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## **ANTA Sports Products Limited**

**安踏體育用品有限公司**

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

**(Stock code: 2020)**

### **SHARE SCHEMES**

#### **TERMINATION OF THE 2017 SHARE OPTION SCHEME, ADOPTION OF THE 2023 SHARE OPTION SCHEME, AMENDMENTS TO THE 2018 SHARE AWARD SCHEME AND ADOPTION OF THE 2023 SHARE AWARD SCHEME**

As at the date of this announcement, the Company operates the 2017 Share Option Scheme and the 2018 Share Award Scheme. The 2017 Share Option Scheme allows the Company to grant options over new Shares to eligible participants, while the 2018 Share Award Scheme allows the Company to grant awards involving new and existing Shares to eligible participants.

Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from 1 January 2023. To bring the Company's share schemes in line with the new requirements of Chapter 17 of the Listing Rules, on 21 March 2023, the Company proposed to:

- (i) terminate the 2017 Share Option Scheme and adopt the 2023 Share Option Scheme;
- (ii) amend the 2018 Share Award Scheme such that, from the Amendment Date, only grant of awards involving existing Shares may be made thereunder and no further grant of awards involving new Shares may be made under the amended 2018 Share Award Scheme; and
- (iii) adopt the 2023 Share Award Scheme pursuant to which only grant of awards involving new Shares may be made.

The termination of the 2017 Share Option Scheme, the adoption of the 2023 Share Option Scheme and the adoption of the 2023 Share Award Scheme are subject to, among others, Shareholders' approval at the Annual General Meeting.

Pursuant to the rules of the existing 2018 Share Award Scheme, the existing 2018 Share Award Scheme may be amended by a resolution of the Board. The amendments to the 2018 Share Award Scheme have been approved by the Board and will take effect from the Amendment Date (which is expected to be the date of the Annual General Meeting) and are pre-conditional upon the adoption of the 2023 Share Award Scheme.

## **INTRODUCTION**

As at the date of this announcement, the Company operates the 2017 Share Option Scheme and the 2018 Share Award Scheme. The 2017 Share Option Scheme allows the Company to grant options over new Shares to eligible participants, while the 2018 Share Award Scheme allows the Company to grant awards involving new and existing Shares to eligible participants. Save for the aforesaid, as at the date of this announcement, the Company does not maintain any other share schemes.

Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes with effect from 1 January 2023. To bring the Company's share schemes in line with the new requirements of Chapter 17 of the Listing Rules, on 21 March 2023, the Company proposed to:

- (i) terminate the 2017 Share Option Scheme and adopt the 2023 Share Option Scheme;
- (ii) amend the 2018 Share Award Scheme such that, from the Amendment Date, only grant of awards involving existing Shares may be made thereunder and no further grant of awards involving new Shares may be made under the amended 2018 Share Award Scheme; and
- (iii) adopt the 2023 Share Award Scheme pursuant to which only grant of awards involving new Shares may be made.

## **TERMINATION OF THE 2017 SHARE OPTION SCHEME**

Given that (i) it is proposed to adopt the 2023 Share Option Scheme at the Annual General Meeting; (ii) no options have been granted under the 2017 Share Option Scheme since its adoption; and (iii) the Company does not intend to grant any options under the 2017 Share Option Scheme before the adoption of the 2023 Share Option Scheme, the Board has resolved to terminate the 2017 Share Option Scheme, subject to the Shareholders' approval at the Annual General Meeting and pre-conditional upon the adoption of the 2023 Share Option Scheme.

## **ADOPTION OF THE 2023 SHARE OPTION SCHEME**

For the purpose of Chapter 17 of the Listing Rules, the 2023 Share Option Scheme will constitute a share scheme involving the grant by the Company of options over new Shares. Accordingly, the adoption of the 2023 Share Option Scheme will be subject to, among others, the Shareholders' approval at the Annual General Meeting.

Principal terms of the 2023 Share Option Scheme are set out at the end of this announcement. Further details of the principal terms of the 2023 Share Option Scheme will be set out in a circular to be despatched to the Shareholders in due course.

The 2023 Share Option Scheme shall come into effect on the date on which the following conditions are fulfilled: (i) the Shareholders' approval at the Annual General Meeting; and (ii) the approval of the Stock Exchange for the listing of, and permission to deal in, the Shares (representing the initial Scheme Mandate Limit) to be allotted and issued in accordance with the terms and conditions of the 2023 Share Option Scheme and any other schemes of the Company.

## **AMENDMENTS TO THE 2018 SHARE AWARD SCHEME**

The 2018 Share Award Scheme currently involves both new Shares and existing Shares, and does not comply with the new requirements of Chapter 17 of the Listing Rules relating to share scheme involving issue of new Shares.

As at the date of this announcement, 10,294,500 new Shares and 13,135,080 existing Shares have been granted under the 2018 Share Award Scheme, and 13,983,899 Shares granted under the 2018 Share Award Scheme remained unvested and shall be vested according to the relevant vesting periods and be completely vested latest by 1 May 2027 (subject to the relevant vesting conditions). The Company does not intend to issue new Shares nor grant any awards involving new Shares under the 2018 Share Award Scheme prior to the Amendment Date.

Pursuant to the rules of the existing 2018 Share Award Scheme, the existing 2018 Share Award Scheme may be amended by a resolution of the Board.

The amendments to the 2018 Share Award Scheme have been approved by the Board and will take effect from the Amendment Date (which is expected to be the date of the Annual General Meeting) and are pre-conditional upon the adoption of the 2023 Share Award Scheme.

A summary of the key amended terms of the 2018 Share Award Scheme are set out below. Consequential amendments to other terms of the 2018 Share Award Scheme are also made accordingly.

