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## **SINOTRUK (HONG KONG) LIMITED**

**中國重汽(香港)有限公司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 03808)**

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

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The Company is pleased to announce that the Board and the Remuneration Committee already approved the proposed adoption of the Restricted Share Award Scheme, which is a share scheme solely funded by existing Shares of the Company. The purposes of the Scheme are (i) to retain and attract talents through an enhanced remuneration structure; (ii) to better align the interests of the officers and employees, and of the Shareholders; and (iii) to effectively motivate the management team and key employees of the Group, and thereby promoting the long-term development of the Group and maximising the interests of the Shareholders. The implementation of the Scheme is subject to the prior approval of SHIG and the filing with the Shandong SASAC. The Company will further publish an announcement upon obtaining the approval of the Scheme from SHIG and filing of the Scheme with the Shandong SASAC.

#### **LISTING RULES IMPLICATIONS**

The Restricted 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 share scheme involving any issue of new Shares as referred to in Chapter 17 of the Listing Rules, and therefore, the adoption of the Scheme will not be subject to Shareholders' approval.

Reference is made to the Circular of the Company dated 27 July 2009. As disclosed in the Circular, the Company obtained a waiver from the Stock Exchange to maintain a reduced public float of 24% minus one Share.

Pursuant to the Scheme, up to 1% of the issued Shares may be granted to core connected persons of the Company from time to time. As Shares held by core connected persons are not considered as being “in public hands” under Rule 8.24 of the Listing Rules, the Company applied, and the Stock Exchange granted, the Waiver from strict compliance with the public float requirement under Rule 8.08(1)(a) of the Listing Rules such that the minimum public float required of the Company will be further reduced to 23% minus one Share upon the adoption of the Scheme.

## **I. PROPOSED ADOPTION OF THE RESTRICTED SHARE AWARD SCHEME**

The Company is pleased to announce that the Board and the Remuneration Committee already approved the proposed adoption of the Restricted Share Award Scheme, which is a share scheme solely funded by existing Shares of the Company.

A summary of the principal terms and implementation arrangements of the Restricted Share Award Scheme is set out below:

### **Purposes**

The purposes of the Scheme are (i) to retain and attract talents through an enhanced remuneration structure; (ii) to better align the interests of the officers and employees, and of the Shareholders; and (iii) to effectively motivate the management team and key employees of the Group, and thereby promoting the long-term development of the Group and maximising the interests of the Shareholders.

### **Conditions precedent**

The implementation of the Scheme is subject to the prior approval of SHIG and the filing with the Shandong SASAC.

### **Eligible Participants**

The eligible participants to the Scheme (the “**Eligible Participants**”) include the Directors, senior management, and key employees occupying or involved in research and development, technical, sales and management roles within the Company or any of its Subsidiaries, as determined by the Board from time to time, provided that such persons have entered into employment contracts or service contracts with the Company or any of its Subsidiaries. Notwithstanding the foregoing, the Eligible Participants shall not include: (i) the independent

non-executive Directors; (ii) the actual controllers of the Company and spouses, parents and children of such actual controllers; and (iii) any Shareholder who, individually holds, or is deemed by the applicable Hong Kong or PRC laws or regulations to be interested in, 5% or more of the total number of issued Shares as at the relevant grant date, and spouse, parents and children of such Shareholder. A connected person of the Company is an “Eligible Participant” only if his employment contract or service contract with the Group provides for a grant of Award as a possible form of his remuneration.

It is expected that the Scheme shall initially involve not more than 194 individuals as Eligible Participants (the “**Grant**”).

### **Duration**

Subject to any early termination pursuant to the Scheme Rules, the Scheme shall be valid and effective for a period ending on the date which is the expiry of the 60-month period after the date of the Grant.

### **Administration**

The Scheme shall be subject to the administration of the Board and the Trustee(s) in accordance with the Scheme Rules, the Trust Deed(s) and all applicable laws or regulations (including the requirements stipulated by the Shandong SASAC from time to time).

