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CHINA FIRST CAPITAL GROUP LIMITED

中國首控集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1269)

ADOPTION OF SHARE AWARD SCHEME

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On 5 July 2022 (after trading hours), the Board resolved to adopt the Share Award Scheme with immediate effect. The specific objectives of the Share Award Scheme are: (i) to recognise the contributions by certain Eligible Persons and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

Accordingly, the Company will entrust the Trustee to hold the Awarded Shares on behalf of the relevant Selected Persons on trust, until such Awarded Shares are vested with the relevant Selected Persons in accordance with the Scheme Rules and the Trust Deed. The Board would determine the timing of awards, list of Selected Persons, the timing and condition of vesting and number of Awarded Shares based on the overall results and performance of the Group and contributions made by the Eligible Persons, as part of the overall remuneration system of the Group.

LISTING RULES IMPLICATIONS

The Share Award Scheme does not constitute a share option scheme under Chapter 17 of the Listing Rules and is a discretionary scheme of the Company. No Shareholders' approval is required to adopt the Share Award Scheme.

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SCHEME RULES

A summary of the Scheme Rules is set out below:

1. Award of Awarded Shares

Subject to the Scheme Rules, the Board may, from time to time, at its absolute discretion select any Eligible Person (other than any Excluded Person) for participation in the Share Award Scheme as a Selected Person, and grant such number of Awarded Shares to any Selected Person at a consideration of HK\$1.0 or at a consideration determined by the Board with reference to the closing price of the Shares traded on the Stock Exchange and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

2. Administration

The Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the Scheme Rules and the Trust Deed. The decision of the Board with respect to any matter arising under the Share Award Scheme (including the interpretation of any provision) shall be final and binding.

3. Scheme Limit

The Board shall not make any further award of Awarded Shares to the Selected Persons which will result in the nominal value of the Shares awarded by the Board under the Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time.

The maximum number of Shares which may be awarded to a Selected Person under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

4. Voting Rights

The Trustee shall not exercise the voting rights in respect of any Shares held by it under the Trust (if any).

5. Restrictions

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

6. Vesting and Lapse

Subject to the Scheme Rules and the fulfilment of all vesting condition(s) and/or performance target(s) to the vesting of the Awarded Shares on such Selected Person as specified in the Share Award Scheme and the grant notice, the respective Awarded Shares held by the Trustee on behalf of the Selected Person shall vest in such Selected Person in accordance with the vesting schedule (if any) as set out in the grant notice.

Unless otherwise waived by the Board, in the event that the vesting condition(s) specified in the grant notice are not fully satisfied prior to or on the relevant Vesting Date, the award of the Awarded Shares in respect of the relevant Vesting Date shall lapse.

In the event that prior to or on the Vesting Date, a Selected Person is found to be an Excluded Person or is deemed to cease to be an Eligible Person, the relevant Award made to such Selected Person shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date, unless the Board determines otherwise.

7. Duration and Termination

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

The Share Award Scheme shall terminate on the earlier of (a) the tenth anniversary date of the Adoption Date; and (b) such date of early termination as determined by the Board by a resolution of the Board, provided that such termination shall not affect any subsisting rights of any Selected Person under the Share Award Scheme.

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DEFINITIONS

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

“Adoption Date”	5 July 2022, being the date on which the Board adopted the Share Award Scheme
“Award”	an award of the Awarded Shares by the Board to a Selected Person pursuant to the Share Award Scheme
“Awarded Shares”	in respect of a Selected Person, such number of Shares as awarded by the Board
“Board”	the board of Directors
“Company”	China First Capital Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange with stock code of 1269
“Director(s)”	the director(s) of the Company
“Eligible Person(s)”	any individual being an employee (including without limitation any executive Director) or any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group, or any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company at any time between the Adoption Date and 4 July 2032 or such date of early termination as determined by the Board (whichever the earlier)
“Excluded Person”	any Person who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Person

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	a third party which is independent of and not connected with the Company and its connected persons and not a connected person of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Scheme Rules”	the rules relating to the Share Award Scheme, in its present form or as amended from time to time
“Selected Person(s)”	Eligible Person(s) selected by the Board for participation in the Share Award Scheme
“Share Award Scheme”	the share award scheme constituted by the Scheme Rules adopted by the Board on the Adoption Date
“Shareholder(s)”	the holder(s) of the Share(s)
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.10 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust”	the trust to be constituted by the Trust Deed
“Trust Deed”	a trust deed to be entered into between the Company and the Trustee on 5 July 2022 (as restated, supplemented and amended from time to time)
“Trustee”	Bank of Communication Trustee Limited, the trustee (an Independent Third Party) to be appointed by the Board to hold the Shares and manage the Trust in accordance with the terms and conditions of the Trust Deed for the benefit of the Selected Persons

“Vesting Date”

in respect of a Selected Person, the date on which his entitlement to the Awarded Shares is vested in such Selected Person in accordance with the Share Award Scheme, being a minimum of 12 months from the date of grant (or a shorter period to be approved by the remuneration committee of the Company)

“%”

per cent

By order of the Board
China First Capital Group Limited
Wilson Sea
Chairman and executive Director

Hong Kong, 6 July 2022

As at the date of this announcement, the executive Directors are Dr. Wilson Sea, Mr. Zhao Zhijun and Dr. Zhu Huanqiang; and the independent non-executive Directors are Mr. Chu Kin Wang, Peleus, Dr. Du Xiaotang and Mr. Loo Cheng Guan.