## **Source of awarded Shares**

With effect from the Amendment Date, (i) no further grant of awards involving issue of new Shares may be made under the 2018 Share Award Scheme; (ii) no further Shares shall be subscribed by the Trustee pursuant to the 2018 Share Award Scheme; and (iii) no new Shares shall be issued by the Company for the purpose of the 2018 Share Award Scheme. All awards (whether involving new or existing Shares) granted prior to the Amendment Date shall continue to be valid and shall be vested subject to and in accordance with the rules of the 2018 Share Award Scheme adopted on 19 October 2018.

## **Purposes of the 2018 Share Award Scheme**

The purposes of the 2018 Share Award Scheme are (i) to recognise and reward for the past contributions by eligible participants; (ii) to retain or otherwise maintain on-going relations with eligible participants; (iii) to give the eligible participants an opportunity to have a personal stake in the Company and help motivate eligible participants to optimise their future contributions to the Group; and (iv) to attract suitable personnel for further growth and development of the Group.

## **Eligible participants and eligibility**

Eligible participants include employee participants.

The basis of determining the eligibility of each eligible participant, including the criteria for determining a person's eligibility under each category of eligible participant, shall be at the sole discretion of the Board.

For employee participants, the Board shall take into consideration the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of employment with the Group and the individual contribution or potential contribution to the development and growth of the Group.

## **Scheme limit**

The Board shall not make any further award of awarded Shares which will result in the number of the existing Shares awarded by the Board under the 2018 Share Award Scheme exceeding 10% of the number of the Company's issued shares from time to time.

## **Administration**

The 2018 Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the rules of the 2018 Share Award Scheme and the relevant trust deed. The decision of the Board with respect to any matter arising under the 2018 Share Award Scheme (including the interpretation of any provision) shall be final and binding on all parties. The Board may delegate any or all of its powers in relation to the 2018 Share Award Scheme to any of its committees.

## **Operation**

Pursuant to the 2018 Share Award Scheme, the Board may from time to time cause sufficient funds to be paid to the Trustee for purchase of Shares on or off the Stock Exchange. Once purchased, the Shares are to be held by the Trustee for the benefit of the grantees and the eligible participants (as applicable). Upon vesting, the Trustee shall cause the awarded Shares to be transferred to grantee on the vesting date, or as soon as practicable after the vesting date. All Shares (including any returned Shares) shall be held by the Trustee for the benefit of the grantees or the eligible participants (as applicable) under the relevant trust on and subject to the terms and conditions of the 2018 Share Award Scheme and the related trust deed.

The Board may, from time to time, at its absolute discretion select any eligible participant for participation in the 2018 Share Award Scheme as a selected participant, and grant awarded Shares to any selected participant (i) at such amount payable and time (if any) on acceptance of the award; (ii) at such purchase price (if any) of the awarded Shares; (iii) in such number of awarded Shares; and (iv) on and subject to such terms and conditions, as it may in its absolute discretion determine.

Subject to the provisions of the Listing Rules and the 2018 Share Award Scheme, the Board may in its absolute discretion (i) when offering the grant of an award impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2018 Share Award Scheme as the Board may think fit (to be stated in the grant notice) including (without prejudice to the generality of the foregoing) (a) the qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Group and/or the grantee, (b) the satisfactory performance or maintenance by the grantee of certain conditions or obligations or (c) the time or period before all or some of the awarded Shares shall be vested, and (ii) at any time after the grant of an award, waive or amend such conditions, restrictions or limitations to the advantage of the grantee, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2018 Share Award Scheme.

## **Purchase price of awarded Shares**

Subject to the provisions of the Listing Rules, the purchase price (if any) in respect of any particular awarded Shares under the 2018 Share Award Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant award (and shall be stated in the grant notice) and taking into consideration factors such as the prevailing closing price of the Shares, the purpose of the 2018 Share Award Scheme, the characteristics and profile of the relevant selected participant(s).

## **Vesting period**

The vesting of any awards under the 2018 Share Award Scheme shall be subject to a vesting period to be determined by the Board in its absolute discretion, which shall be specified in the grant notice. The vesting period for an award to all eligible participants under the 2018

Share Award Scheme shall not be less than 12 months, unless the Board determines in its sole discretion that the awards granted to employee participants may be less than 12 months under the following specific circumstances:

- (i) grants of “make-whole” awards to an employee participant who is a new director or employee of the Group to replace the share awards such person forfeited when leaving his previous employer(s);
- (ii) grants of awards to an employee participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of awards which are subject to the fulfilment of performance targets as conditions of the awards;
- (iv) grants of awards made in batches during a year for administrative and compliance reasons;
- (v) grants of awards with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months; and
- (vi) grants of awards with a total vesting and holding period of more than 12 months.

#### **Maximum grant to each eligible participant**

Subject to rules of the 2018 Share Award Scheme, where any grant of awards to a selected participant would result in the number of existing Shares awarded by the Board under the 2018 Share Award Scheme (excluding any awards lapsed in accordance with the rules of the 2018 Share Award Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 1% of the total number of issued Shares, such grant of awards shall be approved by the Shareholders in general meeting in the manner as set out in the rules of the 2018 Share Award Scheme.

#### **Grants of awards to Directors, senior management and substantial shareholders**

Where any grant of awards is proposed to be made to any selected participant who is a Director (including an independent non-executive Director) or senior management of the Company, such grant must first be approved by all members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee.

