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Century Sage Scientific Holdings Limited

世紀睿科控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1450)

GRANT OF AWARDED SHARES AND PROPOSED ISSUE OF NEW SHARES UNDER GENERAL MANDATE PURSUANT TO THE SHARE AWARD PLAN

GRANT OF AWARDED SHARES

On 1 April 2022 (the “**Date of Grant**”), the Board has resolved to grant a total of 17,040,000 Awarded Shares at nil consideration to eleven Selected Participants pursuant to the Share Award Plan.

The Selected Participants comprises ten employees of the Group who are mid to senior level operational personnel with key skills serving in key roles for the core operations of the Group (including management, operating and marketing positions) with at least three years terms of service contract with the Group and one consultant providing all media industry marketing related creativity consulting services to the Group. To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, all of the Selected Participants are not connected persons of the Company or their associates (as defined under the Listing Rules). The grant of the Awarded Shares is for the purpose of attracting and retaining talents for the continuous operations and development of the Group and the Selected Participants are determined based on their qualification, education background, experience and skills.

Vesting Schedule

Subject to the fulfilment of the relevant condition(s) and/or performance target(s), the Awarded Shares shall be vested in the Selected Participants in the following manner:

Vesting date	% of the Awarded Shares to be vested
13 April 2022	60%
31 October 2022	20%
31 October 2023	20%

In the event that the vesting condition(s) are not attained by any relevant Selected Participants before the relevant date as specified in the relevant grant letters, the relevant Awards made to such Selected Participants shall forthwith lapse and be cancelled.

Vesting Conditions

The vesting of the Awarded Shares is subject to the following vesting conditions as specified in the relevant grant letters:

- (i) the Selected Participant remaining as an Eligible Participant (as defined under the Share Award Plan), i.e. an employee or a consultant (as the case may be) of the Group before the relevant vesting date (other than for reason of death or retirement); and
- (ii) such Selected Participant shall obtain an overall grade of “A” or above for his/her personal performance appraisal conducted by the Company; and
- (iii) the Selected Participant has not fallen into any of the following conditions:
 - (a) the results of the economic responsibility audit and other similar assessment(s) show that his/her duties are not performed effectively or is in serious dereliction of duty or malfeasance;
 - (b) non-compliance with all relevant laws and regulations and the articles of association of the Company;
 - (c) during his/her term of office, the Selected Participant is subject to disciplinary actions by virtue of illegal behaviours, including but not limited to bribery, corruption, theft, leakage of the Group’s business and technical secrets, damages to the Group’s interests and reputation through related party transactions and resulting in material negative impact on the Group’s image; and
 - (d) the Selected Participant fails to perform or fails to properly perform his/her duties, resulting in substantial asset losses and other serious adverse consequences to the Group.

The reasons for granting the Awards to each of the Selected Participants are that the Board and the Remuneration Committee of the Company consider that the Selected Participants are high caliber individuals and their capacities and skills continues to contribute to the development and growth of the Group and that it is to the benefit of the Company to appropriately reward the key personnel with an attractive and competitive level of equity-linked remuneration, so as to attract and retain experienced and skillful talents for its business and development. In addition, the Board considered that the consultant included in the Selected Participants continues to provide prescient advices and introduce potential resources to the Group and the Awarded Shares granted to him as his service fees can maintain a long-term cordial relationship with him. The consultant, as a well-known advertising and marketing expert in China, has rich resources and great influence in the field of all media industry, especially in the new media services business, and can provide the most forward-looking advices to help the Group's business diversification, and enhance the Group's capacity in all media industry by introducing potential projects and client resources to the Group. The Board and the Remuneration Committee considered that the Awards are consistent with the remuneration policy of the Group and are fair and reasonable and are beneficial to the Company and its shareholders as a whole.

PROPOSED ISSUE OF NEW SHARES UNDER THE SHARE AWARD PLAN PURSUANT TO GENERAL MANDATE

The Board has also resolved to allot and issue to the Trustee a total of 17,040,000 new Shares at a nominal value of HK\$0.01 per Share under the General Mandate to satisfy the Awards pursuant to the terms of the Share Award Plan. The aggregate nominal value of the new Shares to be allotted and issued is HK\$170,400. No funds will be raised from the allotment and issue of the new Shares. Based on the closing price of HK\$1.85 per Share as quoted on the Stock Exchange on the Date of Grant of the Awards, the market value of the Awarded Shares is HK\$31,524,000.

As at the date of this announcement, the Company has not issued any Shares pursuant to the General Mandate and the number of new Shares that can be allotted and issued by the Company under the General Mandate is 208,248,634 Shares. Accordingly, the allotment and issue of 17,040,000 new Shares are not subject to the Shareholders' approval.

