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**Wecon Holdings Limited**  
**偉工控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1793)**

**ADOPTION OF SHARE AWARD PLAN**

The Board is pleased to announce that on 31 July 2020, the Board resolved the adoption of a share award plan with immediate effect. The purposes of the Plan are to recognise and reward the contribution of Eligible Participants, to give incentives to Eligible Participants in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

The Plan does not constitute a share option scheme or an arrangement involving the grant of options to participants over new Shares or other new securities of the Company, which is analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. No Shareholders' approval is required for the adoption of the Plan.

**THE SHARE AWARD PLAN**

The Board is pleased to announce that on 31 July 2020, the Board resolved the adoption of the Plan, which has taken immediate effect. A summary of the principal terms of the Plan is set out below:

**Purposes of the Plan**

The purposes of the Plan are to recognise and reward the contribution of Eligible Participants to the growth and development of the Group, to give incentives to Eligible Participants in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

## **Administration**

The Plan shall be subject to the administration of the Board and the Trustee in accordance with the terms of the Plan and the terms of the Trust Deed. The Trustee shall hold the Trust Fund in accordance with the terms of the Trust Deed.

## **Eligibility**

Under the rules constituting the Plan, Eligible Participants are eligible for participation in the Plan. Under the rules of the Plan, any Employee shall be an Eligible Participant, and, for the purposes of the Plan, the Award may be made to any company wholly-owned by one or more of the Employees.

## **Shares Pool**

Under the rules constituting the Plan, the Trustee may, at any time during the continuation of the Plan, set aside and maintain the appropriate number of Awarded Shares out of a pool of issued Shares, fully paid or credited as fully paid, from time to time held by the Trustee pursuant to the Trust Deed in order to satisfy any Award to be granted under the Plan. The Shares Pool to be maintained by the Trustee shall comprise the following:

- (a) such Shares as may be purchased by the Trustee on the Stock Exchange or off the market by utilising the funds allocated by the Board out of the Company's resources;
- (b) such Shares as may be issued by the Company and subscribed by the Trustee by utilising the funds allocated by the Board out of the Company's resources;
- (c) such Shares as may be allotted or issued to the Trustee as a holder of Shares, whether by way of scrip dividend or otherwise; and
- (d) such Shares which remain unvested and revert to the Trustee due to the lapse of the Award.

Where any Award is proposed to be made to a connected person and the relevant Award of the Awarded Shares is to be satisfied by an allotment and issue of new Shares, the Award shall be separately approved by the Shareholders by way of a specific mandate and such connected person and his associates shall abstain from voting in the general meeting approving the allotment and issuance of Shares. Such proposed Award shall comply with all other requirements of Chapter 14A of the Listing Rules.

## **Award of Shares**

The Board shall, subject to and in accordance with the rules of the Plan, be entitled to make an Award out of the Shares Pool to any of the Eligible Participants such number of Shares as it shall determine pursuant to the Plan. The eligibility of any of the Eligible Participants to an Award shall be determined by the Board from time to time on the basis of the Board's opinion as to his contribution and/or future contribution to the development and growth of the Group.

Under the rules of the Plan, before the Award is vested on the Selected Participant, the Selected Participant shall have no rights in:

- (i) any dividend and distribution declared and made in respect of any Awarded Shares;
- (ii) the Company's offering to Shareholders new Shares or other securities for subscription by way of rights, options or warrants, or other open or preferential offer, whether consideration has to be paid or not; and
- (iii) dividends declared by the Company and in connection with which the Company allows its Shareholders to elect to receive Shares in lieu of cash.

The making of an Award to any connected person of the Company shall be subject to compliance with the applicable Listing Rules. The Board may not make any Award if the public float of the Shares will be below the minimum requirement under the Listing Rules after the said Award being made.

## **Rights attached to the Awards**

Prior to vesting of the Awarded Shares, a Selected Participant shall only have a contingent interest in the Awarded Shares, subject to the vesting of such Shares in accordance with the Plan and the due execution of the relevant transfer documents and such other documents as prescribed by the Trustee by such Selected Participant regarding the relevant Award.

No instructions may be given by a Selected Participant to the Trustee in respect of the Awarded Shares and such other properties of the Trust.

## **Voting rights of the Shares in the Shares Pool**

The Trustee shall not exercise the voting rights in respect of the Shares held under trust (including but not limited to any Shares in the Shares Pool, the Awarded Shares, the Further Shares, the Returned Shares, any bonus Shares and scrip Shares derived therefrom).

