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## **Microware Group Limited**

## **美高域集團有限公司**

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

**(Stock code: 1985)**

### **VOLUNTARY ANNOUNCEMENT ADOPTION OF SHARE AWARD SCHEME**

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

The Board is pleased to announce that on 10 January 2024, it has resolved to adopt the Share Award Scheme with effect from the Effective Date, being 16 January 2024.

The Board may, from time to time, cause to be paid an amount from the Company's funds to the Trustee for the purchase of the Shares on the market for the purpose of satisfying the Awards granted by the Board to the Selected Participant(s) under the Scheme Rules. The Share Award Scheme has been adopted to be funded solely by the existing Shares.

#### **LISTING RULES IMPLICATIONS**

The Share Award Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, it does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Share Award Scheme will not be subject to Shareholders' approval.

#### **INTRODUCTION**

The Board is pleased to announce that on 10 January 2024, it has resolved to adopt the Share Award Scheme with effect from the Effective Date, being 16 January 2024.

#### **THE SHARE AWARD SCHEME**

A summary of the principal terms of the Share Award Scheme is set out below.

## **1. Purpose and Objective**

The purposes and objectives of the Share Award Scheme are:

- (1) to motivate certain Eligible Participants to optimise their performance and efficiency for the benefit of the Group;
- (2) to recognise and reward certain Eligible Participants for their performance and contributions; and
- (3) to retain certain Eligible Participants for their continual contribution to the operation and development of the Group.

## **2. Duration**

Without prejudicing the subsisting rights of any Selected Participant and subject to early termination as may be determined by the Board pursuant to the Scheme Rules, the Share Award Scheme shall be valid and effective from the Effective Date until the tenth (10th) anniversary of the Effective Date, after which no Award shall be granted but the provision of the Share Award Scheme will in all other respects remain in full force and effect until all Awards that are granted on or before the tenth (10th) anniversary of the Effective Date are vested and transferred to the relevant Selected Participants.

## **3. Participants of the Scheme**

The Eligible Participants of the Share Award Scheme include any Employee (excluding any connected person(s) of the Company) of any member of the Group.

## **4. Administration**

The Board shall be responsible for the administration of the Share Award Scheme in accordance with the Scheme Rules and where applicable, the Trust Deed.

The Board has appointed the Trustee to assist in the administration of the Share Award Scheme. A Trust will be set up and administered by the Trustee for the purpose of holding the Trust Shares, Related Income and Residual Cash in accordance with the Scheme Rules and the Trust Deed.

## **5. Acquisition of Shares by the Trustee**

The Board may, from time to time, cause to be paid an amount from the Company's funds to the Trustee for the purchase of the Shares on the market at the prevailing market price at a specified price range for the purpose of satisfying the Awards granted by the Board to the Selected Participant(s) under the Scheme Rules. The Board may also specify the period for which such Shares are to be acquired as necessary.

## **6. Operation of the Scheme**

Subject to the provisions of the Scheme Rules, the Board may, from time to time, at its absolute discretion select any Eligible Participant (excluding any Excluded Participant) for participation in the Share Award Scheme as a Selected Participant. Until so selected, no Eligible Participant shall be entitled to participate in the Share Award Scheme.

The Board shall inform such Selected Participant of any grant of Awards by way of a grant letter, which will set out, among other things, the grant date, the number of the Awarded Shares, the vesting criteria and conditions, the Vesting Date and such other details as the Board may consider necessary.

## **7. Scheme Limit and Individual Limit**

The maximum number of Awarded Shares that may be awarded by the Board under the Share Award Scheme (excluding Awarded Shares that have been (i) forfeited, cancelled or lapsed or (ii) granted and vested in accordance with the Share Award Scheme) in aggregate shall be no more than 10 per cent (10%) of the number of Shares issued as at the Effective Date (the "**Scheme Limit**").

The maximum number of Shares which may be awarded to a Selected Participant under the Share Award Scheme (excluding Awarded Shares that have been (i) forfeited, cancelled or lapsed or (ii) granted and vested in accordance with the Share Award Scheme) shall not exceed 3 per cent (3%) of the issued share capital of the Company as at the Effective Date (the "**Individual Limit**").

## **8. Vesting of Awards**

Within a reasonable time period as agreed between the Trustee and the Board from time to time prior to the Vesting Date, the Board shall send to the relevant Selected Participants a vesting notice.

The Board shall forward a copy of the vesting notice to the Trustee as soon as practicable after the Vesting Date, after which the Trustee shall transfer and release the relevant Awarded Shares to the relevant Selected Participant or sell the Awarded Shares and pay the proceeds arising from such sale to the Selected Participant pursuant to the instructions of the Board.

## **9. Restrictions**

No grant of Awarded Shares may be made to any Selected Participant:

- (1) in any circumstances where the requisite approval from any applicable regulatory authorities (including but not limited to the Stock Exchange) has not been granted;
- (2) in any circumstances that any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the Share Award Scheme, unless the Board determines otherwise;
- (3) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
- (4) where such grant of Award would result in a breach of the Scheme Limit and/or the Individual Limit;

and any such grant so made shall be null and void to the extent that it falls within the circumstances above.

## **10. No Assignment of the Award**

An Award under the Share Award Scheme shall be personal to the relevant Selected Participant and shall not be assignable or transferable. No Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

## **11. Voting Rights and Entitlement**

The Shares held by the Trustee upon Trust shall not exceed 10 per cent (10%) of the issued share capital of the Company from time to time.

Neither the Selected Participant nor the Trustee may exercise any voting rights in respect of any Awarded Shares that have not yet vested. Subject to the Scheme Rules, the Board shall exercise any voting rights and other powers attached to any assets or investments in the Trust.

