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 **Hysan 希慎**  
**Hysan Development Company Limited**  
**希慎興業有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 00014)

**VOLUNTARY ANNOUNCEMENT**  
**ADOPTION OF NEW SHARE AWARD SCHEME**

The Board is pleased to announce that, the Company has, on 19 January 2024, adopted the Share Award Scheme in which Employees (other than Excluded Employees) may be selected by the Board to participate. The Share Award Scheme was adopted with the following objectives: (i) to attract and retain talents and drive long-term commitment; (ii) to ensure performance achievement and drive culture of excellence; and (iii) to instill culture of accountability, engagement and sense of ownership to the Group.

The maximum number of Shares that may be awarded under the Share Award Scheme shall not exceed 20,540,164 Shares, representing approximately two (2) per cent. of the issued share capital of the Company as at the Adoption Date. The maximum number of Awarded Shares that may be granted to a Selected Employee under the Share Award Scheme shall not exceed 0.5 per cent. of the issued share capital of the Company from time to time.

Pursuant to the Share Award Scheme, Shares will be purchased on the Stock Exchange by the Trustee at the cost of the Company and the Awarded Shares will be held by the Trustee on trust for the relevant Selected Employees under the Share Award Scheme until vesting.

The Share Award Scheme will constitute a share scheme under Chapter 17 of the Listing Rules and shall be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. It, however, does not constitute a share scheme involving the issue of new Shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Share Award Scheme will not be subject to approval from the Shareholders.

This announcement is made on a voluntary basis.

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A summary of the main terms, conditions and features of the Scheme Rules is set out below:

### **(1) OBJECTIVES OF THE SHARE AWARD SCHEME**

The Share Award Scheme was adopted by the Company with the following objectives: (i) to attract and retain talents and drive long-term commitment; (ii) to ensure performance achievement and drive culture of excellence; and (iii) to instill culture of accountability, engagement and sense of ownership to the Group.

### **(2) DURATION OF THE SHARE AWARD SCHEME**

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date, after which no further Awarded Shares will be granted.

### **(3) APPOINTMENT OF THE TRUSTEE**

On 19 January 2024, the Company entered into the Trust Deed with the Trustee pursuant to which the Trustee was appointed as trustee of the Trust to hold and manage the Trust Fund and to administer the Share Award Scheme in accordance with the terms of the Trust Deed and the Scheme Rules.

### **(4) ADMINISTRATION OF THE SHARE AWARD SCHEME**

The Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the Scheme Rules and the Trust Deed.

The Awards may be satisfied by Shares acquired by the Trustee on the Stock Exchange from time to time.

### **(5) SCHEME LIMIT**

The maximum number of Shares which may be awarded under the Share Award Scheme shall not exceed 20,540,164 Shares, representing approximately two (2) per cent. of the issued share capital of the Company as at the Adoption Date. The maximum number of Awarded Shares which may be granted to a Selected Employee under the Share Award Scheme shall not exceed 0.5 per cent. of the issued share capital of the Company from time to time.

## **(6) SOURCE OF FUND AND OPERATION OF THE SHARE AWARD SCHEME**

The Board may from time to time cause the Company to pay cash to the Trust for the purchase of Shares on the Stock Exchange at a price which falls within the range of prices specified by the Board, and such Shares will be held on trust by the Trustee for the benefit of the Employees, on and subject to the terms and conditions of the Scheme Rules and the Trust Deed.

## **(7) THE AWARD OF AWARDED SHARES TO SELECTED EMPLOYEES**

The Board may, from time to time, exercise its absolute discretion in selecting any Employee (other than any Excluded Employee) for participation in the Share Award Scheme as a Selected Employee, and grant such number of Awarded Shares to any Selected Employee pursuant to the Scheme Rules and subject to such terms and conditions as it may in its absolute discretion determine.

In determining the number of Awarded Shares to be granted to any Selected Employee (excluding any Excluded Employee), the Board shall take into consideration matters including, but without limitation to:

- (a) individual performance, potential, and expected long-term contribution of the relevant Selected Employee to the performance of the Group;
- (b) the general financial condition and performance of the Group;
- (c) alignment with the Group's strategy, future development plan, corporate culture and values; and
- (d) any other matter which the Board considers relevant.

The Board is entitled to impose any conditions (including a period of continued service within the Group after the grant of the Award and performance targets which must be attained) with respect to the vesting of the Awarded Shares on the Selected Employee and any other restrictions or limitations in relation to the Award (including any clawback mechanism to recover, cancel, forfeit or withhold any Awards made in accordance with the terms of the Scheme Rules), as it deems appropriate in its absolute discretion, and shall inform the Trustee and such Selected Employee the relevant conditions, restrictions and/or limitations of the Award and the Awarded Shares.

The Board may at its discretion, with or without further conditions, grant additional Shares or cash award out of the Trust Fund representing all or part of the income or distributions declared by the Company or derived from the relevant Awarded Shares during the period from the date of Award to the Vesting Date to a Selected Employee upon the vesting of the Awarded Shares.

## **(8) THE AWARD OF AWARDED SHARES TO CONNECTED PERSONS**

Where any grant of Awarded Shares is proposed to be made to any Selected Employee who is an executive director or members of the executive/senior management of any member of the Group, such grant must first be approved by all the 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.

Where any grant of Award Shares is proposed to be made to any Selected Employee who is a Director (including any independent non-executive Director), such grant must also be approved by all the independent non-executive Directors and in each case excluding any independent non-executive Director who is the proposed grantee.

