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**King's Flair International (Holdings) Limited**

**科勁國際(控股)有限公司**

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

**(Stock Code: 6822)**

**VOLUNTARY ANNOUNCEMENT**

**ADOPTION OF SHARE AWARD SCHEME  
BY CONTROLLING SHAREHOLDER**

The Board wishes to announce that on 21 March 2022, the Company was informed that City Concord, one of the controlling shareholders of the Company, adopted the Scheme on the Adoption Date.

Pursuant to the Scheme, the City Concord Board may, from time to time, at its absolute discretion select any Eligible Person to be a Selected Participant and grant an Award to such Selected Participant during the Award Period. The City Concord Board may impose such condition(s) as it deems appropriate with respect to the entitlement of the Selected Participant to the Awarded Shares under an Award.

The Scheme is not adopted by the Company and does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the provisions thereunder. It is a discretionary award scheme of City Concord.

**ADOPTION OF SHARE AWARD SCHEME**

The Board wishes to announce that on 21 March 2022, the Company was informed that City Concord has adopted the Scheme on the Adoption Date. The purposes and the principal terms of the Scheme are set out below.

## **Purposes**

The purposes of the Scheme were to (i) recognize and acknowledge the contributions or potential contributions made or to be made by the Eligible Persons to the Group; (ii) align the interests of the Selected Participants with those of the Company, and strive for the future development and expansion of the Group; and (iii) attract capable persons to join the Group.

## **Term**

Subject to any early termination of the Scheme by City Concord, the Scheme shall be valid and effective for ten (10) years commencing on the Adoption Date.

## **Administration**

The Scheme shall be subject to the administration of the City Concord Board in accordance with the Scheme Rules.

## **Award Shares**

The Award Shares will be satisfied by the existing Shares beneficially owned by City Concord. No new Shares will be issued by the Company as a result of the grant of Award Shares under the Scheme.

## **Eligible Persons**

Eligible Persons shall be any individual, being an employee (whether full time or part time), director (including an independent non-executive director), officer, consultant or advisor of any member of the Group.

Eligible Persons include persons who are officer, consultant or advisor of any member of the Group, which are not employees or directors of the Group (the “**Non-employee Eligible Persons**”). The City Concord Board is of the view that the grant of Award Shares to Non-employee Eligible Persons would enable the City Concord Board to reward and incentivize those it considers commercially appropriate to align their interests with the interest of the Group.

The City Concord Board will carefully assess a Non-employee Eligible Person’s performance, contributions and potential contributions to the Group on a case-by-case basis to ensure that the grant of Award Shares to such Non-employee Eligible Person would be beneficial to the Group. In particular, the City Concord Board will consider, among others, whether the Non-employee Eligible Person is regarded as a valuable human resource to the Group based on his or her work experience, professional qualifications, technical know-hows and external business connections, as well as the actual and potential contribution he or she brought and may bring to the business affairs of the Group having regard to the duration, scale and nature of the cooperation or business relationship with the Group.

## **Operations**

Pursuant to the Scheme, the City Concord Board may, from time to time, at its absolute discretion select any Eligible Person to be a Selected Participant and grant an Award to such Selected Participant during the Award Period. The City Concord Board may impose such condition(s) as it deems appropriate with respect to the entitlement of the Selected Participant to the Award Shares under an Award.

For the purposes of vesting of an Award (or the relevant part thereof), City Concord may either: (i) transfer the relevant Award Shares to the Selected Participant in such manner as determined by the City Concord Board from time to time; or (ii) to the extent that, at the determination of the City Concord Board, it is not practicable for the Selected Participant to receive the Award in Shares solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in Shares or City Concord's ability to give effect to any such transfer to the Selected Participant, City Concord shall sell or procure to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the Actual Selling Price of such Award Shares.

Any stamp duty or other direct costs and expenses arising on vesting and transfer of the Award Shares to or for the benefit of the Selected Participants shall be borne by City Concord. All costs and expenses in relation to all dealings with the Award Shares after vesting and transfer of the Award Shares to the Selected Participant shall be borne by the Selected Participant.

## **Rights attached to Award Shares**

### *(1) Rights attached to Award Shares*

Selected Participant shall have only a contingent interest in the Award subject to the vesting of such Award in accordance with the vesting conditions thereof and the Scheme Rules. City Concord retains the legal and beneficial interest in the Award Shares that have not yet vested.

