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**Tam Jai International Co. Limited**  
**譚仔國際有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 2217)**

**CONNECTED TRANSACTION**  
**GRANT OF AWARDED SHARES**  
**AND**  
**ISSUE OF NEW SHARES UNDER SPECIFIC MANDATE**  
**PURSUANT TO SHARE AWARD SCHEME**

**GRANT OF AWARDED SHARES PURSUANT TO THE SHARE AWARD SCHEME**

In order to (i) recognise the Grantees' contribution to the business performance and development of the Group; and (ii) serve as a part of the Group's talent retention program and a general incentive to motivate the Grantees to strive for greater contributions to the Group in the future, on 12 October 2023, the Board resolved to grant 5,657,000 Awarded Shares under the Share Award Scheme at nil consideration to 85 Grantees who are Senior Executives and Mid-level Employees. Amongst the 5,657,000 Awarded Shares, a total of 2,513,000 Awarded Shares will be granted to 11 Connected Grantees, and a total of 3,144,000 Awarded Shares will be granted to 74 Non-connected Grantees. The Proposed Grant is subject to the acceptance by the Grantees and approval by the Independent Shareholders at the EGM. The Awarded Shares will be satisfied by the issue of 5,340,200 new Shares under the Specific Mandate and the reallocation of the Lapsed Shares for the Proposed Grant.

**ISSUANCE OF NEW SHARES UNDER SPECIFIC MANDATE**

The Awarded Shares proposed to be granted to the Grantees will be partially satisfied by 5,340,200 new Shares to be allotted and issued at nominal value to Blessing Keen, a wholly-owned subsidiary of the Trustee, pursuant to the Specific Mandate.

## **LISTING RULES IMPLICATIONS**

The Share Award Scheme was adopted before the effective date (being 1 January 2023) of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 in accordance with the transitional arrangement provided for the existing share schemes.

Among the Grantees, three are each an executive Director and a director of certain subsidiary(ies) of the Company, one is a former Director, and seven are directors of certain subsidiaries of the Company (i.e. the Connected Grantees). Therefore, each of them is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. As the Awarded Shares to be granted to the Connected Grantees will be partially satisfied by the issuance of new Shares, the proposed grant of Awarded Shares to each of the Connected Grantees constitutes connected transactions of the Company and is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For the purpose of the Proposed Grant, the Trustee (in its capacity as trustee of the Employee Trust) is an associate of connected persons of the Company under Rule 14A.12(1)(b) of the Listing Rules. As such, the allotment and issuance of new Shares to Blessing Keen, a wholly-owned subsidiary of the Trustee, will constitute a connected transaction of the Company under Rule 14A.24(6) of the Listing Rules and subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company proposes to seek the Specific Mandate from the Independent Shareholders at the EGM for the allotment and issue of 5,340,200 Awarded Shares to the Trustee under Rule 13.36(1) of the Listing Rules.

## **GRANT OF AWARDED SHARES PURSUANT TO THE SHARE AWARD SCHEME**

In order to (i) recognise the Grantees' contribution to the business performance and development of the Group; and (ii) serve as a part of the Group's talent retention program and a general incentive to motivate the Grantees to strive for greater contributions to the Group in the future, on 12 October 2023, the Board resolved to grant 5,657,000 Awarded Shares under the Share Award Scheme at nil consideration to 85 Grantees who are Senior Executives and Mid-level Employees. Amongst the 5,657,000 Awarded Shares, a total of 2,513,000 Awarded Shares will be granted to 11 Connected Grantees, and a total of 3,144,000 Awarded Shares will be granted to 74 Non-connected Grantees. The Proposed Grant is subject to the acceptance by the Grantees and approval by the Independent Shareholders at the EGM. The Awarded Shares will be satisfied by the issue of 5,340,200 new Shares under the Specific Mandate and the reallocation of the Lapsed Shares for the Proposed Grant.