The decision of the Board with respect to any matter arising under the Scheme (including the interpretation of any provision thereof) shall be final and binding. For situations or matters pertaining to the implementation of the Scheme that have not been provided for in the Scheme Rules, the Board shall, at its sole and absolute discretion, have the power and authority to determine the appropriate course of action in respect thereof, provided that such course of action is in compliance with all applicable laws or regulations.

### **Grant of Awards**

Subject to the provisions of the Scheme, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the Scheme as a Selected Participant, and grant an Award to any such Selected Participant at the Grant Price.

### Grant Price

The Grant Price for the Grant shall not be less than the higher of:

- (a) 50% of the closing price of the Shares as quoted on the Stock Exchange as at the date of this announcement; and
- (b) 50% of the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days prior to the date of this announcement.

Accordingly, based on the Share price information as at the date of this announcement, the Grant Price for the Grant has been determined at RMB6.896 (equivalent to approximately HK\$7.58).

The Grant Price is subject to determination at the sole and absolute discretion of the Board, as it deems appropriate from time to time. In case of an adjustment event such as capitalisation issue, bonus issue of Shares, subdivision of Shares, Shares consolidation or distribution of dividend by the Company, with respect to the then outstanding Award, corresponding adjustments shall be made to the Grant Price in accordance with the Scheme Rules.

### Grant conditions

The Board may grant an Award to any Selected Participant only if:

- (a) none of the following specified events has occurred in relation to the Company: (i) the Company fails to engage an auditor to audit the Company's financial statements and accounting records as required by the applicable laws or regulations of the PRC or Hong Kong; (ii) the issuance of a qualified opinion, an adverse opinion or a disclaimer of opinion by the Auditors in respect of the consolidated financial statements of the Company for the most recent financial year; (iii) material dispute has been raised by the PRC state-owned assets and supervision authority or audit department on the financial results and/or financial reports of the Company; (iv) the imposition of penalty on the Company by the securities regulatory authority and other relevant regulatory authorities as a result of a material breach of laws or regulations of the PRC or Hong Kong; and (v) situations occur where the implementation of the Scheme is prohibited by the applicable laws or regulations of the PRC or Hong Kong; and

- (b) none of the following specified events has occurred in relation to the Selected Participant: (i) results of the relevant 經濟責任審計 (accountability audit) or similar assessments indicate that the Selected Participant has not effectively performed his duties, or has been grossly negligent or committed malfeasance in performing his duties; (ii) the Selected Participant has breached the relevant laws or regulations of the PRC or Hong Kong or the Articles of Association of the Company; (iii) the Company has sufficient evidence to prove that during the employment of the Selected Participant by any member of the Group, the Selected Participant, due to bribery, corruption or theft, divulging operational or technical secrets of the Group, or conducting connected transactions or any other acts, has caused harm to the Group's interests or reputation, and which has caused a material adverse effect on the Group's image, resulting in a loss for the Group; and (iv) a failure to perform or incorrectly perform duties, causing significant asset losses and other serious adverse consequences to the Group.

### Operation

The Board, at its sole and absolute discretion, may procure the Company to allocate and pay sufficient funds from the Group's resources to the Trustee(s) for the purchase of Shares on the Stock Exchange from time to time, as it deems appropriate for granting Awards. With respect to an Award, the Company and the relevant Eligible Participant will execute a grant agreement (the "**Grant Agreement**") which stipulates the rights and obligations of the Company and the Eligible Participant and sets out the details of the Awarded Interests so granted, the payment deadline of the Total Grant Price, the vesting conditions (if any) (including matters relating to financial performance of the Group and the results of the performance review in respect of the Selected Participant), and the vesting schedule upon which such Awarded Interests are granted. Upon the due execution of the Grant Agreement by the Company and the relevant Eligible Participant and payment of the Total Grant Price by the relevant Eligible Participant in accordance with the requirements of the Company, the Award is considered as having been granted to and accepted by the Eligible Participant, who shall become a Selected Participant.