As at the date of this announcement, the Awarded Shares to be allotted and issued by the Company to the Trustee represent approximately 1.56% of the Company's issued Shares and approximately 1.54% of the Company's enlarged issued Shares after the allotment and issue of the Awarded Shares.

Pursuant to the Share Award Plan, in order for the Trustee to subscribe for the Awarded Shares from the Company, the Board shall pay or cause to be paid to the Trustee an aggregate amount of HK\$170,400 from the Company's internal cash resources, representing the nominal value of the Awarded Shares multiplied by the number of new Shares to be allotted and issued. Upon allotment and issue of the Awarded Shares, the Trustee will hold such Awarded Shares on trust for the Selected Participants and will transfer the respective proportions to each of them at nil consideration upon satisfaction of the relevant vesting conditions and pursuant to the relevant vesting schedule as determined by the Board at the time of making the Awards.

The Awarded Shares, when issued and fully paid, shall rank *pari passu* among themselves and with the other Shares in issue. Pursuant to the Share Award Plan, (i) the Selected Participants shall not be entitled to vote, to receive dividends or to have any other rights of a Shareholder in respect of the Awarded Shares until the Trustee has transferred and vested the legal and beneficial ownership of such Awarded Shares to and in the Selected Participants; and (ii) the Trustee will not exercise the voting rights in respect of the Shares held under the Share Award Plan (including but not limited to the Awarded Shares, any bonus Shares and scrip Shares derived therefrom).

The allotment and issue of the Awarded Shares to the Trustee pursuant to the Share Award Plan shall be subject to the Stock Exchange having granted the approval for the listing of, and permission to deal in the Awarded Shares. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in the Awarded Shares.

Below is a summary on the capital raising activities of the Company during the past 12 months immediately preceding the date of this announcement:

Date of circular	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds (approximately)
6 September 2021	Issue of convertible bonds in the aggregate principal amount of HK\$47,000,000 pursuant to a specific mandate	HK\$46.4 million	(i) Repayment of liabilities of the Group: HK\$10.0 million; (ii) General working capital: HK\$10.9 million; (iii) Expansion of video system technologies into other industries: HK\$14.8 million; and (iv) Exploring and grasping the opportunities of new media market and e-commerce live broadcasting platform by using video streaming media live broadcasting technology: HK\$10.7 million	(i) Repayment of liabilities of the Group: HK\$10.0 million used as intended; (ii) General working capital: HK\$3.3 million used as intended; HK\$7.6 million expected to be used as intended; (iii) Expansion of video system technologies into other industries: HK\$6.8 million used as intended; HK\$8.0 million expected to be used as intended; and (iv) Exploring and grasping the opportunities of new media market and e-commerce live broadcasting platform by using video streaming media live broadcasting technology: HK\$4.5 million used as intended; HK\$6.2 million expected to be used as intended

Save as disclosed in the table above, the Company has not engaged in any fund raising activities by any issue of Shares in the 12 months immediately preceding the date of this announcement.

The Share Award Plan does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. For further details of the Share Award Plan, please refer to the section headed “Share Award Plan” in the annual report of the Company for the year ended 31 December 2020.

DEFINITIONS

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

“Awarded Shares”	the Shares be awarded to the Selected Participants under the Share Award Plan
“Awards”	the 17,040,000 Awarded Shares granted to the Selected Participants on 1 April 2022, which will be settled by way of allotment and issue of 17,040,000 new Shares pursuant to the General Mandate
“Board”	the board of the Directors
“Company”	Century Sage Scientific Holdings Limited (Stock Code: 1450), a company incorporated in the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 10 June 2021 to allot and issue up to an aggregate of 208,248,634 new Shares
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Selected Participant(s)”	the eligible person(s) selected by the Board for participation in the Share Award Plan in respect of the award of the Awarded Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued capital of the Company
“Share Award Plan”	the share award plan adopted by the Company on 24 March 2014, as amended from time to time

“Shareholders” the holder(s) of the Shares
“Stock Exchange” The Stock Exchange of Hong Kong Limited
“Trustee” Teeroy Limited

By Order of the Board
Century Sage Scientific Holdings Limited
Lo Chi Sum
Chairman

Hong Kong, 1 April 2022

As at the date of this announcement, the executive Directors are Mr. Lo Chi Sum, Mr. Li Jun, Mr. Li Jinping and Ms. Zhao Hui Li, and the independent non-executive Directors are Mr. Cui Xiao Bo, Mr. Ma Zhan Kai and Dr. Yu Guo Jie.