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**Arrail Group Limited**

**瑞爾集團有限公司**

*(Incorporated in the British Virgin Islands with limited liability and continued in the Cayman Islands)*

**(Stock Code: 6639)**

## **VOLUNTARY ANNOUNCEMENT ADOPTION OF 2022 RSU SCHEME**

### **ADOPTION OF 2022 RSU SCHEME**

The Board is pleased to announce that on September 3, 2022, the Company has adopted the 2022 RSU Scheme to attract, retain and motivate our Directors and employees, and to provide a means of compensating them through the grant of awards for their contribution to the growth and profits of the Group, and to allow such Directors and employees to participate in the growth and profitability of the Group.

Pursuant to the 2022 RSU Scheme, the Underlying Shares will be satisfied by the existing Shares to be acquired by the Trustee on the market based on the trading price of the market.

The maximum number of the Underlying Shares which may be transferred or paid-out in settlement of all RSUs to be granted to any Selected Participants under the 2022 RSU Scheme shall not exceed 1% of the issued shares of the Company from time to time in any 12-month period.

The adoption of the 2022 RSU Scheme does not require Shareholder's approval pursuant to Chapter 17 of the Listing Rules and the Company's articles of association.

### **SUMMARY OF THE 2022 RSU SCHEME**

#### **Purpose**

The purpose of the 2022 RSU Scheme is to attract, retain and motivate our Directors and employees, and to provide a means of compensating them through the grant of awards for their contribution to the growth and profits of the Group, and to allow such Directors and employees to participate in the growth and profitability of the Group.

## **Duration and termination**

Unless terminated earlier by the Company in accordance with the Scheme Rules, the 2022 RSU Scheme is valid and effective for a term of 10 years commencing from the Adoption Date.

The 2022 RSU Scheme shall terminate on the earlier of (i) the 10th year from the Adoption Date; and (ii) such date of early termination as determined by resolution of the Board or resolution of the Shareholders in general meeting. Upon termination, (i) no further grant of RSUs may be made under the 2022 RSU Scheme; and (ii) the Awards (to the extent not already settled, paid-out, lapsed or cancelled) granted prior to such termination shall continue to be valid in accordance with the 2022 RSU Scheme and the Award Agreement.

## **Operation**

The Board may, in respect of the 2022 RSU Scheme and after having regard to the requirement under the 2022 RSU Scheme, determine the number of Shares to be purchased as the Underlying Shares, and cause to be paid the purchase price for the Underlying Shares and the related expenses to the Trustee who will purchase the Underlying Shares. The Trustee shall apply the entire amount without deduction (except for transaction levy, stamp duty and other statutory fees) towards the purchase of the maximum number of board lots of Shares at the prevailing market price.

The Board may, from time to time, at its absolute discretion select any of (i) the employee (whether full time or part time) of the Company or its subsidiaries; and (ii) any Director, or any director of any of the subsidiaries as a Selected Participant and determine the RSUs for each of them. Upon receipt of the instruction from the Board as to the name of Selected Participant(s) and the number of RSUs to be granted to the Selected Participant(s), the Trustee shall make relevant arrangement to convert the Underlying Shares to the RSUs for the relevant Selected Participant(s).

## **Vesting and cancellation**

The Board will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of RSUs that will be paid-out to the Selected Participant(s). The Board may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Board in its discretion. The vesting schedules are stipulated in the respective Award Agreement(s) between the Company and the Selected Participant(s).

Subject to the consent from the relevant Selected Participant(s), the Board may at its discretion cancel the Awards previously granted to the relevant Selected Participant(s) and yet to be vested. The cancelled Awards may be re-issued after such cancellation has been approved provided that the re-issued Awards shall only be granted in compliance with the Scheme Rules.

## **Voting rights**

All of the unvested Underlying Shares will be reserved by ESOP BVI II, which is an incentive share platform set up by the Company in the BVI. The voting rights of the Shares held by ESOP BVI II will be exercised by the Trustee in accordance with the Listing Rules.

## **Administration**

The 2022 RSU Scheme is subject to the administration of the Board and the Trustee in accordance with the terms stated in the Scheme Rules and the terms of the Trust Deed.

## **Scheme Limit**

The Board shall not make any further Awards which will result in the nominal value of the Underlying Shares under the 2022 RSU Scheme exceeding 10% of the issued shares of the Company as at the Adoption Date.