For a Selected Participant who is a core connected person of the Company, the Shares under the Trust (Core Connected Persons) shall be used to satisfy such grant of Awards. For a Selected Participant who is not a core connected person of the Company, the Shares under the Trust (Non-Core Connected Persons) shall be used to satisfy such grant of Awards.

## Vesting

The Board is entitled to impose any conditions, including but not limited to matters relating to financial performance of the Group and the results of performance review in respect of each Selected Participant, as it deems appropriate in its sole and absolute discretion with respect to the vesting of the Awarded Interests to the Selected Participant, and shall inform the relevant Trustee and such Selected Participant the relevant conditions of the Award.

The Awarded Interests shall vest on a Selected Participant only if:

- (a) none of the following specified events has occurred in relation to the Company: (i) the Company has failed to engage an auditor to audit the Company's financial statements and accounting records as required by the applicable laws or regulations of the PRC or Hong Kong; (ii) the issuance of a qualified opinion, an adverse opinion or a disclaimer of opinion by the Auditors in respect of the consolidated financial statements of the Company for the most recent financial year; (iii) material dispute has been raised by the PRC state-owned assets and supervision authority or audit department on financial results and/or financial reports of the Company; (iv) the imposition of penalty on the Company by the securities regulatory authority and other relevant regulatory authorities as a result of a material breach of laws or regulations of the PRC or Hong Kong; and (v) situations occur where the implementation of the Scheme is prohibited by the applicable laws or regulations of the PRC or Hong Kong; and
- (b) none of the following specified events has occurred in relation to the Selected Participant: (i) results of the relevant 經濟責任審計 (accountability audit) or similar assessments indicate that the Selected Participant has not effectively performed his duties, or has been grossly negligent or committed malfeasance in performing his duties; (ii) the Selected Participant has breached the relevant laws or regulations of the PRC or Hong Kong or the Articles of Association of the Company; (iii) the Company has sufficient evidence to prove that during the employment of the Selected Participant by any member of the Group, the Selected Participant, due to bribery, corruption or theft, divulging operational or technical secrets of the Group, or has conducted connected transactions or any other acts, has caused harm to the Group's interests or reputation, and which has caused a material adverse effect on the Group's image, resulting in a loss for the Group; and (iv) a failure to perform or incorrectly perform duties, causing significant asset losses and other serious adverse consequences to the Group.

Subject to fulfillment of the above and following conditions, the vesting of the Awarded Shares for the Grant under the Scheme is expected to be as follows:

<b>Vesting Period</b>	<b>Vesting Date</b>	<b>Condition (a): Performance target of the Company</b>	<b>Condition (b): Individual performance assessment</b> (Note 7)	<b>Percentage of Awarded Shares to be vested</b> (Note 7)
24 months from the date of the Grant	Any day falling between the first trading day after 24 months from the date of the Grant to the last trading day within 36 months from the date of the Grant	<p>(1) The operating revenue in the year 2024 shall not be less than RMB94.8 billion.</p> <p>(2) The sales profit margin shall not be less than 7.5%.</p> <p>(3) The indicators set out in (1) and (2) above shall not be lower than the average industry performance for 2024 and the industry level as at the date of the Grant.</p>	The results of individual performance assessment of the Selected Participant is a “Pass”.	30%
36 months from the date of the Grant	Any day falling between the first trading day after 36 months from the date of the Grant to the last trading day within 48 months from the date of the Grant	<p>(1) The operating revenue in the year 2025 shall not be less than RMB109.1 billion.</p> <p>(2) The sales profit margin shall not be less than 8%.</p> <p>(3) The indicators set out in (1) and (2) above shall not be lower than the average industry performance for 2025 and the industry level as at the date of the Grant.</p>	The results of individual performance assessment of the Selected Participant is a “Pass”.	30%
48 months from the date of the Grant	Any day falling between the first trading day after 48 months from the date of the Grant to the last trading day within 60 months from the date of the Grant	<p>(1) The operating revenue in the year 2026 shall not be less than RMB125.5 billion.</p> <p>(2) The sales profit margin shall not be less than 8.5%.</p> <p>(3) The indicators set out in (1) and (2) above shall not be lower than the average industry performance for 2026 and the industry level as at the date of the Grant.</p>	The results of individual performance assessment of the Selected Participant is a “Pass”.	40%

