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Semk Holdings International Limited

德盈控股國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2250)

ADOPTION OF THE NON-CONNECTED PERSON SHARE AWARD SCHEME

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The Board is pleased to announce that on 5 September 2022, it had resolved to adopt the Non-Connected Person Share Award Scheme. Pursuant to the scheme, Eligible Participants who are non-connected persons to the Group, including but without limitation to (i) employees of the Group; (ii) employees of holding companies, fellow subsidiaries or associated companies of the Company; and (iii) any persons who provide services to any members of the Group on a continuing or recurring basis in its ordinary and usual course of business which is in the interests of the long-term growth of the Group, may be selected by the Board to participate in the Non-Connected Person Share Award Scheme.

The Non-Connected Person Share Award Scheme shall be primarily subject to the administration of the Board and the Trustee in accordance with the Scheme Rules and the Trust Deed. Given that the Non-Connected Person Share Award Scheme does not involve the grant of options over any new Shares, it does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules. No Shareholders' approval is required to adopt the Non-Connected Person Share Award Scheme.

THE NON-CONNECTED PERSON SHARE AWARD SCHEME

The Board is pleased to announce that on 5 September 2022, the Board has resolved to adopt the Non-Connected Person Share Award Scheme.

The following is a summary of the principal terms and conditions of the Non-Connected Person Share Award Scheme:

Purposes and objectives

The purposes and objectives of the Non-Connected Person Share Award Scheme are:

- (i) to recognise the contributions by certain Eligible Participants 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.

Duration

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Non-Connected Person Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

Operation of the Non-Connected Person Share Award Scheme

Contribution to the Trust

The Board may from time to time cause to be paid a sum to the Trust by way of settlement or otherwise contributed by the Company or any party designated by the Company as directed by the Board which shall constitute part of the Trust Fund, for the purchase and/or subscription (as the case may be) of Shares and other purposes set out in the Scheme Rules and the Trust Deed.

Subject to prior written direction and/or consent of the Board, the Trustee may accept Shares transferred, gifted, assigned, or conveyed to the Trust from any party designated by the Company from time to time in such number as such party designated by the Company may at their sole discretion determine, which shall constitute part of the Trust Fund.

The Trustee shall administer the Shares in the same manner in accordance with the Trust Deed and the Scheme Rules regardless whether they are subscribed for or otherwise acquired by the Trust or transferred, gifted, assigned, or conveyed to the Trust.

Grant of Awarded Shares to Selected Participants

The Board may, from time to time, subject to the provisions of the Scheme Rules, select any Eligible Participant (other than any Excluded Participant) for participation in the Non-Connected Person Share Award Scheme as a Selected Participant, and grant such number of Awarded Shares to any Selected Participant at no consideration and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

Awarded Shares may be granted to a Selected Participant with either existing Shares, new Shares or both. New shares shall be allotted and issued by the Company to the extent that a general mandate is available for the Board to allot new Shares, or a specific approval by Shareholders has been obtained for the issuance of new Shares to such Selected Participants in accordance with all applicable laws, rules and regulations (including but not limited to the Listing Rules).

In determining the number of Awarded Shares to be granted to any Selected Participant (excluding any Excluded Participant), the Board shall take into consideration matters including, but without limitation to (i) the present contribution and expected contribution of the relevant Selected Participant to the profits of the Group; (ii) the general financial condition of the Group; (iii) the Group's overall business objectives and future development plan; and (iv) any other matter which the Board considers relevant.

Vesting of Awarded Shares

Subject to the terms and conditions of the Non-Connected Person Share Award Scheme and the fulfillment of all vesting conditions to the vesting of the Awarded Shares on such Selected Participant as specified in the Non-Connected Person Share Award Scheme and the relevant grant instrument, the Awarded Shares held by the Trustee on behalf of the Selected Participant shall vest in such Selected Participant in accordance with the applicable vesting schedule, and the Trustee shall cause the Awarded Shares to be transferred to such Selected Participant in accordance with the terms of the Non-Connected Person Share Award Scheme.

Where a Selected Participant subsequently becomes a connected person of the Company prior to vesting of the Award, vesting of the Award will be subject to compliance by the Company of requirements under Chapter 14A of the Listing Rules, where applicable, and the Remuneration Committee shall have absolute discretion to alter the vesting of or terminate such Award where such requirements would, in the opinion of the Remuneration Committee, be burdensome on the Company.

Scheme Limit and Individual Limit

The Board shall not make any further award of Awarded Shares by allotment and issuance of new Shares which will result in (i) the aggregate number of the Shares awarded by the Board under the Non-Connected Person Share Award Scheme exceeding ten per cent (10%) of the relevant class of shares of the Company from time to time; and (ii) the aggregate number of new Shares awarded by the Board under the Non-Connected Person Share Award Scheme exceeding three per cent (3%) of the issued share capital of the Company as at the Adoption Date.

Unless otherwise permitted by the applicable Listing Rules and approved in accordance with its applicable requirements under the Listing Rules, the maximum number of new Shares which may be awarded to a Selected Participant under the Non-Connected Person Share Award Scheme shall not, in aggregate with any Awarded Shares issued and to be issued to such relevant Selected Participant(s) and any other new Shares issued or to be issued to such relevant Selected Participant(s), exceed one per cent (1%) of the relevant class of shares of the Company in issue in any 12-month period (or such other percentage as may be permitted under the Listing Rules).