## **Vesting of the Awarded Shares**

The Board may from time to time, at its discretion, determine the Vesting Date(s), any condition(s) or performance target(s) under which the Award will be subject to and vesting price to be attained or paid by the relevant Selected Participant. At the time of vesting, the Awarded Shares held in the Trust shall be transferred and released from the Trust to the Selected Participant in the manner as determined by the Board.

## **Scheme limit**

The maximum number of Shares to be subscribed for and/or purchased by the Trustee by utilising the funds to be allocated by the Board out of the Company's resources for the purpose of the Plan shall not exceed 10% of the total number of issued Shares as at the Adoption Date (i.e. 80,000,000 Shares). The Board shall not instruct the Trustee to subscribe for and/or purchase any Shares for the purpose of the Plan when such subscription and/or purchase will result in such threshold being exceeded.

The maximum number of Shares which may be awarded to a Selected Participant shall not in aggregate exceed 1% of the issued share capital of the Company as at the Adoption Date.

## **Duration of the Plan**

The Plan shall be valid and effective for a period of 10 years commencing from the Adoption Date but may be terminated earlier as determined by the Board.

## **IMPLICATIONS UNDER THE LISTING RULES**

The Plan does not constitute a share option scheme or an arrangement involving the grant of options to participants over new Shares or other new securities of the Company, which is analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules and is not required to comply with the rules thereunder. No Shareholders' approval is required for the adoption of the Plan.

## **DEFINITIONS**

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

“Adoption Date”	31 July 2020, being the date on which the Plan is adopted by the Board
“associate”	has the meaning ascribed to it under the Listing Rules
“Award”	a provisional award of Awarded Shares made in accordance with the Plan

“Awarded Shares”	the Share(s) provisionally awarded to a Selected Participant pursuant to an Award
“Board”	the board of Directors, such committee or such sub-committee or person(s) delegated with the power and authority by the board of Directors to administer the Plan
“Company”	Wecon Holdings Limited (偉工控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“core connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Participant(s)”	any Employee(s), and, for the purposes of the Plan, the Award may be made to any company wholly-owned by one or more of the aforesaid Employee(s)
“Employee(s)”	any employee(s) (whether full time or part time, excluding any director and any core connected person of the Company) of the Company, any Subsidiary or any Invested Entity
“Further Shares”	Shares purchased or subscribed by the Trustee out of net proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of Shares held upon the trust constituted by the Trust Deed
“Group”	the Company and its Subsidiaries
“Invested Entity”	any entity in which any member of the Group holds any equity interest
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Plan”	the share award plan of the Company, which has become effective on the Adoption Date, as amended from time to time
“Returned Shares”	such Awarded Shares which are not vested and/or forfeited in accordance with the terms of the Plan, or such Shares being deemed to be Returned Shares under the rules of the Plan
“Selected Participant(s)”	any Eligible Participant for whom Shares have been provisionally set aside pursuant to an Award

“Shares”	ordinary shares of the Company with nominal value of HK\$0.01 each
“Shareholders”	holders of the Shares
“Shares Pool”	the pool of Shares from which the Award shall be made
“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 Division 4 of Part 1 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	the trust deed entered into between the Company as settlor and the Trustee as trustee on 31 July 2020 in respect of Shares and other trust fund (if any) held or to be held by the Trustee subject to the terms thereof, as amended from time to time
“Trust Fund”	the funds and properties held under the Trust and managed by the Trustee in accordance with the terms of the Plan and the Trust Deed
“Trustee”	Tricor Trust (Hong Kong) Limited or such other trustee or trustees as shall be appointed pursuant to and in accordance with the terms of the Trust Deed
“Vesting Date”	in relation to any Selected Participant, the date on which the legal and beneficial ownership of the Awarded Shares are vested in such Selected Participant pursuant to an Award

By order of the Board  
**Wecon Holdings Limited**  
**Tsang Ka Yip**  
*Chairman and Chief Executive Officer*

Hong Kong, 31 July 2020

*As at the date of this announcement, the executive Directors are Mr. Tsang Ka Yip (Chairman), Mr. Tsang Tsz Him Philip, Mr. Tsang Tsz Kit Jerry; and the independent non-executive Directors are Mr. Chan Tim Yiu Raymond, Dr. Lau Chi Keung and Mr. Sze Kwok Wing Nigel.*