*Notes:*

1. The financial indicators as mentioned above shall be based on the Company's published audited consolidated financial statements for the respective financial years, excluding the impact of share-based payment expenses .
2. The "sales profit margin" as mentioned above refers to the ratio of the Company's total profit to operating revenue for the financial year. The formula for calculating the "sales profit margin" is:  $(\text{Total profit} / \text{Operating revenue}) \times 100\%$ .
3. During the term of the Scheme, in the event of extreme circumstances that significantly affect the Company's performance indicators (such as public offerings, private placements, material asset restructurings based on decisions by superior authorities, or strategic initiatives implemented in response to national policy, significant changes in policies, etc.) resulting in incomparable performance indicators, the Remuneration Committee as authorised by the Board may adjust or restore the corresponding performance indicators accordingly.
4. The "total profit" and the "operating revenue" as mentioned above refers to the consolidated profit before tax and the revenue of continuing operations of the Company, respectively.
5. According to the industry classification standard set by the China Securities Regulatory Commission, the Company falls within the industry of "Automobile Manufacturing" under the "Manufacturing" category. The aforementioned "average industry performance" refers to the average performance of all PRC A-share listed companies within the same industry.
6. 20% of the total number of Awarded Shares granted to a Selected Participant who is a Director or senior management of the Group shall not be vested until the end of his term of office (which shall be considered as at the relevant grant date and excluding any subsequent re-elected or renewed term of office, if applicable) and subject to him passing the individual performance assessment at that time.
7. The number of Shares to be vested is subject to scale-back based on the individual's performance assessment results, as follows:

**Annual  
performance  
assessment  
results**

	<b>"Pass"</b>				<b>"Fail"</b>
Class	S (Distinction)	A (Excellent)	B (Good)	C (Acceptable)	D (Unacceptable)
Vesting proportion	100%	100%	100%	80%	0

The actual number of the Awarded Shares to be vested for an individual in a given year is calculated as the "vesting proportion" multiplied by the number of Awarded Shares scheduled to be vested for the relevant period.

## **Scheme Limit**

The Board shall not grant any further Award: (i) which will result in the aggregate number of the Shares held under the Trust(s) exceeding 1% of the total number of issued Shares from time to time; (ii) which will result in the aggregate number of the Shares held under the Trust (Core Connected Persons) exceeding 1% of the total number of issued Shares from time to time; or (iii) such that the number of Shares that are in public hands will fall below that applicable to the Company pursuant to the Listing Rules and the applicable waiver(s) granted by the Stock Exchange.

The aggregate number of Shares which may be awarded to a Selected Participant under the Scheme shall not exceed 1% of the total number of issued Shares from time to time.

For the purpose of the Grant, up to 27,600,000 Shares are expected to be granted as Awarded Shares under the Scheme (representing approximately 1% of the issued Shares of the Company as at the date of this announcement).

## **Handling procedures for changes in the individual status of the Selected Participants**

- (a) If the Selected Participant undergoes a change to him in job duties but remains employed by the Company or its Subsidiaries, or is appointed to another position assigned by the Company, the Awarded Interests granted to him shall completely follow the procedures applicable prior to the change or appointment.
- (b) If the Selected Participant becomes (i) an independent non-executive Director; (ii) an actual controller of the Company or becomes the spouse, parent or child of such actual controller; or (iii) a Shareholder who, individually holds, or is deemed by the applicable Hong Kong or PRC laws or regulations to be interested in, 5% or more of the total number of issued Shares as at the relevant date, or becomes the spouse, parent or child of such Shareholder, and therefore is not qualified to hold the Awarded Shares, the Awarded Interests granted (but not yet vested) to the Selected Participant shall lapse. The Company shall, subject to any adjustment that may be made pursuant to the Scheme Rules, refund to the Selected Participant the sum of (i) the Grant Price to be multiplied by the number of lapsed Awarded Shares, plus (ii) interest as calculated with reference to the interest rate of fixed deposit prescribed by the People's Bank of China as at the date on which the Board approves such refund.

