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***eden*SOFT**
EDENSOFT HOLDINGS LIMITED
伊登軟件控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1147)

ADOPTION OF SHARE AWARD PLAN

The Board is pleased to announce that the Company has adopted the Share Award Plan on 9 November 2021. The purposes of the Share Award Plan are to recognise the contribution of certain Eligible Participants to the development of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group; and attract suitable personnel for further development of the Group.

Pursuant to the Share Award Plan, the Committee may, at its power and authority, select any Eligible Participant to participate in the Share Award Plan and make an Award of Award Shares to them from time to time. No Awards shall be granted to connected persons of the Company under the Share Award Plan.

The Share Award Plan does not constitute a share option scheme under Chapter 17 of the Listing Rules. No Shareholders' approval is required for the adoption of the Share Award Plan.

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

Purposes

The purposes of the Share Award Plan are to recognise the contribution of certain Eligible Participants to the development of the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group; and attract suitable personnel for further development of the Group.

Duration

Subject to any early termination in accordance with the rules of the Share Award Plan, the Share Award Plan shall be valid and effective for a term of 10 years commencing from the Adoption Date, and after the expiry of such 10-year term, no further Awards may be made but the rules of the Share Award Plan shall remain in full force and effect to the extent necessary to give effect to any Awards made prior thereto and the administration of the trust property held by the Trustee pursuant to the Trust Deed.

Administration

The Share Award Plan shall be subject to the administration of the Committee, as authorised and delegated with such power by the Board, in accordance with the terms stated in the Share Award Plan. The decisions and determinations of the Board with respect to all matters arising under the Share Award Plan or its interpretation or effect shall be final, binding and conclusive.

The Committee, which comprises Directors and senior management of the Group, is delegated with the power and authority by the Board to administer the Share Award Plan. As at the date of this announcement, Ms. Ding Xinyun (丁新雲), Ms. Li Yi (李翊) and Ms. Zhou Yan (周燕) have been appointed as initial members of the Committee.

In the event that a Selected Participant or his/her/its associate(s) is a member of the Committee or the Board, such person will abstain from voting on any approval by the Board and/or Committee of an award of Award Shares to such Selected Participant.

Eligible Participants

Pursuant to the Share Award Plan, the Committee may, from time to time, at their absolute discretion, select any Eligible Participant (excluding any Excluded Participant) for participation in the Share Award Plan based on his/her/its contribution and/or future contribution to the development and growth of the Group.

For the avoidance of doubt, no Awards shall be granted to connected persons of the Company under the Share Award Plan.

Grant of Awards

In accordance with the rules of the Share Award Plan, the Committee shall be entitled to make an Award out of the Shares Pool to any of the Eligible Participants at any time during the continuation of the Share Award Plan. The Committee shall determine pursuant to the Share Award Plan the number of issued Shares to be awarded to any of the Eligible Participants, subject to the plan limit.

Source of Award Shares

According to the Share Award Plan, any Award Shares shall either be (i) existing Shares as may be purchased by the Trustee on the Stock Exchange or off the market; or (ii) new Shares to be allotted and issued to the Trustee by the Company pursuant to general mandate or specific mandate granted by Shareholders at general meeting(s) of the Company from time to time.

The Committee may from time to time cause to be paid to the Trustee from the Company's resources such amount of money which may be utilised by the Trustee to purchase and/or subscribe for Shares which will constitute the Shares Pool. The Committee would consider all relevant circumstances and affairs of the Group, including the Group's business and operational conditions, business plans and cashflow before the contribution of trust fund.

The Trustee shall purchase Shares at the prevailing market price (subject to such maximum price as may be from time to time prescribed by the Committee). In the event that the Trustee effects any purchases by off-market transactions, the purchase price for such purchases shall not be higher than the lower of the following: (i) the closing market price on the date of such purchase, and (ii) the average closing market price for the five (5) preceding trading days on which the Shares were traded on the Stock Exchange.

Where any Award is specified to be satisfied by an allotment and issue of new Shares to the Trustee, such allotment and issue should only be made upon fulfilment of the following conditions:

- (i) the Company having obtained Shareholders' approval in general meeting under general mandate or specific mandate to authorise the Directors to allot and issue new Shares, provided that the total number of Shares to be allotted and issued to the Trustee under the Share Award Plan shall not exceed the plan limit; and
- (ii) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Shares which may be allotted and issued by the Company to the Trustee pursuant to the Share Award Plan.

Shares Pool

The Trustee may, at any time during the continuation of the Share Award Plan and the Trust Deed, set aside the appropriate number of Award Shares out of a pool of issued Shares for the time being and from time to time held by the Trustee pursuant to the Trust Deed (the "**Shares Pool**") comprising the following:

- (i) such Shares as may be purchased by the Trustee on the Stock Exchange or off the market by utilising the funds allocated by the Committee out of the Company's resources, but subject to the plan limit;
- (ii) such Shares as may be subscribed for by the Trustee by utilising the funds allocated by the Committee out of the Company's resources, but subject to the plan limit;

- (iii) 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
- (iv) such Shares which remain unvested and revert to the Trustee upon a lapse of Awards pursuant to the rules of the Share Award Plan.