Subject to the scheme limit of the 2018 Share Award Scheme:

- (i) any grant of awards to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of an award);

- (ii) where any grant of awards to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, would result in the number of existing Shares awarded by the Board under the 2018 Share Award Scheme (excluding any awards lapsed in accordance with the rules of the 2018 Share Award Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares, such grant of awards shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iii) below;
- (iii) in the circumstances described in sub-paragraph (ii) above, the grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the relevant requirements under the Listing Rules;
- (iv) any change in the terms of awards granted to a selected participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by Shareholders in the manner as set out in sub-paragraph (iii) above if the initial grant of the awards requires such approval under the Listing Rules (except where the changes take effect automatically under the existing terms of the 2018 Share Award Scheme);
- (v) the requirements for the grant to a Director or chief executive of the Company as set out in this paragraph do not apply where the selected participant is only a proposed director or a proposed chief executive of the Company; and
- (vi) in general, the Company should not grant awards with performance-related elements to independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

Where any grant of awarded Shares under the 2018 Share Award scheme is proposed to be made to any person who is a connected person of the Company within the meaning of the Listing Rules, the Company shall comply with such provisions of the Listing Rules as may be applicable, including any reporting, announcement and/or shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

### **Performance targets**

In respect of an employee participant, unless otherwise determined by the Board and specified in the grant notice, the Group and/or grantee shall achieve the performance targets set out in the grant notice before the awarded Shares can be vested. The performance targets of awarded Shares granted to the Directors and senior management of the Company, and any grants of awarded Shares to the Directors and senior management of the Company without performance targets, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

## **Clawback**

Where there has been an occurrence of misconduct such as (i) any material misstatements or omissions in the Group's financial statements by a grantee; (ii) any violation by a grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such grantee of the Group's trade secrets, intellectual property or proprietary information; (iii) any termination of employment contracts by a grantee without notice or payment in lieu of notice; (iv) conviction of any criminal offence by a grantee involving integrity or honesty; or (v) any conduct of a grantee that has material adverse effect to the reputation or interests of the Group, the awarded Shares may be subject to clawback as determined by the Board from time to time. The clawback of awarded Shares granted to the Directors and senior management of the Company, and any grants of awarded Shares to the Directors and senior management of the Company without clawback, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

## **Voting of unvested Shares**

Pursuant to the 2018 Share Award Scheme, the Trustee shall not exercise the voting rights in respect of any Shares held. In particular, the Trustee holding unvested Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

## **Scheme life**

Subject to any early termination provisions pursuant to the 2018 Share Award Scheme, the 2018 Share Award Scheme shall be valid and effective commencing on its adoption date and for a term of 10 years (i.e. until 18 October 2028). Under the amended terms of the 2018 Share Award Scheme, the scheme life remains unchanged.

Upon the expiry of the 2018 Share Award Scheme as aforesaid, no further awards shall be granted but the provisions of the 2018 Share Award Scheme shall remain in force and effect in all other respects. All awards granted prior to such expiry and not then vested shall continue to be valid and shall be vested subject to and in accordance with the rules of the 2018 Share Award Scheme. All the awarded Shares granted to the grantees under the 2018 Share Award Scheme shall continue to be held by the Trustee and become vested in the grantees according to the conditions of the award.

## **Alteration to the 2018 Share Award Scheme**

The 2018 Share Award Scheme may be amended in any respect by a resolution of the Board provided that no such amendment shall operate to affect materially and adversely any subsisting rights of any grantees.



Any change to the terms of awards granted to a grantee shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2018 Share Award Scheme.

### **Termination**

The 2018 Share Award Scheme shall terminate on the earlier of: (i) the 10th anniversary date of its adoption date; and (ii) such date of early termination as determined by the Board by a resolution of the Board provided that such termination shall not materially and adversely affect any subsisting rights of any grantees.

### **Dealing restrictions**

No award shall be made by the Board, no instructions to acquire or purchase any Shares shall be given to the Trustee and no payment shall be made to the Trustee under the 2018 Share Award Scheme where dealings in the Shares are prohibited under any code or requirement of the Listing Rules (including but not limited to Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the Listing Rules), the SFO, all applicable laws and any internal code of conduct in securities dealing adopted by the Company from time to time. Without limiting the generality of the foregoing, no such award shall be granted, no such instruction shall be given and no such payment shall be made:

- (i) after an event involving inside information in relation to the 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 (and including) the trading day after such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules or such inside information has otherwise ceased to exist;
- (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;

- (iv) during the period commencing from 1 month immediately before the earlier of:
  - (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules);and ending on the date of the results announcement;
- (v) during any period of delay in publishing a results announcement of the Company; and
- (vi) in any circumstance where such award, instruction or payment is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

#### **ADOPTION OF THE 2023 SHARE AWARD SCHEME**

For the purpose of Chapter 17 of the Listing Rules, the 2023 Share Award Scheme will constitute a share scheme involving the grant by the Company of new Shares. Accordingly, the adoption of the 2023 Share Award Scheme will be subject to, among others, the Shareholders' approval at the Annual General Meeting.

Principal terms of the 2023 Share Award Scheme are set out at the end of this announcement. Further details of the principal terms of the 2023 Share Award Scheme will be set out in a circular to be despatched to the Shareholders in due course.

The 2023 Share Award Scheme shall come into effect on the date on which the following conditions are fulfilled: (i) the Shareholders' approval at the Annual General Meeting; and (ii) the approval of the Stock Exchange for the listing of, and permission to deal in, the Shares (representing the initial Scheme Mandate Limit) to be allotted and issued in accordance with the terms and conditions of the 2023 Share Award Scheme and any other schemes of the Company.

## **PRINCIPAL TERMS OF THE 2023 SHARE OPTION SCHEME AND THE 2023 SHARE AWARD SCHEME**

### **Purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme**

The purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme are (i) to recognise and reward for the past contributions by eligible participants; (ii) to retain or otherwise maintain on-going relations with eligible participants; (iii) to give the eligible participants an opportunity to have a personal stake in the Company and help motivate eligible participants to optimise their future contributions to the Group; and (iv) to attract suitable personnel for further growth and development of the Group.

The Directors are of the view that the 2023 Share Option Scheme and the 2023 Share Award Scheme are different in nature, and they complement each other in terms of equity incentive, added motivation and increased flexibility. In particular, a grantee under the 2023 Share Option Scheme is required to pay an exercise price to subscribe for the Shares which exercise price must not be less than the closing price of the Shares at the date of grant of options in accordance with the Listing Rules. On the other hand, a grantee under the 2023 Share Award Scheme may or may not be required to pay a purchase price for the awarded Shares, and where a purchase price is required, such purchase price is not subject to the same restriction as exercise price of options under the Listing Rules. Hence, award holders under the 2023 Share Award Scheme may incur less costs and require less funds than option holders under the 2023 Share Option Scheme. As such, the adoption of the 2023 Share Option Scheme and the 2023 Share Award Scheme in parallel will provide the Company with different tools which are more flexible and effective in rewarding the eligible participants and driving their contributions to the Group.