- (c) If the Selected Participant's employment with any member of the Group is terminated for objective reasons such as the Selected Participant is redeployed or dismissed, has retired, dies or has become incapacitated for civil conduct, the Awarded Interests granted that will have satisfied the vesting period and performance evaluation conditions in the same year can be vested within six months from the date of termination of employment (or the date when the Awarded Interests can be vested), after six months, such Awarded Interests shall lapse; for Awarded Interests granted but will not have satisfied the vesting period and performance evaluation conditions in the same year, they shall not be vested and shall lapse accordingly. The Company shall, subject to any adjustment that may be made pursuant to the Scheme Rules, refund to the Selected Participant the sum of (i) the Grant Price to be multiplied by the number of lapsed Awarded Shares, plus (ii) interest as calculated with reference to the interest rate of fixed deposit prescribed by the People's Bank of China as at the date on which the Board approves such refund.
- (d) If the Selected Participant's employment with any member of the Group is terminated because he resigns of his own accord or because of other personal reasons, the Awarded Interests granted (but not yet vested) to the Selected Participant shall lapse. The Company shall, subject to any adjustment that may be made pursuant to the Scheme Rules, refund to the Selected Participant the amount equivalent to (1) the number of lapsed Awarded Shares to be multiplied by (2) the lower of: (i) the Grant Price and (ii) the closing price of the Shares on the day when the Board approves such refund.
- (e) Upon the occurrence of any of the following circumstances, in respect of any vested Awarded Interests, the Board shall, at its sole and absolute discretion, have the right to require the relevant Selected Participant to return the gains. The Awarded Interests granted (but not vested) to the Selected Participant shall lapse. The Company shall, subject to any adjustment that may be made pursuant to the Scheme Rules, refund to the Selected Participant the amount equivalent to (1) the number of lapsed Awarded Shares to be multiplied by (2) the lower of: (i) the Grant Price and (ii) the closing price of the Shares on the day when the Board approves such refund.
- (i) where the Selected Participant has violated laws or regulations of the PRC or Hong Kong, has violated professional ethics, has been negligent or committed malfeasance, or engaged in any other act, that has severely damaged the interests or reputation of the Group and/or caused direct or indirect economic loss for the Group and/or had adverse impact on the society;

- (ii) where the Selected Participant was dismissed because of serious breach of the rules or regulations of the Group, pursuant to the relevant employee reward and punishment management provisions applicable to the employees of the Group;
  - (iii) where the Company has sufficient evidence to prove that during the employment of the Selected Participant by any member of the Group, the Selected Participant has engaged in any act in breach of applicable laws or disciplinary rules, including but not limited to bribery, corruption or theft, divulging operational or technical secrets of the Group, or has conducted connected transactions, that has caused harm to the Group's interests or reputation and a loss for the Group directly or indirectly, and which has a material adverse effect on the Group's image or has adverse impact on the society;
  - (iv) where the Selected Participant has been convicted of any criminal offence; and
  - (v) where the Selected Participant has breached the relevant laws or regulations or the Articles of Association of the Company, which has caused harm to the Group.
- (f) The handling procedures for situations which are not specified above shall be determined by the Board.

### **Handling procedures for changes in the Company**

- (a) If there occurs an event of change in control of the Company or situations such as merger and separate establishment, the Board shall have absolute discretion in determining whether to terminate the Scheme.
- (b) Where there has been any false records, misleading statements or material omissions in the documents of the Company disclosed, under which the conditions to the grant of the Awards or the vesting conditions in respect of the Awards would not have been fulfilled, the Awarded Interests granted (but not vested) to the Selected Participant shall lapse. The Company shall, subject to any adjustment that may be made pursuant to the Scheme Rules, refund to the Selected Participant the amount equivalent to (1) the number of lapsed Awarded Shares to be multiplied by (2) the lower of: (i) the Grant Price and (ii) the closing price of the Shares on the day when the Board approves such refund. The Board shall, at its sole and absolute discretion, have the right to require the Selected Participant to return the gains from the vested Awarded Interests. If the Selected Participant is not responsible for the occurrence of such situation and has incurred losses for the return of gains under such circumstance, he may claim compensations against the Company or the responsible parties.

