 2013 Share Option Scheme on 9 December 2013 prior to its IPO on the Stock Exchange on 30 December 2013. Under the terms of the 2013 Share Option Scheme, unless otherwise cancelled or amended, the 2013 Share Option Scheme would remain in force for a period of 10 years from the date of its adoption and will expire on 8 December 2023. No further options can be offered or granted upon the expiration of the 2013 Share Option Scheme. As at the date of this announcement, there is no share options outstanding and unexercised which confer the right to subscribe for Shares under the 2013 Share Option Scheme. The Board has no intention of granting any further share options under the 2013 Share Option Scheme prior to its expiration.

The New Share Option Scheme

In view of the expiration of the 2013 Share Option Scheme, the Board proposes to adopt the New Share Option Scheme in accordance with the amended Chapter 17 of the Listing Rules effective on 1 January 2023 to provide incentives or rewards to the Participants for their contribution or potential contribution to the Group.

The key terms of the New Share Option Scheme are set out below:

Purpose and Objectives:

The purposes of the Share Option Scheme are (i) to recognise and acknowledge the contribution of the Participants and to motivate Participants to contribute to, and promote the interests of, the Company by granting Options to them as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract, retain and motivate high-calibre Participants to promote the sustainable development of the Group in line with the performance goals of the Group; (iii) to develop, maintain and strengthen long-term relationships that the Participants may have with the Group for the benefit of the Group; and (iv) to align the interest of selected Participants with those of the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

Duration:

The New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date, after which period, no further Share Options shall be offered or granted but the provisions of the New Share Option Scheme shall remain in full force and effect in all other respects.

Participants:

The Board may at its discretion grant Share Options to:

- (a) Employee Participant(s); and
- (b) Service Provider(s),

Exercise price:

The exercise price in respect of any Share Option shall, subject to any adjustments, be at the discretion of the Directors, provided that it must be at least the highest of:

- (a) the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the Offer Date, which must be a business day;
- (b) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five (5) business days immediately preceding the Offer Date; and
- (c) the nominal value of the Shares on the Offer Date;

provided that in the event of fractional prices, the exercise price per Share shall be rounded upwards to the nearest whole cent.

Maximum number of Shares available for subscription

Subject to the refreshment of the New Share Option Scheme, the maximum number of Shares which may be allotted and issued in respect of all Options to be granted under the New Share Option Scheme, and all share options and all share awards to be granted under any other schemes must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date, unless the Company has obtained separate approval by Shareholders.

Subject to the refreshment of the New Share Option Scheme, the maximum number of Shares which may be allotted and issued in respect of all Options, all share options and all share awards to be granted to Service Providers under the New Share Option Scheme and any other schemes must not in aggregate exceed 1% of the total number of Shares in issue as at the Adoption Date, unless the Company has obtained separate approval by Shareholders.

Maximum entitlement of each Participant

The total number of Shares issued and which may fall to be issued upon exercise of the Share Options and the share options and share awards granted under the New Share Option Scheme or any other share option scheme(s) or share award scheme(s) of the Company (including both exercised or outstanding share options and share awards but excluding any share options and share awards lapsed in accordance with the terms of the scheme) to each Participant in any 12-month period up to and including the date of such grant shall not exceed 1% of the total number of Shares in issue.

Time of exercise of share options

A Share Option may be exercised during a period to be determined and notified by the Directors to the grantee thereof, save that such period shall not be more than ten (10) years from the Offer Date.

Vesting period

A grantee is required to hold a Share Option for not less than twelve (12) months from the Offer Date before it can be exercised.

The proposed adoption of the New Share Option Scheme is conditional upon:

- (a) the passing by the Shareholders at the EGM of an ordinary resolution to approve the adoption of the New Share Option Scheme and to authorise the Board to grant Share Options under the New Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Share Option; and
- (b) the Listing Committee of the Stock Exchange granting the approvals for the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Share Option which may be granted under the New Share Option Scheme.

The Share Award Scheme

The Board also proposes to adopt the Share Award Scheme in accordance with the amended Chapter 17 of the Listing Rules effective on 1 January 2023 to provide incentives or rewards to the Participants for their contribution or potential contribution to the Group.

The key terms of the Share Award Scheme are set out below:

Purpose and Objectives:

The purposes of the Share Award Scheme are (i) to recognise and acknowledge the contribution of the Participants and to motivate Participants to contribute to, and promote the interests of, the Company by granting Awards to them as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract, retain and motivate high-calibre Participants to promote the sustainable development of the Group in line with the performance goals of the Group; (iii) to develop, maintain and strengthen long-term relationships that the Participants may have with the Group for the benefit of the Group; and (iv) to align the interest of selected Participants with those of the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

Duration:

The Share Award Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date, after which period, no further Awards shall be granted.

Participants:

The Board may at its discretion grant Awards to:

- (a) Employee Participant(s); and
- (b) Service Provider(s).