Where any grant of Awarded Shares is proposed to be made to any person who is a connected person of the Company, the Company shall comply with such provisions of the Listing Rules as may be applicable unless otherwise exempted under the Listing Rules.

#### **(9) VESTING OF THE AWARDED SHARES**

Subject to the terms and conditions of the Share Award Scheme and the fulfilment of all vesting conditions as specified in the Grant Notice to the Selected Employee, the respective Awarded Shares held by the Trustee on behalf of the Selected Employee shall vest in such Selected Employee in accordance with the vesting schedule (if any) in the Grant Notice, and the Trustee shall cause the Awarded Shares to be transferred to such Selected Employee as soon as practicable and in any event not later than ten (10) business days after the Vesting Date.

#### **(10) DISQUALIFICATION OF SELECTED EMPLOYEES**

If prior to or on the Vesting Date, a Selected Employee ceases to be an Employee for whatever reason (other than in the case of death or retirement) or is found to be an Excluded Employee, the Award made to such Selected Employee shall, unless otherwise determined by the Board in its absolute discretion, automatically lapse and the relevant Awarded Shares shall not vest on the relevant Vesting Date but will remain part of the Trust Fund.

#### **(11) RESTRICTIONS UNDER THE SCHEME RULES**

The Board shall not make any Award or give any instructions to the Trustee to acquire any Shares under the Share Award Scheme, where dealings in the Shares are prohibited under any code or requirement of the Listing Rules, the SFO or all applicable laws and regulations from time to time.

#### **(12) ALTERATION OF THE SHARE AWARD SCHEME**

The 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 Selected Employee under the Share Award Scheme.

#### **(13) VOTING RIGHTS**

The Trustee holding unvested Shares of the Share Award Scheme, 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.

## **(14) TERMINATION OF THE SHARE AWARD SCHEME**

The Share Award Scheme shall terminate on the earlier of (a) the tenth (10) anniversary date of the Adoption Date; and (b) such date of early termination as determined by the Board by a resolution of the Board, provided that such termination shall not affect any subsisting rights of any Selected Employee under the Share Award Scheme.

Upon termination of the Share Award Scheme, no further grant of Awarded Shares may be made under the Share Award Scheme; and all the Awarded Shares of the Selected Employees which are subject to vesting shall continue to be held by the Trustee and become vested in the Selected Employees according to the conditions of the Awards.

### **DEFINITIONS**

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“Adoption Date”	19 January 2024, being the date on which the Scheme Rules is adopted by the Company;
“Award”	an award of Awarded Shares and/or an award of cash award of income or distributions declared by the Company or derived from such Awarded Shares, as the case may be, by the Board pursuant to the Scheme Rules to a Selected Employee;
“Awarded Share(s)”	in respect of a Selected Employee, such number of Shares (including additional Shares and/or cash award) as awarded by the Board;
“Board”	the board of Directors, 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 to administer the Share Award Scheme;
“Company”	Hysan Development Company Limited, a company incorporated in Hong Kong with limited liability, the ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 00014);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the directors of the Company;
“Employee(s)”	any employee (for this purpose only, including without limitation, any Director) of any member of the Group (other than Excluded Employees);

“Excluded Employee(s)”	any Employee who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Employee;
“Grant Notice”	the notice of grant of Awarded Shares under the Share Award Scheme which may be issued by the Board to a Selected Employee setting out the number of Awarded Shares so granted and the conditions (if any) upon which the Awarded Shares are granted;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Remuneration Committee”	the remuneration committee of the Company;
“Selected Employee(s)”	Employee(s) selected by the Board pursuant to the Scheme Rules for participation in the Share Award Scheme;
“Scheme Rules”	the rules of the Share Award Scheme adopted by the Board on 19 January 2024, as amended from time to time;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Award Scheme”	the Share Award Scheme constituted by the Scheme Rules, in its present form or as amended from time to time;
“Shares”	ordinary shares in the share capital of the Company (or such other shares in the capital of the Company after a reclassification or reconstruction of the share capital of the Company from time to time);
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Trust”	the trust constituted by the Trust Deed;

“Trust Deed”	a trust deed dated 19 January 2024 entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in relation to the Share Award Scheme;
“Trust Fund”	the funds and properties held under the Trust and managed by the Trustee for the benefit of the Employees, including without limitation, any Awarded Shares or other property to be vested or not vested with the Selected Employee, any Shares acquired by the Trustee out of the cash contributed by the Company or related income derived from the Shares held under the Trust, and any residual cash;
“Trustee”	BOCI Trustee (Hong Kong) Limited, a limited company incorporated in Hong Kong, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed; and
“Vesting Date”	in respect of a Selected Employee, the date on which his entitlement to the Awarded Shares is vested in such Selected Employee in accordance with the Scheme Rules.

By Order of the Board  
**Lee Irene Yun-Lien**  
*Chairman*

Hong Kong, 19 January 2024

*As at the date of this announcement, the Board comprises: Lee Irene Yun-Lien (Chairman), Lui Kon Wai (Executive Director and Chief Operating Officer), Chung Cordelia\*\*, Churchouse Frederick Peter\*\*, Fan Yan Hok Philip\*\*, Poon Chung Yin Joseph\*\*, Wong Ching Ying Belinda\*\*, Young Elaine Carole\*\*, Lee Anthony Hsien Pin\* (Lee Irene Yun-Lien as his alternate), Lee Chien\* and Lee Tze Hau Michael\*.*

*\* Non-Executive Directors*

*\*\* Independent Non-Executive Directors*

*This announcement is published on the websites of the Company (www.hysan.com.hk) and the Stock Exchange (www.hkexnews.hk).*