### **Eligible participants and eligibility**

Eligible participants of the 2023 Share Option Scheme and the 2023 Share Award Scheme include employee participants, related entity participants and service providers.

Service providers means any person(s) who provides services to 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, including any of the following persons:

- (i) person(s) or entity(ies) (as independent contractor(s), consultant(s), advisor(s) or otherwise) that provide(s) support or any advisory, consultancy, professional or other services to any members of the Group, including but not limited to support or services in relation to design, research, development, marketing, innovation upgrading, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies;
- (ii) supplier(s) of goods or services to any members of the Group; and

- (iii) business partner(s), including joint venture partner(s), franchisee(s), contractor(s), agent(s) or other contractual party(ies), of any members of the Group, including but not limited to partners of brand businesses development, franchisees of retail stores, contractors for marketing campaigns, quality control procedures, manufacturing operations or systems establishment, and agents relating to sale channels or platforms;

provided that (a) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (b) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be service providers for the purpose of any share schemes of the Company (including the 2023 Share Option Scheme and the 2023 Share Award Scheme).

The basis of determining the eligibility of each eligible participant, including the criteria for determining a person's eligibility under each category of eligible participant, shall be at the sole discretion of the Board:

- (i) for employee participants – the Board shall take into consideration the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of employment with the Group and the individual contribution or potential contribution to the development and growth of the Group;
- (ii) for related entity participants – the Board shall take into consideration the degree of involvement in and/or cooperation with the Group, the length of collaborative relationship the related entity participant has established with the Group, the amount of support, assistance, guidance, advice, efforts and contributions the related entity participant has exerted or given towards the success of the Group, and the amount of potential support, assistance, guidance, advice, efforts and contributions that the related entity participant is likely to be able to give or make towards the success of the Group in the future; and
- (iii) for service providers – the Board shall take into consideration individual performance of the service provider, the track record and quality of services provided to the Group, scale of business dealings with the Group, actual or potential contribution to the Group's revenue or profit which is or may be attributable to the service provider, the remuneration packages of comparable listed peers for similar service providers based on available information in the industry. In addition, the Board shall also take into consideration: (a) in assessing whether a service provider provides services to the Group on a continuing or recurring basis, the length and type of services provided and the recurrences and regularity of such services; and (b) in assessing whether a service provider provides services to the Group in the ordinary and usual course of business, the materiality and nature of the services provided to the Group by the service provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group (such as whether they relate to the core business of the Group and whether such services could be readily replaced by third parties).

The Directors (including the independent non-executive Directors) are of the view that the eligibility of employee participants, related entity participants and service providers to participate in the 2023 Share Option Scheme and the 2023 Share Award Scheme is consistent with the purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme, which enable the Group to preserve its cash resources and use share incentives to encourage persons both inside and outside of the Group to contribute to the Group and align the mutual interests of each party, as the Company on one hand and the employee participants, related entity participants and service providers on the other hand, by holding on to equity incentives, will mutually benefit from the long-term growth of the Group.

Although the Company has not granted, and does not have any immediate plan to grant, any options nor awards to the related entity participants nor service providers as at the date of this announcement, related entity participants and service providers have been included in the definition of eligible participants in the Company's past and current share option schemes, as is in line with the industry norm.

The Directors (including the independent non-executive Directors) are of the view that apart from the contributions from employees, the success of the Group might also come from the efforts and contributions from non-employees (including related entity participants and service providers) who have contributed to the Group or may contribute to the Group in the future. Grant of options and awards to related entity participants and service providers would not only align the interest of the Group with such grantees, but also strengthen their loyalty to the Group and provide incentives for (i) a higher degree of their participation and involvement in promoting the business of the Group; and (ii) maintaining a stable and long term relationship with the Group. Through the grant of options and/or awards, the interest of such related entity participants and service providers will be aligned with that of the Group in promoting the growth and development of the Group's business.

In respect of the related entity participants, the Company and the related entity participants have always had a close working relationship. Despite that related entity participants may not be directly appointed and employed by the members of the Group, such related entity participants are nonetheless valuable to the Group given their close corporate and collaborative relationships. They may be involved in business engagements relating to or having connections with the Group's businesses. In particular, for those related entities in which the Group has significant interest, their growth and development would contribute to the financial performance of the Group, thereby allowing the Group to share and benefit from the positive results of these related entities.

In respect of the service providers, the Group has, in its ordinary and usual course of business, always relied on (i) persons or entities (as independent contractors, consultants, advisors or otherwise) that provide support or any advisory, consultancy, professional or other services to any members of the Group, including but not limited to support or services in relation to design, research, development, marketing, innovation upgrading, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies; (ii) supplier(s) of goods or services to any members of the Group; and (iii) business

partner(s), including joint venture partner(s), franchisee(s), contractor(s), agent(s) or other contractual party(ies), of any members of the Group, including but not limited to partners of brand businesses development, franchisees of retail stores, contractors for marketing campaigns, quality control procedures, manufacturing operations or systems establishment, and agents relating to sale channels or platforms. It is believed that the Group's success is attributable to the high quality of goods and services provided by such persons, entities and suppliers. Moreover, service providers may not always be able to serve as full-time or part-time employees of the Group due to a variety of reasons. For example, these persons may have stepped down from employment position with the Group, or they may be experienced in their own fields and professionals with lots of business connections but cannot serve the Group as employees, or they may prefer to remain self-employed.

Based on the above, the Directors (including the independent non-executive Directors) are of the view that the inclusion of the related entity participants and service providers in the 2023 Share Option Scheme and the 2023 Share Award Scheme is in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme, is fair and reasonable and in the interests of the Company and the Shareholders as a whole because this gives the Company the flexibility to grant options and awards (instead of cash reward or other settlement) to the related entity participants and service providers when necessary.