The maximum number of the Underlying Shares which may be transferred or paid-out in settlement of all RSUs awarded to any Selected Participant under the 2022 RSU Scheme shall not exceed 1% of the issued shares of the Company from time to time in any 12-month period.

## **Restrictions**

No Award shall be made by the Board and no instructions to acquire the Shares shall be given to the Trustee under the 2022 RSU Scheme where any Director and/or Selected Participant is in possession of unpublished inside information (as defined under Part XIVA of the Securities and Futures Ordinance (as may be amended from time to time)) in relation to the Group or where dealings by Directors and/or Selected Participants are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

## **LISTING RULES IMPLICATION**

The adoption of the 2022 RSU Scheme does not require Shareholder's approval pursuant to Chapter 17 of the Listing Rules and the Company's articles of association.

Further announcement will be made by the Company in the event that new Shares are allotted and issued in satisfaction of the Awards granted in future.

Where any grant of RSUs is proposed to be made to any Selected Participant who is a Director, such grant shall be subject to the prior approval of all the members of the remuneration committee of the Company, or in the case where the grant is proposed to be made to any member of the remuneration committee of the Company, by all of the other members of the remuneration committee of the Company.

Where the grant of Award is proposed to be made to connected persons by the Company, such Award shall be separately approved by the Shareholders at general meeting and the connected persons and their associates shall abstain from voting and in compliance with all other requirements under Chapter 14A of the Listing Rules applicable to such Award.

## DEFINITION

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

“2022 RSU Scheme”	the 2022 restricted share unit scheme adopted by the Company in accordance with the Scheme Rules on the Adoption Date
“Adoption Date”	September 3, 2022, being the date on which the 2022 RSU Scheme was adopted by the Company
“Award(s)”	the award(s) granted by the Board to a Selected Participant in accordance with the terms of the Scheme Rules
“Award Agreement”	means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the 2022 RSU Scheme. The Award Agreement is subject to the terms and conditions of the 2022 RSU Scheme
“Board”	the board of Directors
“BVI”	British Virgin Islands
“Company”	Arrail Group Limited (瑞爾集團有限公司), an exempted company registered by way of continuation under the laws of the Cayman Islands with limited liability on November 16, 2020, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6639)
“Director(s)”	the director(s) of the Company
“ESOP BVI II”	Arrail Revival Holdings Limited, a limited liability company set up by the Company as a platform holding underlying shares for the 2022 RSU Scheme
“Group”	the Company and all of its subsidiaries
“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
“RSU(s)”	the restricted share unit(s) award granted to a Selected Participant under the 2022 RSU Scheme
“Scheme Rules”	the rules of the 2022 RSU Scheme as amended from time to time
“Scheme Share(s)”	the share(s) eligible to be granted as RSU in accordance with the terms of the 2022 RSU Scheme as determined by the Board

“Selected Participant(s)”	eligible participant(s) selected by the Board to participate in the 2022 RSU Scheme
“Share(s)”	the share(s) in the share capital of the Company, with a nominal value of US\$0.02 each (or of such other nominal value as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust”	the trust constituted by the Trust Deed to service the 2022 RSU Scheme
“Trust Deed”	the trust deed entered into between the Company and the Trustee (as may be restated, supplemented and amended from time to time)
“Trustee”	KASTLE LIMITED (嘉士圖有限公司), a company incorporated in Hong Kong, the trustee (which is independent of and not a connected person of the Company) appointed by the Company for the administration of the 2022 RSU Scheme or any additional or replacement trustee(s)
“Underlying Share(s)”	the Share(s) to be purchased by the Trustee from the market and to be transferred or paid-out in settlement of all RSUs to be granted to any Selected Participant under the 2022 RSU Scheme
“%”	per cent

By order of the Board  
**Arrail Group Limited**  
**Zou Qifang**  
*Chairman*

Beijing, the PRC, September 5, 2022

*As at the date of this announcement, the Board comprises Mr. Zou Qifang, Ms. Qin Jessie Xin, Mr. Zhang Jincai and Mr. Zou Jianlong as executive directors, and Ms. Liu Xiaomei Michelle, Mr. Sun Jian and Mr. Zhang Bang as independent non-executive directors.*