## Restrictions

No Award shall be made by the Board and no instructions to acquire any Shares shall be given to the Trustee(s) under the Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

Without limiting the generality of the foregoing, no such Award is to be made and no such instructions are to be given:

- (a) after information that are required to be disclosed under Rule 13.09(2)(a) of the Listing Rules or inside information that are required to be disclosed under Part XIVA of the SFO has come to the knowledge of the Company until (and including) the trading day after such information has been publicly announced in accordance with the Listing Rules, the SFO and/or the application laws;
- (b) during the period commencing one (1) month immediately before the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcements. Such period will cover any period of delay in the publication of a results announcement;
- (c) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (d) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results of the Company or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results;
- (e) in any circumstance where dealing in Shares by a Selected Participant (including Directors of the Company) are prohibited under the Listing Rules, the SFO or any other law or regulation; or
- (f) in any circumstance where any requisite approval from any governmental or regulatory authority has not been granted.

## **Transferability**

Any Award made under the Scheme shall be personal to the Selected Participant to whom it is made and, pending vesting, shall not be assignable or transferable, and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of (or to repay indebtedness due to) any other person, or enter or purport to enter into any agreement to do so, over or in relation to any unvested Awarded Interests referable to him.

## **Voting right and right to receive dividends**

The Trustee shall abstain from exercising the voting rights in respect of any Shares held directly or indirectly by it under the relevant Trust.

Subject to all applicable laws or regulations (including but not limited to the requirements stipulated by the State Administration of Foreign Exchange from time to time), a Selected Participant shall be entitled to receive all dividends (after deduction of all taxes and expenses) in respect of all the Shares comprised in his Awarded Interests since the relevant grant date of such Awarded Interests.

## **Termination**

The Scheme shall terminate forthwith upon occurrence of any of the following circumstances:

- (a) if the Company fails to engage an auditor to audit the Company's financial statements and accounting records as required by the applicable laws or regulations of the PRC or Hong Kong;
- (b) in the event of the issuance of a qualified opinion, an adverse opinion or a disclaimer of opinion by the auditors of the Company in respect of the consolidated financial statements of the Company for the most recent financial year;
- (c) in the event that material dispute has been raised by the PRC state-owned assets and supervision authority or audit department on the financial results and/or financial reports of the Company;
- (d) in the event of the imposition of any penalty on the Company by any securities regulatory authority and other relevant regulatory authorities as a result of a material breach of laws or regulations of the PRC or Hong Kong;  
or
- (e) situations occur where the implementation of the Scheme is prohibited by the applicable laws or regulations of the PRC or Hong Kong.

If the Scheme is terminated due to the occurrence of the situation as mentioned above, the Awarded Interests granted (but not yet vested) to the Selected Participant shall lapse. The Company shall, subject to any adjustment that may be made pursuant to the Scheme Rules, refund to the Selected Participant the amount equivalent to (1) the number of lapsed Awarded Shares to be multiplied by (2) the lower of: (i) the Grant Price and (ii) the closing price of the Shares on the day when the Board approves such refund.

The Board may also by a resolution to determine the date of the early termination of the Scheme, which may be before the expiration of 60 months after the date of the Grant.

Upon termination of the Scheme, no further grant of Awarded Shares may be made thereunder.

## **II. LISTING RULES IMPLICATIONS**

The Restricted 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 share scheme involving the issue of new Shares as referred to in Chapter 17 of the Listing Rules, and therefore, the adoption of the Scheme will not be subject to Shareholders' approval.

### **Grant of Waiver from strict compliance with the minimum public float requirement**

Reference is made to the Circular of the Company dated 27 July 2009. As disclosed in the Circular, the Company obtained a waiver from the Stock Exchange, which permitted the Company to maintain a reduced public float of 24% minus one Share. For further details, please refer to the Circular.