#### **Scheme Mandate Limit and Service Provider Sublimit**

The Scheme Mandate Limit is the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company, and shall not in aggregate exceed 10% of the total number of issued Shares as at the Adoption Date.

The Service Provider Sublimit, being a sublimit under the Scheme Mandate Limit, is the total number of Shares which may be issued in respect of all options and awards to be granted to the service providers under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company, and shall not in aggregate exceed 2% of the total number of issued Shares as at the Adoption Date.

Options or awards lapsed in accordance with the rules of the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit. Options or awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

The Company may seek approval by the Shareholders in general meeting for refreshing the Scheme Mandate Limit and the Service Provider Sublimit after 3 years from (i) the Adoption Date; or (ii) the date of the Shareholders' approval for the last refreshment (as the case may be).

Only insofar as and for so long as the Listing Rules require, any refreshment within any 3-year period shall be approved by the Shareholders, subject to the following provisions:

- (i) the controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) shall be abstaining from voting in favour of the relevant resolution at the general meeting; and
- (ii) the Company shall comply with the applicable requirements under the Listing Rules.

The total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of issued Shares as at the date of the Shareholders' approval for the refreshment. The Company shall send to the Shareholders a circular containing the details and information required under the Listing Rules, including the number of options and awards that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reasons for the refreshment.

The Service Provider Sublimit was determined after considering the service provider sublimit set by other listed companies, the potential dilution effect that may arise from grants to service providers, and the fact that the Company expects that options and awards will mostly be granted to employee participants but would like to retain the flexibility to grant options and awards to service providers for the reasons mentioned and hence limit such grants to a relatively small portion of the Scheme Mandate Limit, which is 2% of the issued Shares as at the Adoption Date.

The Directors (including the independent non-executive Directors) are of the view that the Service Provider Sublimit under is appropriate and reasonable considering the nature of the industry and the Group's business needs, and such a limit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purposes of the 2023 Share Option Scheme and the 2023 Share Award Scheme.

### **Administration**

The 2023 Share Option Scheme shall be subject to the administration of the Board in accordance with the rules of the 2023 Share Option Scheme. The decision of the Board with respect to any matter arising under the 2023 Share Option Scheme (including the interpretation of any provision) shall be final and binding on all parties. The Board may delegate any or all of its powers in relation to the 2023 Share Option Scheme to any of its committees.

The 2023 Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the rules of the 2023 Share Award Scheme and the relevant trust deed. The decision of the Board with respect to any matter arising under the 2023 Share Award Scheme (including the interpretation of any provision) shall be final and binding on all parties. The Board may delegate any or all of its powers in relation to the 2023 Share Award Scheme to any of its committees.

## **Operation**

Pursuant to the 2023 Share Option Scheme, the Board shall be entitled at any time within 10 years from the Adoption Date at its absolute discretion to select any eligible participant for participation in the 2023 Share Option Scheme as a selected participant and to offer the grant of an option to any selected participant to subscribe at the exercise price for such number of Shares as the Board may determine. Upon exercise of the option and payment of the exercise price by the relevant grantee, the Board shall allot and issue new Shares to the grantee.

Subject to the provisions of the Listing Rules and the 2023 Share Option Scheme, the Board may in its absolute discretion (i) when offering the grant of an option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2023 Share Option Scheme as the Board may think fit (to be stated in the grant letter) including (without prejudice to the generality of the foregoing) (a) the qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Group and/or the grantee, (b) the satisfactory performance or maintenance by the grantee of certain conditions or obligations or (c) the time or period before all or some of the options shall be vested; and (ii) at any time after the grant of an option, waive or amend such conditions, restrictions or limitations to the advantage of the grantee, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2023 Share Option Scheme.

Pursuant to the 2023 Share Award Scheme, the Board may from time to time cause sufficient funds to be paid to the Trustee for subscription of Shares at their nominal value. Once subscribed, the Shares are to be held by the Trustee for the benefit of the grantees and the eligible participants (as applicable). Upon vesting, the Trustee shall cause the awarded Shares to be transferred to grantee on the vesting date, or as soon as practicable after the vesting date. All Shares (including any returned Shares) shall be held by the Trustee for the benefit of the grantees or the eligible participants (as applicable) under the relevant trust on and subject to the terms and conditions of the 2023 Share Award Scheme and the related trust deed.

The Board may, from time to time, at its absolute discretion select any eligible participant for participation in the 2023 Share Award Scheme as a selected participant, and grant awarded Shares to any selected participant (i) at such amount payable and time (if any) on acceptance of the award; (ii) at such purchase price (if any) of the awarded Shares; (iii) in such number of awarded Shares; and (iv) on and subject to such terms and conditions, as it may in its absolute discretion determine.



Subject to the provisions of the Listing Rules and the 2023 Share Award Scheme, the Board may in its absolute discretion (i) when offering the grant of an award impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2023 Share Award Scheme as the Board may think fit (to be stated in the grant notice) including (without prejudice to the generality of the foregoing) (a) the qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Group and/or the grantee, (b) the satisfactory performance or maintenance by the grantee of certain conditions or obligations or (c) the time or period before all or some of the awarded Shares shall be vested; and (ii) at any time after the grant of an award, waive or amend such conditions, restrictions or limitations to the advantage of the grantee, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2023 Share Award Scheme.

### **Exercise price of options**

Subject to the provisions of the Listing Rules, the exercise price in respect of any particular option under the 2023 Share Option Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option (and shall be stated in the grant letter) but in any event the exercise price shall not be less than whichever is the highest of:

- (i) the nominal value (if any) of a Share;
- (ii) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the grant date, which must be a business day; and
- (iii) the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the grant date.

The Directors are of the view that the exercise price of options is appropriate given that it is in line with the requirement of the Listing Rules while providing the Company with sufficient flexibility to determine the exercise price of options that can provide sufficient incentive to the selected participants to achieve the purpose of the 2023 Share Option Scheme.