Restrictions

For so long as the Shares are listed on the Stock Exchange:

- (i) an Award or, as the case may be, any instruction of the Committee to the Trustee to acquire Shares for the purpose of increasing the Shares in the Shares Pool may not be made or given when inside information has come to the Company's knowledge until such inside information has been published in accordance with the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong); and
- (ii) the Committee may not make any Award to any Eligible Participant or give any instruction to the Trustee to acquire Shares for the purpose of increasing the Shares in the Shares Pool during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed in Appendix 10 to the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company. In particular, during the period preceding the publication of financial results in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed in Appendix 10 to the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company and up to the date of publication of the relevant financial results, no Award may be made and no instruction may be given by the Committee to the Trustee to acquire Shares for the purpose of increasing the Shares in the Shares Pool.

Assignability and Transferability of Awards

An Award shall be personal to the Selected Participant and shall not be transferable or assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to an Award or enter or purport to enter into any agreement to do so. Any breach of the foregoing by any Selected Participant shall entitle the Company to cancel the Award made to such Selected Participant.

Vesting

The Committee may from time to time, at its discretion, determine the earliest Vesting Date and other subsequent date(s), if any, upon which the Award Shares held by the Trustee upon trust and which are referable to a Selected Participant shall vest in that Selected Participant.

The Committee may specify the condition(s) and/or performance target(s) (if any) (including the Award Price, if any) that must be attained or paid by the relevant Selected Participant before any of the Award Shares may be transferred to and vested in such Selected Participant under an Award and impose such terms and conditions of an Award which are not inconsistent with the rules of the Share Award Plan and the Trust Deed on either the Trustee (with the prior written consent of the Trustee unless the same has already been provided for in the Trust Deed) and the relevant Selected Participant, or any of them before the Award Shares may be transferred to and vested in such Selected Participant.

The Trustee shall transfer to and vest in any Selected Participant the legal and beneficial ownership of the Award Shares to which such Selected Participant is entitled under the relevant Award as soon as practicable after the latest of:

- (i) the earliest Vesting Date as specified in an award notice to which such Award relates;
- (ii) the receipt by the Trustee of the requisite information and documents stipulated by the Trustee; and
- (iii) where applicable, the date on which the condition(s) and/or performance target(s) (if any) and Award Price (if any) to be attained or paid by such Selected Participant as specified in the related award notice have been attained or paid and notified to the Trustee by the Committee in writing.

Distributions

During the vesting period, any dividends and other distributions (“**Other Distributions**”) declared and made in respect of any Award Shares shall belong to the Trustee and the relevant Selected Participant shall not have any right whatsoever in such Other Distributions in respect of any Award Shares or otherwise unless and until the relevant Award Shares are vested in such Selected Participant in accordance with the rules of the Share Award Plan. Such Other Distributions shall be applied to subscription for and/or purchase of Shares for the purpose of satisfying any further Awards by the Committee.

Voting Rights

The Trustee shall not exercise the voting rights in respect of any Shares held under the trust constituted by the Trust Deed. No instructions may be given by any Selected Participant to the Trustee in respect of the voting rights in any Shares held by the Trustee under the Share Award Plan.

Selected Participants Having No Rights

The Selected Participants shall not have any right to receive any Award Shares set aside for them unless and until the Trustee has transferred and vested the legal and beneficial ownership of such Award Shares to and in the Selected Participants in accordance with the terms of the Share Award Plan.

For the avoidance of doubt, amongst other things:

- (i) a Selected Participant shall only have a contingent interest in the Award Shares which are referable to him/her/it subject to the vesting of such Shares;
- (ii) no instruction may be given by a Selected Participant to the Trustee in respect of the Award Shares and/or the Other Distributions and/or such other properties or assets of the trust constituted by the Trust Deed; and
- (iii) except by reason of retirement or death, where a Selected Participant ceases to be an Employee on the relevant Vesting Date, the award of the Award Shares in respect of the relevant Vesting Date shall lapse, such Award Shares shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company or the Trustee.

Lapse of Awards

In the event that any Selected Participant who is an Employee ceases employment by virtue of a corporate reorganisation of the Group or the Invested Entity, then any Award made to such Selected Participant shall forthwith lapse and be cancelled.

