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中软国际

CHINASOFT INTERNATIONAL LIMITED

中軟國際有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 354)

GRANT OF SHARE AWARDS

This announcement is issued by Chinasoft International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.06A to 17.06C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the announcement of the Company dated 10 December 2018 (the “**Announcement**”) in relation to the adoption of the share award scheme on 10 December 2018 (the “**Share Award Scheme**”). Capitalized terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The Board hereby announces that on 30 August 2023, the Company granted a total of 145,460,000 Awards to certain Directors and employees of the Company pursuant to the Share Award Scheme, subject to acceptance by the Selected Employees. Each of the Awards represents a conditional right to receive one Awarded Share subject to certain terms and conditions of the grant of such Awards. The Awarded Shares will be settled by way of existing issued shares of the Company held by the trustee of the Share Award Scheme of the Company.

A summary of the terms of the grant of Awards is set out below:

Date of grant of the Awards : 30 August 2023
(the “**Grant Date**”)

Number and Categories of : 4 Directors and 120 employees
Selected Employees

Number of the Awarded Shares granted	: 145,460,000 Awarded Shares in total, with 20,996,000 Awarded Shares granted to the Directors and 124,464,000 Awarded Shares granted to the employees of the Company
Consideration payable for the grant of Awarded Shares	: Nil
Closing price of the Shares on the Grant Date	: HK\$5.09 per Share
Vesting conditions	: The Selected Employees shall remain in continuous employment with the Group from the Date of Grant until the vesting date.
Vesting date of the Awarded Shares	: The total vesting period for the Awarded Shares granted to the Selected Employees ranges from approximately 2 years to 8 years and shall vest on or before 29 August 2031.
Performance targets	: The vesting of the Awards is subject to the fulfilment of certain performance targets and other requirements as set out in the grant notice to be entered into between the Company and each Selected Employee. The performance targets are related to (i) financial parameters of the Group (such as the revenue, profits and general financial condition of the Group); (ii) non-financial parameters of the Group (such as the Group's strategic objectives, operational targets and future development plan); and/or (iii) individual performance indicators relevant to the Selected Employee's roles and responsibilities.

- Clawback mechanism: : If prior to or on the Vesting Date, a Selected Employee ceases to be an Employee pursuant to the Scheme Rules or is found to be an Excluded Employee, the Award to such Selected Employee shall automatically lapse. Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Employee shall include, without limitation, the following:
- (a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his/her employment or engagement by any member of the Group and whether or not it has resulted in his/her employment or engagement being terminated by the relevant member of the Group;
 - (b) where such person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his/her 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;
 - (c) where such person has been convicted of any criminal offence; or
 - (d) 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.
- Financial assistance : The Group has not provided any financial assistance to the Selected Employees to facilitate the purchase of Awarded Shares.

The 145,460,000 Awarded Shares granted to the Selected Employees represent approximately 4.98% of the issued share capital of the Company as at the date of this announcement. The 145,460,000 Awarded Shares represent the value of approximately HK\$740,391,400, taking into account of the closing price of HK\$5.09 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Grant Date.

AWARDS GRANTED TO DIRECTORS

Among the above Awarded Shares granted, 20,996,000 Awarded Shares were granted to Directors with details as follows:

Name of Selected Employee	Position held with the Company	Number of Awarded Shares
Dr. Chen Yuhong	Chairman and Executive Director	9,996,000
Dr. He Ning	Vice-chairman and Executive Director	5,000,000
Dr. Tang Zhenming	Executive Director	5,000,000
Mr. Yeung Tak Bun <i>J.P.</i>	Independent Non-Executive Director	1,000,000

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

REASONS FOR AND BENEFIT OF THE GRANT OF THE AWARDED SHARES

The purposes of the Scheme are to recognise the contributions by certain Employees and to provide them with incentives in order to retain them for continual operation and development of the Group, and to attract suitable personnel for further development of the Group.

NUMBER OF SHARES AVAILABLE FOR FUTURE GRANT

Subsequent to the grant of Awarded Shares, the number of Awarded Shares available for future grant pursuant to the Scheme Mandate is 935.

LISTING RULES IMPLICATIONS

The grant of the Awarded Shares to the Directors has been approved by the Remuneration Committee and the Board (including all independent non-executive Directors, save and except for the relevant Director who is a Selected Employee whom has abstained from voting in relation to the grant of Awarded Shares to himself/herself).

The grant of the Awarded Shares to the Directors also forms part of their remuneration packages under their respective service contracts with the Company, and is therefore exempt from the reporting, announcement and independent shareholders' approval requirements under Rule 14A.73(6) and Rule 14A.95 of the Listing Rules.

The grant of Awarded Shares to an employee that shall be vested on such Selected Employees immediately upon his/her acceptance of the grant has been approved by the Remuneration Committee and the Board considers that the vesting period for the Awarded Shares granted to such employee which is less than 12 months from the Grant Date is appropriate and necessary to enable the Company to offer competitive employment package to him in order to retain valuable and loyal talent like him/her and to attract him/her in accepting to stay on and continue his/her employment with the Group to further promote the development and growth of the Group's businesses and to improve or create sense of connection and/or loyalty of him/her to the Group.

By order of the Board
Chinasoft International Limited
Dr. CHEN Yuhong
Chairman and Chief Executive Officer

Hong Kong, 31 August 2023

As at the date of this announcement, the Board comprises three executive Directors, namely Dr. Chen Yuhong (Chairman and Chief Executive Officer), Dr. He Ning (Vice Chairman) and Dr. Tang Zhenming, two non-executive Directors, namely Dr. Zhang Yaqin and Mr. Gao Liangyu, and three independent non-executive Directors, namely Dr. Lai Guanrong, Professor Mo Lai Lan and Mr. Yeung Tak Bun J.P..

* *For identification purposes only*