### **Purchase price of awarded Shares**

Subject to the provisions of the Listing Rules, the purchase price (if any) in respect of any particular awarded Shares under the 2023 Share Award Scheme shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant award (and shall be stated in the grant notice) and taking into consideration factors such as the prevailing closing price of the Shares, the purpose of the 2023 Share Award Scheme, the characteristics and profile of the relevant selected participant(s).

The Directors are of the view that such room for discretion on purchase price provides the Board with flexibility to stipulate, if necessary, a purchase price for award Shares, while balancing the purpose of the 2023 Share Award Scheme and the interests of Shareholders.

## **Vesting period**

The vesting of any options under the 2023 Share Option Scheme or any awards under the 2023 Share Award Scheme shall be subject to a vesting period to be determined by the Board in its absolute discretion, which shall be specified in the grant letter or grant notice (as the case may be). Only insofar as and for so long as the Listing Rules require, the vesting period for an option under the 2023 Share Option Scheme or an award under the 2023 Share Award Scheme shall not be less than 12 months, unless the Board determines in its sole discretion that the options or awards granted to employee participants may be less than 12 months under the following specific circumstances:

- (i) grants of “make-whole” options or awards to an employee participant who is a new director or employee of the Group to replace the share options or awards such person forfeited when leaving his previous employer(s);
- (ii) grants of options or awards to an employee participant whose employment is terminated due to death or disability or event of force majeure;
- (iii) grants of options or awards which are subject to the fulfilment of performance targets as conditions of the options or awards;
- (iv) grants of options or awards made in batches during a year for administrative and compliance reasons;
- (v) grants of options or awards with a mixed or accelerated vesting schedule such as where the options or awards may vest evenly over a period of 12 months; and
- (vi) grants of options or awards with a total vesting and holding period of more than 12 months.

The Directors (and the Remuneration Committee in respect of grants of options or awards to the Directors and/or senior management) are of the view that the vesting period for options or awards granted to employee participants may be less than 12 months under specific circumstances as set out above is appropriate because such arrangement is in line with the requirements under the Listing Rules and market practice, and gives the Company flexibility to provide a competitive remuneration package to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, which is in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme.

## **Maximum entitlement of each eligible participant**

Subject to the rules of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be), where any grant of options or awards to a selected participant under the 2023 Share Option Scheme or the 2023 Share Award Scheme would result in the Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options

and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued Shares, such grant of options or awards shall be separately approved by the Shareholders in general meeting with such selected participant and his close associates (or associates if such selected participant is a connected person) abstaining from voting.

### **Grants of options or awards to Directors, senior management and substantial shareholders**

Where any grant of options or awards is proposed to be made to any selected participant who is a Director (including an independent non-executive Director) or senior management of the Company, such grant must first be approved by all members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee.

Subject to the Scheme Mandate Limit:

- (i) any grant of options or awards to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options or awards);
- (ii) where any grant of awards (excluding grant of options) to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all awards granted under the 2023 Share Award Scheme and any other schemes of the Company (excluding any awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares, such grant of awards shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iv) below;
- (iii) where any grant of options or awards to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares, such grant of options or awards shall be approved by Shareholders in general meeting in the manner as set out in sub-paragraph (iv) below;

- (iv) in the circumstances described in sub-paragraphs (ii) and (iii) above, the Company shall send a circular to the Shareholders containing such details and information as required under the Listing Rules. The grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the relevant requirements under the Listing Rules;
- (v) any change in the terms of options or awards granted to a selected participant who is a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by Shareholders in the manner as set out in sub-paragraph (iv) above if the initial grant of the options or awards requires such approval under the Listing Rules (except where the changes take effect automatically under the existing terms of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be));
- (vi) the requirements for the grant to a Director or chief executive of the Company as set out in this paragraph do not apply where the selected participant is only a proposed director or a proposed chief executive of the Company; and
- (vii) in general, the Company should not grant options or awards with performance-related elements to independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

### **Performance targets**

In respect of a related entity participant or a service provider, unless otherwise determined by the Board and specified in the grant letter or grant notice, there is no performance target which needs to be achieved by the Group and/or grantee before the options or awarded Shares can be vested. In respect of an employee participant, unless otherwise determined by the Board and specified in the grant letter or grant notice, the Group and/or grantee shall achieve the performance targets set out in the grant letter or notice before the options or awarded Shares can be vested. The performance targets of options or awarded Shares granted to the Directors and senior management of the Company, and any grants of options or awarded Shares to the Directors and senior management of the Company without performance targets, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

While the performance targets will be imposed on a case-by-case basis to ensure the options or awards vested would be beneficial to the Group, general factors to be taken into account include but not limited to (i) annual results and performance of the Group; (ii) key performance indicators of respective department(s) and/or business unit(s) that the grantee belongs; and (iii) individual position, annual appraisal result and other factors relevant to the grantee. However, for the avoidance of doubt, the rules of each of the 2023 Share Option Scheme and the 2023 Share Award Scheme does not specify any performance targets.

The Directors (and the Remuneration Committee in respect of grants of options or awards to the Directors and/or senior management) are of the view that it is not practicable to expressly set out a generic set of performance targets in the rules of the 2023 Share Option Scheme and the 2023 Share Award Scheme, as each selected participant will play different roles and contribute in different ways to the Group. The Board or the Remuneration Committee shall have regard to the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme in making such determinations, and ensure that appropriate specific performance targets will be set under particular circumstances of the relevant selected participant(s).

### **Clawback**

Where there has been an occurrence of misconduct such as (i) any material misstatements or omissions in the Group's financial statements by a grantee; (ii) any violation by a grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such grantee of the Group's trade secrets, intellectual property or proprietary information; (iii) any termination of employment contracts by a grantee without notice or payment in lieu of notice; (iv) conviction of any criminal offence by a grantee involving integrity or honesty; or (v) any conduct of a grantee that has material adverse effect to the reputation or interests of the Group, the options or awarded Shares may be subject to clawback as determined by the Board from time to time. The clawback of options, option Shares or awarded Shares granted to the Directors and senior management of the Company, and any grants of options or award Shares to the Directors and senior management of the Company without clawback, shall be further subject to the approval of the Remuneration Committee and any other requirements under the Listing Rules.