In the event:

- (i) a Selected Participant ceases to be an Employee (other than for reason of death or retirement), or
- (ii) the subsidiary or Invested Entity by which a Selected Participant is employed or, in respect of a deceased or retired Selected Participant, was employed immediately prior to his death or retirement, ceases to be a subsidiary or Invested Entity of the Company (or of a member of the Group), or
- (iii) the Committee shall at its absolute discretion determine in respect of a Selected Participant (other than a Selected Participant who is an Employee) that (a) the Selected Participant or his associate has committed any breach of any contract entered into between the Selected Participant or his associate on one part and any member of the Group or any Invested Entity on the other part as the Committee may in its absolute discretion determine; or (b) the Selected Participant has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (c) the Selected Participant could no longer make any contribution to the growth and development of any member of the Group or the Invested Entity by reason of the cessation of its relationship with the Group or its Invested Entity or by any other reasons whatsoever, or

- (iv) 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),

the Award shall automatically lapse forthwith and all the Award Shares shall not vest on the relevant Vesting Date.

In the event that (i) a Selected Participant is found to be an Excluded Participant or (ii) a Selected Participant fails to return duly executed transfer documents prescribed by the Trustee (or such later date as may be determined by the Trustee at its sole and absolute discretion having to all relevant circumstances) for the relevant Award Shares within the stipulated period (whether in the ordinary vesting pursuant to the vesting timetable or on such other dates as provided in or determined in accordance with the rules of the Share Award Plan), the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and the relevant Award Shares shall not vest on the relevant Vesting Date.

Plan Limit

The maximum number of Shares to be subscribed for and/or purchased by the Trustee for the purpose of the Share Award Plan shall not exceed 10% of the total number of issued Shares as at the Adoption Date (i.e. not exceed 200,000,000 Shares).

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

Termination

The Share Award Plan 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, provided that such termination shall not affect any subsisting rights of any Selected Participant under the Share Award Plan.

If, at the date of the termination of the Share Award Plan, the Trustee holds any Share which has not been set aside in favour of any Selected Participant or retains any unutilised funds, then the Trustee shall, within twenty-one (21) business days (on which the trading of the Shares has not been suspended) or such longer period as may be agreed with the Company after receiving actual notice of such termination, sell such Shares and remit the proceeds of sale (after making appropriate deductions in respect of stamp duty and other costs, liabilities and expenses in accordance with the Trust Deed) together with such unutilised funds to the Company.

DEFINITIONS

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

“Adoption Date”	9 November 2021, being the date on which the Share Award Plan is adopted by the Board
“associate(s)”	has the meaning as ascribed to it under the Listing Rules
“Award”	a provisional award of the Award Shares out of the Shares Pool to any of the Eligible Participants made in accordance with the Share Award Plan
“Award Price”	in relation to an Award, the price per Award Share payable on vesting to the Company (or its designated person) as determined by the Committee multiplied by the relevant number of the Award Shares in respect of which such Award is vested
“Award Share(s)”	the Share(s) provisionally awarded to a Selected Participant pursuant to an Award
“Board”	the board of Directors
“Committee”	a committee the members of which are from time to time delegated by the Board with the power and authority to administer the Share Award Plan. As at the date of this announcement, Ms. Ding Xinyun (丁新雲), Ms. Li Yi (李翊) and Ms. Zhou Yan (周燕), being Directors or senior management of the Group, have been appointed as initial members of the Committee
“Company”	Edensoft Holdings Limited (伊登軟件控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability on 4 September 2018
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant”	any person belonging to the following classes of participants: (a) any employee (whether full time or part time) of the Company, any subsidiary of the Company or any Invested Entity (an “ Employee ”);

- (b) any adviser (professional or otherwise), consultant to or expert in any area of business or business development of any member of the Group or any Invested Entity; and
- (c) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group;

provided that none of above-mentioned persons shall be connected persons of the Company

“Excluded Participant”	any person who is resident in a place where the Award and/or the vesting and transfer of Shares pursuant to the terms of the Share Award Plan is not permitted under the laws and regulations of such place or where in the view of the Board or the Committee or the Trustee (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such person
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“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 of Hong Kong Limited, as amended from time to time
“Selected Participant”	any Eligible Participant for whom Shares have been provisionally set aside pursuant to an Award or (where the context so permits) his personal representative
“Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company
“Share Award Plan”	the share award plan adopted by the Company on the Adoption Date (i.e. 9 November 2021), as may be altered from time to time

“Shares Pool”	has the meaning ascribed to it in the sub-section headed “Adopting of Share Award Plan – Shares Pool” of this announcement
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust Deed”	the trust deed dated 9 November 2021 and entered into by the Company as settlor and the Trustee as trustee 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
“Trustee”	Tricor Trust (Hong Kong) Limited or 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 Award Shares are vested in such Selected Participant pursuant to an Award under the rules of the Share Award Plan

By Order of the Board
Edensoft Holdings Limited
Ms. Ding Xinyun
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 9 November 2021

As at the date of this announcement, the Board comprises Ms. Ding Xinyun (Chairman and Chief Executive Officer) and Ms. Li Yi as executive Directors, and Mr. Leung Chu Tung, Ms. Zhu Weili, Mr. Liang Chi and Ms. Zhang Shuo as independent non-executive Directors.