Details of the Proposed Grant are as follows:

**Date of grant**

12 October 2023 (the “**Date of Grant**”)

**Number of Awarded Shares**

The 5,657,000 Awarded Shares represent a market value of approximately HK\$7,184,390 based on the closing price of HK\$1.270 per Share on the Date of Grant as stated in the daily quotation sheet issued by the Stock Exchange. The average closing price of the Shares for the five consecutive trading days immediately preceding the Date of Grant as quoted on the Stock Exchange is approximately HK\$1.314 per Share.

**Vesting schedule and performance targets**

All of the Awarded Shares shall be vested according to the following schedule:

- (a) 30% of the Awarded Shares shall be vested on the first anniversary of the Date of Grant;
- (b) 30% of the Awarded Shares shall be vested on the second anniversary of the Date of Grant; and
- (c) the remaining 40% of the Awarded Shares shall be vested on the third anniversary of the Date of Grant.

In addition, in respect of Grantees who are Senior Executives, vesting of part of their Awarded Shares shall be subject to the performance targets as set out below. Specifically, (i) for Class A Employees, including amongst others as at the date of this announcement, Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong, all being executive Directors of the Company, vesting of two-thirds of their Awarded Shares; and (ii) for Class B Employees, vesting of half of their Awarded shares, will be subject to the performance targets as set out below. In respect of Grantees who are Mid-level Employees (i.e. other than the Senior Executives), none of their Awarded Shares will be subject to performance targets.

The Company has established an appraisal mechanism for the purpose of calculating and assessing the fulfilment of performance targets by each of the relevant Grantees who are Senior Executives in relation to vesting of the relevant Awarded Shares granted to them. The appraisal mechanism is a scoring system which comprises a mixture of key performance indicator components including targeted sales, profits after tax and increment in the number of stores as may be determined by the Board at its sole and absolute discretion from time to time for each relevant year and pursuant to which, such Grantees will receive 70%, 85% or 100% of the relevant Awarded Shares according to the vesting schedule subject to achievement of the weighted scores in each of the key performance indicator components stated above.

## Clawback mechanism

Unvested Awarded Shares shall lapse and all the unvested Awarded Shares and the related income shall not be vested in the relevant Grantee upon the occurrence of any of the following events:

- (i) a Grantee ceases to be an employee, whether by voluntary resignation or dismissal or otherwise or a notice of termination of employment of such Grantee has been served (but other than in the event of death, normal retirement or early retirement by agreement of the employee);
- (ii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company; or
- (iii) the subsidiary of the Company by which a Grantee is employed or engaged ceases to be a subsidiary of the Company.

## Number of Grantees

85, among which, 11 are the Connected Grantees and 74 are the Non-connected Grantees

## Details of the Grantees

Category and name of Grantees	Relationship with the Group	Number of Awarded Shares
1. Connected Grantees		
Mr. Lau Tat Man	Executive Director and director of the Company's subsidiary	591,000
Ms. Chan Ping, Rita	Executive Director and director of the Company's subsidiary	342,000
Mr. Yeung Siu Cheong	Executive Director and director of the Company's subsidiary	245,000
Mr. Lee Yuk Hang	Former Director and employee of the Company's subsidiary	64,000
Mr. Wu Kwan Chung	Director of the Company's subsidiary	309,000
Mr. Lau Chi Kwan	Director of the Company's subsidiary	248,000
Mr. Chow Wing Hung	Director of the Company's subsidiary	138,000
Mr. Charoa-Ungsuthorn Charoa	Director of the Company's subsidiary	134,000
Ms. Lau Wai Yee	Director of the Company's subsidiary	112,000
Ms. Wong See Mei	Director of the Company's subsidiary	222,000
Mr. Parmod Kumar Verma	Director of the Company's subsidiary	108,000
<i>Sub-total</i>		2,513,000
2. Non-connected Grantees		
Other employees of the Group		<u>3,144,000</u>
<b>Total</b>		<b><u>5,657,000</u></b>

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, other than the Connected Grantees, each of the Grantees is a third party independent of the Company and its connected persons.