The Directors (and the Remuneration Committee in respect of grants of options or awards to the Directors and/or senior management) are of the view that the clawback mechanism in each of the 2023 Share Option Scheme and the 2023 Share Award Scheme provides a choice for the Company to clawback the equity incentives granted to selected participants culpable of misconduct and is in line with the purpose of the 2023 Share Option Scheme and the 2023 Share Award Scheme and the interests of Shareholders.

### **Voting of unvested Shares**

Pursuant to the 2023 Share Award Scheme, the Trustee shall not exercise the voting rights in respect of any Shares held. In particular, the Trustee holding unvested Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

### **Scheme life**

Subject to any early termination provisions pursuant to the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be), the 2023 Share Option Scheme and the 2023 Share Award Scheme shall be valid and effective commencing on the Adoption Date and for a period of 10 years.

Upon the expiry of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be) as aforesaid, no further options or awards shall be granted but the provisions of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be) shall remain in force and effect in all other respects. All options or awards granted prior to such expiry and not then exercised or vested shall continue to be valid and shall be vested subject to and in accordance with the rules of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be). All the awarded Shares of the grantees granted under the 2023 Share Award Scheme shall continue to be held by the Trustee and become vested in the grantees according to the conditions of the award.

### **Alteration to the 2023 Share Option Scheme and the 2023 Share Award Scheme**

The 2023 Share Option Scheme and the 2023 Share Award Scheme may be altered in any respect by a resolution of the Board, provided that the following shall not be carried out except with the prior approval of the Shareholders in general meeting by ordinary resolution:

- (i) any alterations to the terms and conditions of the 2023 Share Option Scheme and the 2023 Share Award Scheme which are material in nature or any alterations to the provisions of the 2023 Share Option Scheme and the 2023 Share Award Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the eligible participants;
- (ii) any change to the authority of the Board to alter the terms of the 2023 Share Option Scheme and the 2023 Share Award Scheme; and
- (iii) any alteration to the aforesaid alteration provisions,

provided always that the amended terms of the 2023 Share Option Scheme and the 2023 Share Award Scheme or the options or awards shall comply with the applicable requirements of Chapter 17 of the Listing Rules.

Any change to the terms of options or awards granted to a grantee shall be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the options or awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the 2023 Share Option Scheme or the 2023 Share Award Scheme (as the case may be).

### **Termination**

The 2023 Share Option Scheme and the 2023 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 Shareholders in general meeting provided that such termination shall not materially and adversely affect any subsisting rights of any grantees.

## Dealing restrictions

No option shall be granted by the Board under the 2023 Share Option Scheme, and no award shall be made by the Board, no instructions to subscribe for any Shares shall be given to the Trustee and no payment shall be made to the Trustee under the 2023 Share Award Scheme, where dealings in the Shares are prohibited under any code or requirement of the Listing Rules (including but not limited to Model Code for Securities Transactions by Directors of Listed Issuers under Appendix 10 to the Listing Rules), the SFO, all applicable laws and any internal code of conduct in securities dealing adopted by the Company from time to time. Without limiting the generality of the foregoing, no such option or award shall be granted, no such instruction shall be given and no such payment shall be made:

- (i) after an event involving inside information in relation to the 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 (and including) the trading day after such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules or such inside information has otherwise ceased to exist;
- (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;
- (iv) during the period commencing from 1 month immediately before the earlier of:
  - (a) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules);and ending on the date of the results announcement;
- (v) during any period of delay in publishing a results announcement of the Company; and
- (vi) in any circumstance where such option, award, instruction or payment is prohibited under the Listing Rules, the SFO or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

## **CIRCULAR**

A circular of the Company containing, among others, details of the principal terms of the 2023 Share Option Scheme and the 2023 Share Award Scheme, together with a notice convening the Annual General Meeting will be despatched to the Shareholders in accordance with the requirements of the Listing Rules in due course.

## **DEFINITIONS**

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

“2017 Share Option Scheme”	means the share option scheme adopted by the Company on 6 April 2017;
“2018 Share Award Scheme”	means the share award scheme adopted by the Company on 19 October 2018;
“2023 Share Award Scheme”	means the share award scheme proposed to be adopted by the Company at the Annual General Meeting;
“2023 Share Option Scheme”	means the share option scheme proposed to be adopted by the Company at the Annual General Meeting;
“Adoption Date”	means the date (which is expected to be the date of the Annual General Meeting) on which the 2023 Share Option Scheme or the 2023 Share Award Scheme will be adopted by the Shareholders;
“Amendment Date”	means the effective date (which is expected to be the date of the Annual General Meeting) on which the rules of the 2018 Share Award Scheme are amended and restated by the Board;
“Annual General Meeting”	means annual general meeting of the Company to be held on 10 May 2023 or any adjournment thereof;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“associated company(ies)”	means, in relation to member(s) of the Group, its subsidiary(ies), holding company(ies), subsidiary(ies) of such holding company(ies), or associate(s) or joint venture(s) as classified under applicable financial reporting standards of the Company;



