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中国奇点国峰控股有限公司

China Qidian Guofeng Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1280)

(1) GRANT OF AWARD SHARES PURSUANT TO THE SHARE AWARD SCHEME; AND (2) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT

GRANT OF AWARD SHARES PURSUANT TO THE SHARE AWARD SCHEME

The Board announces that on 27 May 2024, the Company granted 10,307,678 Award Shares involving 10,307,678 new Shares, representing approximately 1.30% of the total issued Shares as at the Grant Date, to the Grantees under the Share Award Scheme. If any grant of the Award Shares as detailed below has not been accepted by any particular Grantee or is not otherwise in compliance with any applicable laws and regulations, such grant in respect of the particular Grantee would not proceed or be effective for legal and regulatory purposes.

Among the total of 10,307,678 Award Shares, (i) 5,555,000 Award Shares were granted to in aggregate 372 service providers of the Company; (ii) 3,965,678 Award Shares and 100,000 Award Shares were granted to Mr. Sun and Mr. Yu, respectively; and (iii) 687,000 Award Shares were granted to in aggregate 24 employees of the Company. Details of the Grants are as follows:

Grant Date	27 May 2024
Grantees:	Director, employees and service providers of the Group
Consideration for the Award Shares:	Nil
Number of Award Shares:	10,307,678
Closing price of the Shares on the Grant Date:	HK\$0.84 per Share

Vesting period: All Award Shares shall vest in the Grantees in the following manner:

- (i) for Grantees other than Mr. Sun, in twelve (12) months from the Grant Date, subject to the acceptance by the Grantees; and
- (ii) for Mr. Sun, in one month from the date (“**Vesting Date**”) when such Grant is approved by the Shareholders at a Shareholders’ meeting of the Company. In the event that Mr. Sun leaves the Company in three years from the Vesting Date, Mr. Sun undertakes that such vested Shares shall be returned to the Company.

Performance targets: There is no performance target for the Grantees.

In considering the Grants made to Mr. Sun, the Remuneration Committee has considered the extensive experiences of Mr. Sun in the alcoholic beverage industry and the Award Shares to attract and induce Mr. Sun in accepting the employment offer made by the Group to him. In considering the Grants made to the other Grantees, the Remuneration Committee has taken into account the following factors: (i) the expected value of the Award Shares subject to the future market price of the Shares, which in turn depends on the business performance of the Group; and (ii) the sales performance and contributions made by the Grantees during the year 2023.

Clawback mechanism: Unless determined otherwise by the Board, the Award Shares, granted but not yet vested, will be automatically and immediately cancelled when the Grantee cease to be an eligible participant as defined in the Share Award Scheme in the following circumstances:

- (i) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement or service to any member of the Group and whether or not it has resulted in his employment or engagement or service being terminated by the relevant member of the Group;

- (ii) where such a person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
- (iii) where such person has been convicted of any criminal offence;
- (iv) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time; or
- (v) where such person commits a material breach of contract(s) between any member of the Group and the eligible participant(s).

3,965,678 and 100,000 Award Shares were granted to Mr. Sun and Mr. Yu, respectively. Details of the Grants are set out below:

Name of the Grantee	Position	Number of Award Shares
Mr. Sun	Executive Director, vice chairman and chief executive officer	3,965,678
Mr. Yu	Executive director and general manager of Guizhou Huairan Guofeng Co., Ltd., a subsidiary of the Company	100,000
Total		<u>4,065,678</u>

The Grants of Award Shares to Mr. Sun and Mr. Yu have been approved by the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules and the terms of the Share Award Scheme.

Reasons for and Benefits of the Grants

The reason for the grant of Award Shares is (i) to provide incentives and rewards to Grantees for their contributions to and continuing efforts to promote the interests of the Company; and (ii) to provide competitive terms and conditions to Mr. Sun who the Company considers is valuable talent for the development and growth of the businesses of the Group in order to attract and induce him in accepting the employment offer made by the Group to him. The Grants align the interests of such Grantees with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain such Grantees to make contributions to the long-term growth and profits of the Group.

To the best knowledge of the Directors, as at the date of this announcement, (i) other than Mr. Sun and Mr. Yu as disclosed above, none of the Grantees is a Director, chief executive or substantial shareholder of the Company or an associate (as defined under the Listing Rules) of any of them; (ii) none of the Grantees is a participant with the Award Shares granted and to be granted exceeding the 1% individual limit under the Listing Rules; (iii) none of the Grantees is a service provider with the Award Shares granted and to be granted exceeding 0.1% limit in any 12-month period; and (iv) no financial assistance has been provided by the Group to the Grantees for the purchase of Shares under the Share Award Scheme.

Number of Shares Available for Future Grant

The number of Shares available for future grant after the Grants of the Award Shares to the Grantees will be 11,620,296 Shares.

10,307,678 Shares may be allotted and issued to the trustee in relation to the Grants and trustee shall hold such Shares on trust for the Grantees. Such new Shares will then be transferred to the Grantees at no cost upon satisfaction of the above-mentioned vesting condition. Accordingly, no funds will be raised from the issue of the new Shares. The issue of new Shares to satisfy the 10,307,678 Award Shares represents (i) approximately 1.30% of the total issued Shares as at the date of this announcement; and (ii) approximately 1.28% of the total issued Shares as enlarged by such allotment and issue.

PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT

Background of the Existing Scheme Mandate Limit

Pursuant to the Scheme Mandate Limit, the maximum number of Shares that may be granted under the Share Award Scheme shall not exceed 21,927,974, representing approximately 10% of the then issued share capital of the Company on the adoption date of the Share Award Scheme (i.e. 15 June 2023).