The Eligible Participants include Directors (excluding independent non-executive Directors), senior management, and key employees occupying or involved in research and development, technical, sales and management roles within the Company or any of its Subsidiaries, and therefore, Awarded Shares may be awarded to core connected persons of the Company under the Scheme. Pursuant to the Scheme, up to 1% of the issued Shares may be granted to core connected persons of the Company from time to time. As Shares held by core connected persons are not considered as being "in public hands" under Rule 8.24 of the Listing Rules, the Company has applied, and the Stock Exchange has granted, the Waiver from strict compliance with the public float requirement under Rule 8.08(1)(a) of the Listing Rules. According to the Waiver, the Stock

Exchange allows the minimum public float of the Company to be further reduced to 23% minus one Share upon the adoption of the Scheme. The Waiver is subject to the condition that the Company will disclose the Waiver (including the reasons, details and conditions) by way of an announcement. Accordingly, the Company has disclosed the Waiver in this announcement.

### III. DEFINITIONS

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

“actual controller(s)”	has the meaning ascribed to “實際控制人” under the company laws of the PRC from time to time
“Articles of Association”	the articles of association of the Company, as supplemented or amended from time to time
“Auditors”	the auditors of the Company from time to time
“Award”	an award of the Awarded Interests by the Board to a Selected Participant in accordance with the Scheme Rules
“Awarded Interests”	in respect of an Award, the Awarded Shares (and any and all cash and non-cash income, dividends or distributions, and non-cash and non-scrip distributions in respect of any Shares (other than any cash dividend (including scrip dividend for which cash option is selected) already distributed to the Selected Participant in accordance with the Scheme Rules) less any tax, fees, levies, stamp duty and other charges applicable, if any) as awarded under the Award
“Awarded Share(s)”	in respect of a Selected Participant, such number of Shares as awarded to him/her by the Board
“Board”	the board of Directors of the Company, and if the context so permits, it shall include the Remuneration Committee or such committee or person(s) as from time to time delegated with the power and authority by Board to administer the Scheme and/or to deal with the Trust(s) /Trustee(s) in any manner as authorised by the Board

“Company”	Sinotruk (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Circular”	the circular of the Company dated 27 July 2009 in relation to, among others, the proposed cooperation project and grant of special mandate
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	has the meaning ascribed to it in the section headed “I. Proposed Adoption of the Restricted Share Award Scheme — Eligible Participants” in this announcement
“Excluded Participant(s)”	any Eligible Participant who is resident in a place where the grant of an Award and/or the vesting and transfer of the Awarded Interests pursuant to the terms of the Restricted Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the relevant Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant
“Grant”	has the meaning ascribed to it in the section headed “I. Proposed Adoption of the Restricted Share Award Scheme — Eligible Participants” in this announcement
“Grant Agreement”	has the meaning ascribed to it in the section headed “I. Proposed Adoption of the Restricted Share Award Scheme — Grant of Awards”
“Grant Price”	the consideration per Awarded Share, if any, as determined at the sole and absolute discretion of the Board, and payable by a Selected Participant for acceptance of an Award

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macao Special Administrative Region and Taiwan
“Remuneration Committee”	the remuneration committee of the Company
“RMB”	Renminbi, the lawful currency of the PRC
“Restricted Share Award Scheme” or the “Scheme”	the restricted share award scheme proposed to be adopted by the Company whereby awards of Shares may be made to the Selected Participant(s) (such Shares being purchased by the Trustee(s))
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Scheme Rules”	the rules relating to the Restricted Share Award Scheme, as amended from time to time
“Selected Participant(s)”	the Eligible Participant(s) selected by the Board pursuant to the Scheme Rules for participation in the Restricted Share Award Scheme
“Shandong SASAC”	the State-owned Assets Supervision and Administration Commission of Shandong Provincial Government (山東省人民政府國有資產監督管理委員會)
“Share(s)”	the ordinary share(s) in the capital of the Company (or, if there has been a sub-division, consolidation, re-classification or re-construction of the share capital of the Company, shares forming part of the ordinary share capital of the Company)
“Shareholder(s)”	holder(s) of the Shares