The 2,513,000 Awarded Shares proposed to be granted to the Connected Grantees and 3,144,000 Awarded Shares proposed to be granted to the Non-connected Grantees represent approximately 0.19% and 0.23%, respectively, of the total issued Shares as at the date of this announcement, and approximately 0.19% and 0.23%, respectively, of the total issued Shares as enlarged by the allotment and issuance of new Shares in connection with the Proposed Grant (assuming no further Shares will be issued or repurchased).

### **Conditions precedent**

The Proposed Grant is subject to the following conditions:

- (i) the approval of the Proposed Grant and the Specific Mandate by the Independent Shareholders at the EGM; and
- (ii) the approval from the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Shares to be issued under the Specific Mandate.

### **ISSUANCE OF NEW SHARES UNDER SPECIFIC MANDATE**

The Awarded Shares proposed to be granted to the Grantees will be partially satisfied by 5,340,200 new Shares to be allotted and issued at nominal value to Blessing Keen, a wholly-owned subsidiary of the Trustee, pursuant to the Specific Mandate.

Pursuant to the rules of the Share Award Scheme, the maximum number of Shares which may be granted to the eligible participants under the Share Award Scheme is such number of Shares representing no more than 10% of the issued share capital of the Company immediately upon completion of the Global Offering (as defined in the Prospectus), i.e. 134,003,200 Shares. The maximum number of Shares which may be allotted and issued by the Company for the purpose of the grant of Shares under the Share Award Scheme in any financial year is such number of Shares representing no more than 3% of the issued share capital of the Company immediately upon completion of the Global Offering (as defined in the Prospectus), i.e. 40,200,960 Shares.

Prior to the Proposed Grant, a total of 5,024,000 awarded Shares have been granted to certain selected employees of the Group, among which 316,800 awarded Shares have lapsed as at the date of this announcement (i.e. the Lapsed Shares). Pursuant to the Proposed Grant, a total of 5,657,000 Awarded Shares will be granted to the Grantees. Accordingly, after the Proposed Grant and taking into account the Lapsed Shares, the number of Shares available for future grant will be 123,639,000, among which a maximum of 34,543,960 Shares will be available for grant during the year ending 31 March 2024.

The Company proposes to seek the Specific Mandate from the Independent Shareholders at the EGM for the allotment and issue of 5,340,200 new Shares to the Trustee under Rule 13.36(1) of the Listing Rules for partially satisfying the Proposed Grant. The 5,340,200 new Shares proposed to be allotted and issued under the Specific Mandate represent approximately 0.40% of the issued share capital of the Company as at the date of this announcement, and approximately 0.40% of the issued share capital of the Company as enlarged by such allotment and issuance (assuming no further Shares will be issued or repurchased).

No new funds will be raised as a result of the aforesaid allotment and issuance. The Company has not engaged in any fund-raising activities by any issue of Shares in the 12 months immediately preceding the date of this announcement. The new Shares, when issued and fully paid, will rank *pari passu* among themselves and with the other Shares in issue.

Blessing Keen will hold the Awarded Shares on trust for the Grantees and such Awarded Shares shall be transferred to the Grantees upon satisfaction of their respective vesting conditions, and Blessing Keen shall not exercise the voting rights in respect of such Shares held by it under trust.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the 5,340,200 new Shares to be allotted and issued.

## **REASONS FOR AND BENEFIT OF THE PROPOSED GRANT AND THE SPECIFIC MANDATE**

The purpose of the Share Award Scheme is to provide eligible participants with an opportunity to have a personal stake in the Company with a view to achieving the following objectives: (i) motivate the eligible participants to optimise their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain relationships with the eligible participants whose contributions are or will be beneficial to the long term growth of the Group.