Maximum number of Shares available for grant	<p>Subject to the refreshment of the Share Award Scheme, the maximum number of new Shares which may be allotted and issued in respect of all Awards to be granted under the Share Award Scheme and all share options and share awards to be granted under any other schemes shall not in aggregate exceed 10% of the number of issued Shares of the Company as at the Adoption Date.</p> <p>Subject to the refreshment of the Share Award Scheme, the maximum number of Awarded Shares which may be issued in respect of all Awards, all share options and all share awards to be granted to Service Providers under the Share Award Scheme and any other schemes must not in aggregate exceed 1% of the total number of Shares in issue as at the Adoption Date, unless the Company has obtained separate approval by Shareholders.</p>
Maximum entitlement of each Participant	<p>The maximum number of new Shares which may be allotted and issued in respect of all Awards to be granted under the Share Award Scheme and all share options and share awards to be granted to each Participant in any 12-month period up to and including the date of such grant shall not exceed 1% (not exceed 0.1% in case of Directors) of the total number of Shares in issue.</p>
Vesting period	<p>Not less than twelve (12) months vesting period from the Grant Date before the Grantee is entitled to the Awarded Share and obtained the Awarded Share from the Trustee.</p>

The proposed adoption of the Share Award Scheme is conditional upon:

- (a) the passing by the Shareholders at the EGM of an ordinary resolution to approve the adoption of the Share Award Scheme and to authorise the Board to grant Awards under the Share Award Scheme and to allot and issue such Awarded Shares; and
- (b) the Listing Committee of the Stock Exchange granting the approvals for the listing of, and permission to deal in the Shares which may fall to be issued by the Company in respect of the Awards to be granted in accordance with terms and conditions of the Share Award Scheme.

Further details of the New Share Option Scheme and the Share Award Scheme will be set out in the circular to be despatched to the Shareholders.

Applications will be made to the Stock Exchange for approval of the listing of, and permission to deal in, the Shares to be issued pursuant to (i) the exercise of any Share Option which may be granted under the New Share Option Scheme; and (ii) the grant of Awarded Shares under the Share Award Scheme.

A circular containing, inter alia, (i) the details of the New Share Option Scheme; (ii) details of the Share Award Scheme, (iii) the notice of the EGM; and (iv) other information in relation to the Company in accordance with the Listing Rules, will be despatched to the Shareholders as soon as practicable.

As at the date of this announcement, the adoptions of the New Share Option Scheme and Share Award Scheme are subject to the approval of the Shareholders. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“2013 Share Option Scheme”	the share option scheme adopted by the Company on 9 December 2013
“Adoption Date”	the date upon which the New Share Option Scheme and the Share Award Scheme is conditionally adopted by resolutions of the Shareholders at the EGM
“Award(s)”	award(s) of Awarded Shares to a selected Participant pursuant to the Share Award Scheme
“Awarded Share(s)”	such number of Shares determined by the Board for grant of an Award to a selected Participant pursuant to the Share Award Scheme
“Board”	the board of Directors
“Business Day(s)”	a day on which licensed banks in Hong Kong are generally open for business, other than a Saturday or a Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon
“Company”	Artgo Holdings Limited, a company incorporated in Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 3313)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held by the Company for the Shareholders to consider and, if thought fit, approve, amongst others, the adoptions of the New Share Option Scheme and the Share Award Scheme

“Employee Participant(s)”	means Director(s) and employee(s) of the Company or any of its subsidiaries (including persons who are granted Share Options and/or Awards as an inducement to enter into employment contracts with the Company or any of its subsidiaries)
“Grantee(s)”	any Participant(s) who accept an Offer in accordance with the terms of the New Share Option Scheme or who accept an Award in accordance with the terms of the Share Award Scheme
“Group”	the Company and its subsidiaries
“Participant(s)”	(a) Employee Participant(s); and (b) Service Provider(s)
“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
“New Share Option Scheme”	the new share option scheme to be proposed for adoption by the Company at the EGM, the principal terms of which will be set out in the circular to be despatched
“Offer”	an offer for the grant of a Share Option made in accordance with the New Share Option Scheme
“Offer Date”	the date on which the Board resolves to make an Offer of a Share Option to a Participant, which must be a business day
“Service Provider(s)”	means person(s) (whether a natural person, a corporate entity or otherwise) who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group, including but not limited to person(s) who work for any member of the Group as independent contractors (such as agents, distributors, contractors, vendors, suppliers, advisers, consultants and service providers of any member of the Group) where the continuity and frequency of their services are akin to those of employees, but excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity

“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Share Award Scheme”	the share award scheme to be proposed for adoption by the Company at the EGM, the principal terms of which will be set out in the circular to be despatched
“Shareholder(s)”	holder(s) of the issued Share(s)
“Share Option (s)”	means option(s) to subscribe for Shares granted pursuant to the New Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	The trustee appointed by the Company for the purpose of a trust which will hold Awarded Shares on trust for the benefit of the Grantee(s) under the Share Award Scheme pursuant to the terms of the relevant trust deed
“%”	per cent.

By Order of the Board
Artgo Holdings Limited
Wu Jing
Executive Director

Hong Kong, 27 November 2023

As at the date of this announcement, the executive Directors are Mr. Gu Weiwen, Mr. Zhang Jian, Mr. Wan Jian and Ms. Wu Jing, the non-executive Director is Mr. Gu Zengcai, and the independent non-executive Directors are Ms. Lung Yuet Kwan, Mr. Zhai Feiquan and Mr. Hui Yat On.