

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



**Alibaba Pictures Group Limited**  
**阿里巴巴影业集团有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1060)**

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

**GRANT OF AWARDED SHARES**

The Board announces that on November 14, 2023, the Company granted a total of 19,440,000 Awarded Shares to 39 Selected Employees in accordance with the terms of the Share Award Scheme. All such 19,440,000 Awarded Shares were granted at nil consideration.

**GRANT OF AWARDED SHARES TO GRANTEES**

The Board announces that, on November 14, 2023, the Company granted a total of 19,440,000 Awarded Shares to 39 Selected Employees, in accordance with the terms of the Share Award Scheme, subject to acceptance by the Grantees. Each of the Awarded Shares granted to the Grantees represents the right to receive a Share on the date it vests.

The details of the grant of Awarded Shares to the Grantees are set out below:

Date of grant:	November 14, 2023 (“ <u>Date of Grant</u> ”)
Number of Grantees:	39 Selected Employees
Number of Awarded Shares granted:	19,440,000 Awarded Shares

Purchase Price of the Awarded Shares granted: Nil

Closing price of the Shares on the Date of Grant: HK\$0.520

Vesting period: Subject to any alteration by the Company as stated in a separate grant letter between each of the Grantees and the Company, the Grantees will be split into two categories where (i) the Awarded Shares granted to certain Grantees shall vest in three batches with 50% of the Awarded Shares to be vested on the second anniversary of the employment commencement date of the Grantees, and with the remaining Awarded Shares to be equally vested upon the third and fourth anniversary of the Date of Grant, and (ii) the Awarded Shares granted to the rest of the Grantees shall vest in four batches with the Awarded Shares to be equally vested on each anniversary of the promotion date of the Grantees. The vesting will be funded solely by Shares to be allotted and issued by the Company.

In the event that any circumstances as specified in the respective grant letter arise, any Awarded Shares granted to the Grantees but unvested will automatically lapse and not be exercisable in respect of the underlying Shares with effect upon the occurrence of the relevant circumstances.

Performance targets: The Awarded Shares granted to the Grantees are not subject to any performance targets.

Clawback mechanism:

Any Awarded Shares granted to a Grantee will automatically lapse when the Board in its sole discretion determines that:

- (a) the Grantee ceases to be an employee of a Group Company, a Related Entity or an Associated Company for any of the following reasons:
  - (i) any commission of an act of theft, embezzlement, fraud, dishonesty, serious misconduct, ethical breach or other similar acts, or commission of a felony or a lesser crime involving moral turpitude as determined by the Board in its sole discretion, whether or not in connection with his employment or engagement by any member of the Group, a Related Entity or an Associated Company and whether or not it has resulted in his employment or engagement being terminated;
  - (ii) any conviction of any criminal offence or any offence under or any breach of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong) or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time;
  - (iii) any material breach of any agreement or understanding between the Grantee and a Group Company as determined by the Board in its sole discretion including, without limitation, any applicable intellectual property and/or invention assignment, employment, non-competition, confidentiality or other similar agreement;
  - (iv) any material misrepresentation or omission of any material fact as determined by the Board in its sole discretion in connection with the Grantee's employment with any Group Company;

- (v) any material failure to perform the customary duties as a Grantee, to obey the reasonable directions of a supervisor or to abide by the policies or codes of conduct of any Group Company as determined by the Board in its sole discretion; or
  - (vi) any conduct that is materially adverse to the name, reputation or interests of the Group as determined by the Board in its sole discretion;
- (b) the Grantee, during his term of employment or within twelve (12) months of termination of employment with a Group Company, a Related Entity or an Associated Company (in each case as determined by the Board):
  - (i) directly or indirectly, establishes, incorporates, forms, enters into, or participates in the business as an owner, partner, principal or shareholder or other proprietor (other than through a purchase on the open market, solely as a passive investment, of not more than five percent (5%) of the interest) of any Competitor;
  - (ii) has become, is or becomes an officer, director, employee, consultant, adviser of, or otherwise, directly or indirectly, enters the employ of, continue any employment with or render any services to or for, any Competitor; or
  - (iii) knowingly performs or has performed any act that may confer a competitive benefit or advantage upon any Competitor;
- (c) the Grantee has committed act(s) or omission(s) (as determined by the Board in its sole discretion) that have caused material losses to any Group Company due to the Grantee's failure to fully perform his or her management duties; or
- (d) the Grantee has violated the confidentiality obligation(s) under any grant notice.

Financial assistance: None of the members of the Group has provided any financial assistance to the Grantees to facilitate the purchase of Shares under the Share Award Scheme.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Grantees is (i) a Director, nor a chief executive, or a substantial Shareholder, or an associate of any of them, (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit, or (iii) a related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% limit. The Grant is not subject to approval by the Shareholders.

The number of Shares available for future grant after the grant of the Awarded Shares to the Grantees will be 2,138,619,212 Shares.

The issue of new Shares to satisfy the 19,440,000 Awarded Shares represents (i) approximately 0.07% of the total issued Shares as at the date of this announcement; and (ii) approximately 0.07% of the total issued Shares as enlarged by such allotment and issue.

### **Reasons for the Grant of Awarded Shares**

The reason for the grant of Awarded Shares is to provide incentives and rewards to Grantees for their contributions to and continuing efforts to promote the interests of the Company. Additionally, the grant of Awarded Shares aligns the interests of the Grantees with that of the Company and the Shareholders and reinforces the Grantees' commitment to the Group. The Company is of the view that the grant of Awarded Shares will encourage and retain the Grantees to work towards the long-term growth and profits of the Group, which is in the interest of the Company and the Shareholders.

### **DEFINITIONS**

Unless otherwise stated, the following expressions have the following meanings in this announcement:

“associate(s)” has the meaning ascribed to it under the Listing Rules

“Associated Company” any company in which a Group Company may have a direct or indirect investment in 20% or more of its voting powers

“Awarded Shares”	in respect of a Selected Employee, such number of Shares as awarded by the Board
“Board”	board of Directors
“Company”	Alibaba Pictures Group Limited (阿里巴巴影業集團有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1060)
“Competitor”	any business that is engaged in or is about to become engaged in any activity of any nature that as determined by the Board in its sole discretion competes with a product, process, technique, procedure, device or service of any Group Company
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Employee(s)”	any employee(s) (whether full time or part time), consultant, executive or officer, director (including any executive, non-executive and independent non-executive director) of a Group Company, any Related Entity or any Associated Company
“Grantee(s)”	39 Selected Employees
“Group”	the Company and its subsidiaries from time to time, “member of the Group” means any or a specific one of them, and “Group Company” shall be construed accordingly
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Related Entity”	a company which is a holding company or a fellow subsidiary (i.e. a subsidiary of a holding company) of the Company
“Selected Employee(s)”	Employee(s) selected by the Board for participation in the Share Award Scheme
“Share(s)”	ordinary share(s) of HK\$0.25 each in the share capital of the Company
“Shareholders”	holder(s) of the Share(s)
“Share Award Scheme”	the share award scheme adopted by the Company on December 30, 2016 (as amended from time to time)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it in the Listing Rules
“%”	per cent

On behalf of the Board  
**Alibaba Pictures Group Limited**  
**Fan Luyuan**  
*Chairman & Chief Executive Officer*

Hong Kong, November 14, 2023

As at the date of this announcement, the Board comprises Mr. Fan Luyuan, Mr. Li Jie and Mr. Meng Jun as the executive directors; Mr. Tung Pen Hung as the non-executive director; and Ms. Song Lixin, Mr. Tong Xiaomeng and Mr. Johnny Chen as the independent non-executive directors.