The purpose of the Proposed Grant is to (i) recognise the Grantees' contribution to the business performance and development of the Group; and (ii) serve as a part of the Group's talent retention program and a general incentive to motivate the Grantees to strive for greater contributions to the Group in the future. In particular, in determining the Proposed Grant to the Directors and the terms thereof, the Board has considered the Directors' respective contribution to the Group. Also, the new Shares to be allotted and issued by the Company under the Specific Mandate for partially satisfying the Proposed Grant will not result in any actual cash outflow from the Group. As such, the Board and the Remuneration Committee hold the view that the Proposed Grant and its terms are consistent and align with the purpose of the Share Award Scheme.



Based on the above, the Directors (excluding the independent non-executive Directors, whose view will be provided after taking into consideration of the advice from the Independent Financial Adviser) are of the view that terms and conditions for the Proposed Grant and the allotment and issuance of new Awarded Shares pursuant to the Specific Mandate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The Share Award Scheme was adopted before the effective date (being 1 January 2023) of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 in accordance with the transitional arrangement provided for the existing share schemes.

Among the Grantees, three are each an executive Director and a director of certain subsidiary(ies) of the Company, one is a former Director, and seven are directors of certain subsidiaries of the Company (i.e. the Connected Grantees). Therefore, each of them is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. As the Awarded Shares to be granted to the Connected Grantees will be partially satisfied by the issuance of new Shares, the Proposed Grant of Awarded Shares to each of the Connected Grantees constitutes connected transactions of the Company and is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

For the purpose of the Proposed Grant, the Trustee (in its capacity as trustee of the Employee Trust) is an associate of connected persons of the Company under Rule 14A.12(1)(b) of the Listing Rules. As such, the allotment and issuance of new Shares to Blessing Keen, a wholly-owned subsidiary of the Trustee, will constitute a connected transaction of the Company under Rule 14A.24(6) of the Listing Rules and subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company proposes to seek the Specific Mandate from the Independent Shareholders at the EGM for the allotment and issue of 5,340,200 Awarded Shares to the Trustee under Rule 13.36(1) of the Listing Rules.

## **BOARD APPROVAL**

The grant of the Awarded Shares to each of the relevant Grantees who is a Director has been approved by the Board (including but not limited to the independent non-executive Directors), save that each of Mr. Lau Tat Man, Ms. Chan Ping, Rita, and Mr. Yeung Siu Cheong, all being executive Directors, had abstained from voting on the relevant resolutions in respect of the grant of the Awarded Shares to himself/herself and the Specific Mandate.

## **GENERAL INFORMATION**

The Company will convene and hold the EGM for the purpose of, among other things, considering and if thought fit, approving the Proposed Grant and the Specific Mandate.

Voting at the EGM will be conducted by way of poll. The Grantees, the Trustee and their respective associates shall abstain from voting on the proposed resolutions approving the Proposed Grant and the Specific Mandate at the EGM.

The Independent Board Committee (comprising all the independent non-executive Directors) has been established to advise the Independent Shareholders on the Proposed Grant and the Specific Mandate. Innovax Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether or not the terms of the Proposed Grant and the Specific Mandate are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

A circular containing, among other things, (i) further information on the Proposed Grant and the Specific Mandate; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders on or before 15 November 2023, as additional time is required to finalise the contents of the circular.

## **INFORMATION ON THE COMPANY**

The Group is a restaurant chain operator of the TamJai and SamGor branded fast casual restaurant chain in Hong Kong with operations also in Mainland China, Singapore and Japan, specialising in mixian (a type of rice noodle).