Proposed Refreshment of Scheme Mandate Limit

An ordinary resolution will be proposed at the Shareholders' meeting to the Independent Shareholders to approve the refreshment of Scheme Mandate Limit so as to allow the Company to grant further Award Shares under the Share Award Scheme of up to 10% of the Shares in issue as at the date of passing the resolution. Assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the date of passing such resolution, the maximum number of Shares which may be granted under the Share Award Scheme will be 79,313,569 Shares, representing approximately 10% of the issued share capital of the Company as at the date of such Shareholders' meeting.

There has not been any refreshment of the Scheme Mandate Limit since the adoption of the Share Award Scheme. Apart from the Share Award Scheme, the Company has no other share award scheme or share option scheme which are currently in force.

Reasons for the Proposed Refreshment of Scheme Mandate Limit

References are made to the announcements of the Company dated 18 March 2024, 8 April 2024, 30 April 2024, 21 May 2024 and 24 May 2024 and the circular dated 30 April 2024 in relation to loan capitalisation involving subscription of Shares under specific mandate (the "**Subscription**"). Upon completion of the Subscription, the issued share capital of the Company has been increased from 263,135,692 to 793,135,692. As a result of such increase, the existing Scheme Mandate Limit only represents approximately 2.76% of the existing issued share capital of the Company as at the date of this announcement.

In view of (i) the increase in issued share capital of the Company due to completion of the Subscription as mentioned above; and (ii) the need for future grant of Award Shares, the Directors consider that the Company should refresh the Scheme Mandate Limit so that the Company will have more flexibility to provide incentives to eligible participants for their contributions to the Group and/or to enable the Group to recruit and retain high quality personnel and attract human resources that are valuable to the Group.

Accordingly, the Directors (excluding the independent non-executive Directors, whose view will be set out in the letter from the Independent Board Committee included in the circular) consider that the proposed refreshment of Scheme Mandate Limit is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Conditions of the proposed Refreshment of Scheme Mandate Limit

The proposed refreshment of Scheme Mandate Limit is conditional upon:

- (a) the Independent Shareholders passing the relevant resolution(s) at the Shareholders' meeting to approve the proposed refreshment of Scheme Mandate Limit; and
- (b) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the Award Shares that may be granted pursuant to the Share Award Scheme under the proposed refreshment of Scheme Mandate Limit not exceeding 10% of the number of Shares in issue (excluding treasury shares) as at the date of approval of the proposed refreshment of Scheme Mandate Limit by the Independent Shareholders.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Shares to be issued pursuant to the Award Shares to be granted under the Share Award Scheme under the refreshed limit.

Listing Rules Implications

Pursuant to Rule 17.03C(1)(b) of the Listing Rules, any refreshment of the existing Scheme Mandate Limit within any three-year period from the date of adoption of the scheme is subject to the Independent Shareholders' approval by way of an ordinary resolution at the Shareholders' Meeting. Any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting in favour of the respective resolution to approve the proposed refreshment of Scheme Mandate Limit.

As at the date of this announcement, Noble Trade International Holdings Limited is the controlling shareholder of the Company, holding 594,565,624 Shares. Accordingly, Noble Trade is required to abstain from voting on the resolution(s) on the proposed refreshment of Scheme Mandate Limit at the Shareholders' meeting.

Pursuant to Rule 17.03C(2) of the Listing Rules, the total number of shares which may be issued in respect of all options and awards to be granted under all of the schemes of the listed issuer under the scheme mandate as "refreshed" must not exceed 10% of the relevant class of shares in issue (excluding treasury shares) as at the date of approval of the refreshed scheme mandate.

“Company”	China Qidian Guofeng Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1280)
“Director(s)”	the directors of the Company
“Grants”	10,307,678 Award Shares to be granted to the Grantees in accordance with the Share Award Scheme on the Grant Date
“Grant Date”	27 May 2024
“Grantees”	the Director, employees and service providers of the Group who were granted Award Shares in accordance with the Share Award Scheme
“Group”	the Company and its subsidiaries
“HK\$	Hong Kong dollar, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising of all the independent non-executive Directors to advise the Independent Shareholders in respect of the proposed refreshment of Scheme Mandate Limit
“Independent Financial Adviser”	Rainbow Capital (HK) Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Mr. Sun”	Mr. Sun Yue, the executive Director and chief executive officer of the Company

“Mr. Yu”	Mr. Yu Kun, the executive director and general manager of Guizhou Huairen Guofeng Co., Ltd. (貴州懷仁國峰有限公司), a subsidiary of the Company
“Scheme Mandate Limit”	the maximum number of Shares which may be purchased, issued, allotted and allocated under the Share Award Scheme which initially shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Share Award Scheme by the Shareholders and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders
“Share Award Scheme”	The share award scheme adopted and amended by the Company on 16 June 2023 and 25 January 2024, respectively
“Shareholders”	holder(s) of Shares in the Company
“Shares”	ordinary share(s) of US\$0.02 each in the share capital of the Company
“US\$”	U.S dollars, the lawful currency of the United States of America

By order of the Board
China Qidian Guofeng Holdings Limited
Yuan Li
Chairman of the Board

Shenzhen, the PRC, 27 May 2024

As at the date of this announcement, the executive Directors of the Company are Mr. Yuan Li, Mr. Xu Xinying, Mr. Sun Yue and Mr. Zhuang Liangbao; the non-executive Directors of the Company are Mr. Gu Changchao and Mr. Wang Xianfu; and the independent non-executive Directors of the Company are Mr. Zhang Yihua, Mr. Chen Rui and Mr. Fung Tak Choi.