“award(s)”	means award(s) of the awarded Shares by the Board pursuant to any share award schemes of the Company (including the 2018 Share Award Scheme and the 2023 Share Award Scheme) to a selected participant;
“awarded Share(s)”	means, in respect of a selected participant, such number of Shares as awarded by the Board under any share award schemes of the Company (including the 2018 Share Award Scheme and the 2023 Share Award Scheme);
“Board”	means the board of directors of the Company and, if the context so permits, it shall include such committee or sub-committee or person(s) as from time to time delegated with the power and authority by the board of directors of the Company to administer the 2023 Share Option Scheme, the 2018 Share Award Scheme or the 2023 Share Award Scheme (as the case may be);
“business day(s)”	means any day(s) (other than Saturday, Sunday or public holiday) on which the Stock Exchange is open for the business of dealing in securities;
“chief executive”	has the meaning ascribed to it under the Listing Rules;
“clawback”	means, in respect of any options or awarded Shares granted to a selected participant, the repayment of money in relation to all or a specified part of such options, option Shares allotted and issued upon exercises of such options and/or awarded Shares (as the case may be) by such selected participant and/or the ceasing or variation of the selected participant’s entitlement to receive or be vested with all or a specified part of any such options or awarded Shares which have not yet been vested in the selected participant;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Company”	means ANTA Sports Products Limited (安踏體育用品有限公司), a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange with stock code 2020;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;

“Director(s)”	means director(s) of the Company;
“eligible participant(s)”	(i) in respect of the 2018 Share Award Scheme, any employee participant(s); and (ii) in respect of the 2023 Share Option Scheme and the 2023 Share Award Scheme, any employee participant(s), related entity participant(s) or service provider(s); provided that the Board shall have absolute discretion to determine whether or not one falls within the above categories;
“employee(s)”	means, in relation to a company, its full-time or part-time employee(s), or person(s) for the time being seconded to work full-time or part-time for such company;
“employee participant(s)”	means director(s) or employee(s) of the Company or any other member(s) of the Group (including a person who is granted options or awards under the any schemes of the Company (including the 2023 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Award Scheme) as an inducement to enter into employment contracts with the Company or the relevant member(s) of the Group);
“exercise price”	means the price per Share at which a grantee may subscribe for a Share upon the exercise of an option pursuant to any share option schemes of the Company (including the 2023 Share Option Scheme);
“grant date”	means the date of the Board resolution approving the grant of options or awards, which must be a business day;
“grant letter” or “grant notice”	means an offer letter or notice specifying the details of the grant of options or awards by the Board;
“grantee(s)”	means any selected participant(s) who accepts the offer of the grant of option(s) or award(s) in accordance with the rules of any share schemes of the Company (including the 2023 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Award Scheme) or (in the case of selected participant(s) being individual(s) and where the context so permits) the legal personal representative(s) entitled to any such options or award(s) in consequence of the death of the relevant selected participant(s);
“Group”	means the Company and its subsidiaries from time to time, and “member of the Group” means any or a specific one of them;

“holding company”	means has the meaning ascribed to it under the Listing Rules;
“Hong Kong” or “Hong Kong SAR”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“inside information”	has the meaning ascribed to it under the Listing Rules;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time;
“option(s)”	means option(s) to subscribe for Share(s) granted pursuant to any share option schemes of the Company (including the 2023 Share Option Scheme) and for the time being subsisting;
“option Share(s)”	means Share(s) to which any particular option relates;
“purchase price”	means the price (if any) per Share at which a grantee may pay for an awarded Share pursuant to any share award schemes of the Company (including the 2018 Share Award Scheme and the 2023 Share Award Scheme);
“related entity(ies)”	means any holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company;
“related entity participant(s)”	means any director(s) or employee(s) of related entity(ies);
“Remuneration Committee”	means the remuneration committee of the Company;
“Scheme Mandate Limit”	means the total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company;
“selected participant(s)”	means any eligible participant(s) selected by the Board for participation in any share schemes of the Company (including the 2023 Share Option Scheme, the 2018 Share Award Scheme and the 2023 Share Award Scheme);

“service provider(s)” means any person(s) who provides services to 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, including any of the following persons:

- (i) person(s) or entity(ies) (as independent contractor(s), consultant(s), advisor(s) or otherwise) that provide(s) support or any advisory, consultancy, professional or other services to any members of the Group, including but not limited to support or services in relation to design, research, development, marketing, innovation upgrading, strategic or commercial planning on corporate image, investor relations, product quality control, regulations and policies;
- (ii) supplier(s) of goods or services to any members of the Group; and
- (iii) business partner(s), including joint venture partner(s), franchisee(s), contractor(s), agent(s) or other contractual party(ies), of any members of the Group, including but not limited to partners of brand businesses development, franchisees of retail stores, contractors for marketing campaigns, quality control procedures, manufacturing operations or systems establishment, and agents relating to sale channels or platforms;

provided that (a) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (b) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity shall not be service providers for the purpose of any share schemes of the Company (including the 2023 Share Option Scheme and the 2023 Share Award Scheme);

“Service Provider Sublimit” means, being a sublimit under the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all options and awards to be granted to service providers under the 2023 Share Option Scheme, the 2023 Share Award Scheme and any other schemes of the Company;

“SFO” means Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

“Share(s)”	means ordinary share(s) of HKD0.10 each in the capital of the Company;
“Shareholder(s)”	means holder(s) of the Share(s);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules;
“Trustee”	means Computershare Hong Kong Trustees Limited, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the trust deed (if any) for the purpose of the 2018 Share Award Scheme or the 2023 Share Award Scheme (as the case may be);
“vesting date”	means, in respect of a grantee, the date on which his entitlement to the options or awarded (as the case may be) Shares are vested in such grantee;
“vesting period”	means, in respect of an option or an award, the minimum period for which an option or an award must be held before it can be vested as the Board may in its absolute discretion determine;
“HKD”	means Hong Kong dollars, the lawful currency of Hong Kong SAR; and
“%”	means per cent.

By Order of the Board  
**ANTA Sports Products Limited**  
**Ding Shizhong**  
*Chairman*

Hong Kong SAR, 21 March 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Ding Shizhong, Mr. Ding Shijia, Mr. Lai Shixian, Mr. Wu Yonghua, Mr. Zheng Jie and Mr. Bi Mingwei; and the independent non-executive directors of the Company are Mr. Yiu Kin Wah Stephen, Mr. Lai Hin Wing Henry Stephen, Ms. Wang Jiaqian and Ms. Xia Lian.*