## **12. 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 Participant under the Share Award Scheme unless (i) the written consent of Selected Participants amounting to three-fourths in nominal value of all Awarded Shares held by the

Trustee on that date is obtained or (ii) the sanction of a special resolution is passed at a meeting of the Selected Participants amounting to three-fourths in nominal value of all Awarded Shares held by the Trustee on that date.

### **13. Termination**

The Share Award Scheme shall terminate on the earlier of: (i) the tenth (10th) anniversary date of the Effective Date, except in respect of any non-vested Awarded Shares granted prior to the expiration of the Share Award Scheme for the purpose of giving effect to the vesting of such Awarded Shares; or (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant under the Share Award Scheme.

### **IMPLICATION OF LISTING RULES**

The Trustee is a professional trustee engaged by the Company for the Share Award Scheme. To the best knowledge and belief of the Company and the Directors after making reasonable inquiries, the Trustee and its ultimate beneficial owner(s) are third parties independent of the Company.

The Shares held by the Trustee under the Share Award Scheme for the purpose of satisfying Awards already granted to Eligible Participants would be regarded as shares held “in public hands”. In the avoidance of doubt, the Shares held by the Trustee under the Share Award Scheme for satisfying future grants to Eligible Participants would not count towards the public float of the Company. The Company will take appropriate measures to ensure that at least 25% of the Company’s total issued Shares are held by the public from time to time.

The Share Award Scheme constitutes a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. However, it does not constitute a scheme involving the issue of new shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Share Award Scheme will not be subject to Shareholders’ approval.

## DEFINITIONS

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

“Adoption Date”	10 January 2024, being the date on which the Share Award Scheme is adopted by the Board
“Affiliate”	means a company that directly, indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Company and includes any company which is (a) the holding company of the Company; or (b) a subsidiary of holding company of the Company; or (c) a subsidiary of the Company; or (d) a fellow subsidiary of the Company; or (e) the controlling shareholder of the Company; or (f) a company controlled by the controlling shareholder of the Company; or (g) a company controlled by the Company; or (h) an associated company of the holding company of the Company; or (i) an associated company of the Company; or (j) associated company of controlling shareholder of the Company
“Award(s)”	award(s) of Shares by the Board in accordance with the Scheme Rules
“Awarded Shares”	in respect of a Selected Participant, such number of Shares determined by the Board and granted to such Selected Participant in accordance with the Scheme Rules
“Board”	the board of Directors
“Business Days”	a day (other than Saturday, Sunday and public holiday) on which the Stock Exchange is open for trading and on which banks are open for business in Hong Kong
“Company”	Microware Group Limited (美高域集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 20 January 2016, whose Shares are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company

“Effective Date”	the date of which the Trust Deed is entered into between the Company and the Trustee, being 16 January 2024
“Eligible Participant”	any Employee (excluding any connected person(s) of the Group) of any member of the Group
“Employee”	any employee (whether full-time or part-time employee) of any members of the Group or any Affiliate, provided that such person shall not cease to be an Employee in the case of (a) any leave of absence approved by the Company or the relevant Affiliate; or (b) transfer amongst the Company and any Affiliates or any successor, and provided further that an Employee shall cease to be an Employee with effect from (and including) the date of termination of his employment
“Excluded Participant”	any Eligible Participant who is resident in a place where the grant, acceptance or vesting of an Award 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 or the Trustee (as the case may be), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such Eligible Participant
“Group”	the Company and its Subsidiaries and such entities which are considered as subsidiaries of the Company under the applicable accounting standard and policy
“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
“Related Income”	all cash income derived from the Awarded Shares (i.e. cash dividends declared and paid on the Awarded Shares) excluding any interest accrued on such cash income and held on trust for the benefit of the Selected Participant
“Residual Cash”	cash remaining in the account or the trust fund of the Trust (including interest income derived from deposits maintained with licensed banks in Hong Kong) which has not been applied in the acquisition of Trust Shares or Awarded Shares

“Scheme Rules”	the rules relating to the Share Award Scheme, as approved and adopted by the Board on the Adoption Date with effect from the Effective Date in its present form or as amended from time to time in accordance with Scheme Rules
“Selected Participant(s)”	Eligible Participant(s) selected by the Board pursuant to the Scheme Rules
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Share Award Scheme”	the “Microware Non-Connected Employees Share Award Scheme” of the Company constituted by the Scheme Rules
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	subsidiary(ies) of the Company
“Trust”	the trust constituted by the Trust Deed
“Trustee”	the trustee corporation appointed by the Company for the administration of the Share Award Scheme
“Trust Deed”	the trust deed dated 16 January 2024 entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in respect of the appointment of the Trustee for the administration of the Share Award Scheme
“Trust Share(s)”	such Shares that are held, directly or indirectly, by the Trustee upon Trust, from time to time for the purpose of the Share Award Scheme
“Vesting Date(s)”	the date(s) on which the entitlement of a Selected Participant to the Awarded Shares accrues in accordance with the conditions as imposed by the Board or deemed to have accrued in accordance with the Scheme Rules

“%”

per cent

By order of the Board  
**Microware Group Limited**  
**Wang Guangbo**  
*Chairman*

Hong Kong, 16 January 2024

*As at the date of this announcement, the executive Directors are Mr. Wang Guangbo, Mr. Huang Tianlei and Mr. Zhang Ting; and the independent non-executive Directors are Mr. Dai Bin, Mr. Lu Junbo and Mr. Xu Jianwen.*