“SHIG”	山東重工集團有限公司 (Shandong Heavy Industry Group Co., Ltd.), a company established in the PRC with limited liability and a controlling shareholder of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	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) or the Listing Rules) of the Company, whether incorporated in Hong Kong or elsewhere
“Total Grant Price”	the total consideration, if any, referable to the relevant Awarded Shares, as determined at the sole and absolute discretion of the Board, and payable by a Selected Participant for acceptance of an Award
“Trust(s)”	collectively the Trust (Core Connected Persons) and the Trust (Non-Core Connected Persons), or each of the Trust (Core Connected Persons) and the Trust (Non-Core Connected Persons), as the context requires
“Trust (Core Connected Persons)”	the trust constituted by the trust deed to be entered into between the Company as settlor and the Trustee as trustee of the Trust (Core Connected Persons) (as restated, supplemented and amended from time to time) in respect of the Awards granted, or to be granted, to the Selected Participants who are or will become (as the case may be), core connected persons of the Company
“Trust (Non-Core Connected Persons)”	the trust constituted by the trust deed to be entered into between the Company as settlor and the Trustee as trustee of the Trust (Non-Core Connected Persons) (as restated, supplemented and amended from time to time) in respect of the Awards granted, or to be granted, to the Selected Participants who are not core connected persons of the Company

“Trust Deed(s)”	collectively (i) the trust deed to be entered into between the Company as settlor and the Trustee as trustee of the Trust (Core Connected Persons) (as restated, supplemented and amended from time to time) in respect of the Awards granted, or to be granted, to the Selected Participants who are or will become (as the case may be), core connected persons of the Company; and (ii) the trust deed to be entered into between the Company as settlor and the Trustee as trustee of the Trust (Non-Core Connected Persons) (as restated, supplemented and amended from time to time) in respect of the Awards granted, or to be granted, to the Selected Participants who are not core connected persons of the Company, or each of them, as the context requires
“Trustee(s)”	the trustee as appointed under the relevant Trust Deed to act as trustee of the relevant Trust, and any additional or replacement trustees, being the trustee for the time being of the relevant trust declared in the relevant Trust Deed, which shall be a third party independent of the Company and its connected persons
“Vesting Date”	in respect of a Selected Participant, the date on which his/her entitlement to the relevant Award is vested in such Selected Participant in accordance with the Scheme Rules and other terms of the Restricted Share Award Scheme
“Waiver”	the waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules granted to the Company by the Stock Exchange on 4 July 2022, the details of which are set out in the section headed “II. Listing Rules Implications — Grant of Waiver from strict compliance with the minimum public float requirement” in this announcement
“%”	per cent

*For illustration purposes only, the Grant Price for the Grant (in RMB) has been determined with reference to the exchange rate of HK\$1.00 = RMB0.90967, which is the exchange rate published by the People's Bank of China as at the date of this announcement.*

By order of the Board  
**Sinotruk (Hong Kong) Limited**  
**Wang Zhijian**  
*Chairman of the Board*

Ji'nan, PRC, 23 January 2024

*As at the date of this announcement, the board of the Company consists of seven executive directors of the Company including Mr. Wang Zhijian, Mr. Wang Chen, Mr. Liu Wei, Mr. Zhang Wei, Ms. Li Xia, Ms. Zhao Hong and Mr. Richard von Braunschweig; four non-executive directors of the Company including Mr. Sun Shaojun, Mr. Alexander Albertus Gerhardus Vlaskamp, Mr. Karsten Oellers and Mr. Mats Lennart Harborn; and six independent non-executive directors of the Company including Dr. Lin Zhijun, Dr. Wang Dengfeng, Mr. Zhao Hang, Mr. Liang Qing, Mr. Lyu Shousheng and Mr. Zhang Zhong.*

*\* For identification purposes only*