## **DEFINITIONS**

Unless otherwise specified, the following terms have the following meanings in this announcement:

“associate”	has the meaning ascribed to it under the Listing Rules
“Awarded Shares”	the 5,657,000 Shares to be granted to the Grantees pursuant to the Share Award Scheme, including the reallocation of 316,800 Lapsed Shares for the Proposed Grant and 5,340,200 new Shares to be allotted and issued to Blessing Keen by the Company pursuant to the Specific Mandate
“Blessing Keen”	Blessing Keen Investing Limited, a company incorporated in the British Virgin Islands with limited liability on 23 March 2021 and a direct wholly-owned subsidiary of the Trustee



“Board”	the board of Directors
“Class A Employees”	such employees of the Company and/or its subsidiary(ies) who are C-suites executives of the Company, or its executive Directors
“Class B Employees”	such employees of the Company and/or its subsidiary(ies) who form part of its senior management team but are not Class A Employees
“Company”	Tam Jai International Co. Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 2217)
“Connected Grantees”	Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong who are each an executive Director and a director of certain subsidiary(ies) of the Company, one individual who is a former Director and seven other individuals who are directors of certain subsidiaries of the Company, all of whom are Grantees under the Proposed Grant and are connected persons of the Company
“connected person(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company (or any adjournment thereof) to be convened and held for the purpose of considering and, if thought fit, approving, the Proposed Grant and the Specific Mandate
“Employee Trust”	Tamjai International Employee Trust, being an employee trust established by the Company as the settlor with the Trustee as the trustee for the purpose of recognizing and rewarding the contribution and performance of certain employees of the Group
“Grantees”	the grantees of the Awarded Shares under the Share Award Scheme pursuant to the Proposed Grant, which include both the Connected Grantees and the Non-connected Grantees
“Group”	the Company and its subsidiaries

“Independent Board Committee”	the independent board committee comprising all the independent non-executive Directors namely, Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung, to advise the Independent Shareholders in respect of the Proposed Grant and the Specific Mandate
“Independent Financial Adviser”	Innovax Capital Limited, a licensed corporation under the SFO permitted to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities (as defined under the SFO), being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Grant and the Specific Mandate
“Independent Shareholder(s)”	the Shareholders who are not required to abstain from voting at the EGM for the relevant resolution with respect to the Proposed Grant and the Specific Mandate
“Lapsed Shares”	316,800 unvested awarded shares which have lapsed in accordance with the terms of the Share Award Scheme
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mid-level Employees”	other employees of the Company and/or its subsidiary(ies) who form part of its mid-level management team and have been specifically considered by the Company to be eligible to receive the Awarded Shares, and are neither Class A Employees nor Class B Employees
“Non-connected Grantees”	Grantees other than the Connected Grantees, and are not connected persons of the Company
“Proposed Grant”	the proposed grant of 5,657,000 Awarded Shares under the Share Award Scheme to the Grantees subject to the Independent Shareholders’ approval at the EGM
“Prospectus”	the prospectus of the Company dated 23 September 2021
“Remuneration Committee”	the remuneration committee of the Company
“SamGor”	TamJai SamGor Mixian (譚仔三哥米線)
“Senior Executives”	collectively, the Class A Employees and the Class B Employees

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Share Award Scheme”	the share award scheme adopted by the Company on 25 March 2021 (as amended on 9 August 2021)
“Shareholder(s)”	shareholder(s) of the Company
“Specific Mandate”	the specific mandate to be sought at the EGM to allot and issue 5,340,200 new Shares to Blessing Keen as contemplated under the Proposed Grant
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“TamJai”	TamJai Yunnan Mixian (譚仔雲南米線)
“Trustee”	Trident Trust Company (HK) Limited, a company incorporated in Hong Kong with limited liability, being the trustee of the Employee Trust for the purposes of implementing and administering, among others, the Share Award Scheme

By order of the Board  
**Tam Jai International Co. Limited**  
**Lau Tat Man**

*Chairman of the Board and Chief Executive Officer*

Hong Kong, 12 October 2023

*As at the date of this announcement, the executive Directors are Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong, the non-executive Directors are Mr. Sugiyama Takashi, Mr. Tomitani Takeshi and Mr. Someya Norifumi and the independent non-executive Directors are Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung.*