Black-out Period

No Award shall be made by the Board pursuant to the Non-Connected Person Share Award Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be made by the Board:

- (i) after an event involving inside information in relation to affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules;
- (ii) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (iii) during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results; or

- (iv) in any circumstance which is prohibited under the Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

Lapse of Awards

In the event that prior to or on the Vesting Date, a Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Non-Connected Person Share Award Scheme, the relevant Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund. Such Eligible Participant shall have no right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way.

Furthermore, unless otherwise waived by the Board, in the event that the vesting conditions specified in the relevant grant instrument 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, such Awarded Shares shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company, the Board, the Trust or the Trustee.

Rights attaching to the Awards and the Awarded Shares

A Selected Participant shall not have any interest or rights (including the right to receive dividends) in the Awarded Shares prior to the Vesting Date. A Selected Participant shall also have no rights in the residual cash of the Trust or Shares or such other Trust Fund or property held by the Trust.

Voting rights

No instructions shall be given by a Selected Participant (including, without limitation, voting rights) to the Trustee in respect of the Awarded Shares that have not been vested, and such other properties of the Trust Fund managed by the Trustee. The Trustee shall also not exercise the voting rights in respect of any Shares held directly or indirectly by it under the Trust (if any) (including but not limited to the Awarded Shares, any bonus Shares and scrip Shares derived therefrom).

Alteration of the Non-Connected Person Share Award Scheme

The Non-Connected Person Share Award Scheme may be altered in any respect by resolution of the Board provided that no such amendment shall operate to affect materially and adversely any subsisting rights of any Selected Participant thereunder. Notwithstanding the above, the Non-Connected Person Share Award Scheme may be amended in any respect by a resolution of the Board if such amendment is made pursuant to the requirements of the Listing Rules.

Termination

The Non-Connected Person Share Award Scheme shall terminate on the earlier of: (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Board by a resolution of the Board.

LISTING RULES IMPLICATION

The Non-Connected Person Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules and is not required to comply with the requirements thereunder. No Shareholders' approval is required for the adoption of the Non-Connected Person Share Award Scheme, and this announcement is made on a voluntary basis.

DEFINITIONS

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

“Adoption Date”	5 September 2022, being the date on which the Non-Connected Person Share Award Scheme is approved and adopted by the Board;
“Award”	a conditional award of Awarded Shares to a Selected Participant made in accordance with the Scheme Rules;
“Awarded Share(s)”	the Share(s) that may be conditionally awarded to a Selected Participant pursuant to an Award;
“Board”	the board of Directors;

“Company”	Semk Holdings International Limited, a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the Main Board of the Stock Exchange (stock code: 2250);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	director(s) of the Company;
“Eligible Participant(s)”	<p>(i) any employees of the Group;</p> <p>(ii) any employees of the holding companies, fellow subsidiaries or associated companies of the Company;</p> <p>(iii) any persons who provide services to any members of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group; and/or</p> <p>(iv) such other persons permitted by the Listing Rules to be participants of the Non-Connected Person Share Award Scheme,</p> <p>provided that such eligible participant is not a connected person of the Group;</p>
“Excluded Participant(s)”	any Eligible Participant who (i) at the time of the proposed grant of an Award is a connected person of the Company; and/or (ii) is resident in a place where the grant of an Award and/or the vesting and transfer of the Awarded Shares (and/or Shares and/or cash representing any income, proceeds or distributions derived from or in respect of the Awarded Shares, where applicable) pursuant to the terms of Non-Connected Person 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 Participant;

“Group”	the Company and its subsidiaries;
“Hong Kong”	Hong Kong Special Administrative Region of The People’s Republic of China;
“Independent Third Party(ies)”	party(ies) who is/are independent of the Company and its connected person(s);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Non-Connected Person Share Award Scheme”	the share award scheme constituted by the Scheme Rules and adopted by the Company in favour of the Eligible Participants, who are non-connected persons of the Group;
“Remuneration Committee”	the remuneration committee of the Board;
“Scheme Rules”	the rules relating to the Non-Connected Person Share Award Scheme, as may be altered from time to time;
“Selected Participant(s)”	Eligible Participant(s) selected by the Board for participation in the Non-Connected Person Share Award Scheme in accordance with the terms of the Scheme Rules;
“Share(s)”	ordinary share(s) of US\$0.000025 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	the trust deed entered into between the Company as the settlor and the Trustee as the trustee in respect of the Shares and other trust funds (if any) held or to be held by the Trustee subject to the terms thereof, as amended from time to time;

“Trust Fund”	the funds and properties held directly or indirectly under the Trust and managed by the Trustee for the benefit of the Selected Participants (other than the Excluded Participants);
“Trustee”	Futu Trustee Limited, a professional trustee appointed by the Company to assist with the administration of the Non-Connected Person Share Award Scheme and the vesting of Awards granted, who is an Independent Third Party;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“Vesting Date”	in relation to any Selected Participant, the date on which the legal and beneficial ownership of the Awarded Shares are vested in such Selected Participant pursuant to an Award.

By order of the Board
Semk Holdings International Limited
Hui Ha Lam
Chairman of the Board and Executive Director

Hong Kong, 5 September 2022

As at the date of this announcement, the Board comprises Mr. Hui Ha Lam as chairman of the Board and executive Director, Mr. Kwok Chun Kit, Mr. Cheung Chin Yiu, and Mr. Tse Tsz Leong as executive Directors, Mr. Wong Yin Shun Vincent, MH and Mr. Chen Hongjiang as non-executive Directors and Ms. Leung Ping Fun Anita, Mr. Sung Chi Keung and Dr. Chan Kai Yue Jason, MH, JP as independent non-executive Directors.