All voting rights in respect of any Award Shares that have not yet vested remain with City Concord and may be exercised by City Concord in any manner as it may at its sole discretion determine without giving any reason or taking into account any interest of a Selected Participant in an Award.

Where any Award Shares are not vested, are forfeited or cancelled pursuant to the Scheme Rules, the Selected Participant(s) shall have no rights in respect of such Award Share(s) and/or any Shares accrued thereto.

(2) *Entitlement to cash distributions and Related Distributions*

Notwithstanding that an Award has not yet vested, a Selected Participant shall be entitled to receive dividends paid by the Company in respect of the Award Shares underlying the Award granted to him/her/it after the Grant Date unless and until the Award Shares have been forfeited, cancelled or vested. City Concord shall make payment of the same to the Selected Participant within one calendar month after receipt of the relevant dividends from the Company.

In the event City Concord has the option to receive such dividend in the form of Shares, City Concord may elect to receive the scrip Shares in respect of the Award Shares not yet vested and such scrip Shares shall belong to City Concord provided that City Concord shall pay the relevant Selected Participant the amount as if City Concord has opted to receive cash dividends in lieu of scrip Shares.

Subject as aforesaid, a Selected Participant shall have no right to any income, distribution (whether cash or non-cash, scrip or non-scrip) or other interest or benefits derived from or accrued to the Award Shares that have not yet vested, all of which shall be retained by City Concord for its own benefit.

(3) *No Assignment*

Any Award granted pursuant to the Scheme Rules but not yet vested shall be personal to the Selected Participant to whom it is made and 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 any other person over or in relation to any Award, or enter into any agreement to do so.

**Alteration and Termination of the Scheme**

The Scheme may be altered in any respect by a resolution of the City Concord Board provided that no such alteration shall operate to affect materially and adversely any subsisting rights of any Selected Participant unless with the consent of the relevant Selected Participant(s).

The City Concord Board may by resolution terminate the Scheme on such date as determined by the City Concord Board provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder in respect of the Award Shares already granted to him/her.

**LISTING RULES IMPLICATIONS**

The Scheme is not adopted by the Company and does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purposes of Chapter 17 of the Listing Rules and is not required to comply with the provisions thereunder. It is a discretionary award scheme of City Concord.

## DEFINITIONS

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

“Actual Selling Price”	the actual price at which the Award Shares are sold (net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs and expenses) on vesting of an Award or the relevant part thereof
“Adoption Date”	21 March 2022
“Award”	an award granted by the City Concord Board to a Selected Participant, which may vest in the form of Awarded Shares or the Actual Selling Price of the Awarded Shares in cash, as the City Concord Board may determine in accordance with the terms of the Scheme Rules
“Award Period”	the period of ten (10) years commencing on the Adoption Date and where the Scheme is terminated pursuant to the Scheme Rules any time before the tenth anniversary of the Adoption Date, the period from the Adoption Date to such date when the Scheme is terminated
“Award Shares”	the Shares granted (where applicable, subject to vesting and/or other conditions) to a Selected Participant in an Award
“Board”	the board of Directors
“City Concord”	City Concord Limited, a company incorporated in the British Virgin Islands with limited liability and a controlling shareholder of the Company
“City Concord Board”	the board of directors of the City Concord from time to time or, where applicable, any duly constituted committee thereof
“Company”	King’s Flair International (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	any individual, being an employee (whether full time or part time), director (including an independent non-executive director), officer, consultant or advisor of any member of the Group who the City Concord Board considers, in its sole and absolute discretion, have contributed or will contribute to the Group

“Grant Date”	the date on which the grant of an Award is made to a Selected Participant, being the date of the relevant award letter
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“Scheme”	the share award scheme of the issued shares of the Company approved and adopted by City Concord on the Adoption Date
“Scheme Rules”	the rules of the Scheme as amended from time to time
“Selected Participant”	any Eligible Person approved for participation in the Scheme by the City Concord Board and who has been granted an Award
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary shares with a nominal value of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**King’s Flair International (Holdings) Limited**  
**Dr. Wong Siu Wah**  
*Chairman and Executive Director*

Hong Kong, 21 March 2022

*As at the date of this announcement, the board of directors of the Company comprised two executive directors, namely, Dr. Wong Siu Wah and Ms. Wong Fook Chi; and three independent non-executive directors, namely, Dr. Lau Kin Tak, Mr. Anthony Graeme Michaels and Ms. Leung Wai Ling, Wylie.*