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## **STAR CM Holdings Limited**

**星空華文控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 6698)**

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

#### **ADOPTION OF THE SCHEME**

The Board is pleased to announce that, on July 29, 2024, it has approved the adoption of the Scheme for the purpose of the Company's grant of Award Shares to Selected Participants from time to time pursuant to the Scheme Rules.

#### **LISTING RULES IMPLICATIONS**

The Scheme will purchase existing Shares through the Trustee on the market or off the market. The Scheme was contemplated and adopted to be funded solely by existing Shares. The Scheme constitutes 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. However, it does not constitute a scheme involving the issue of new Shares as referred to in Chapter 17 of the Listing Rules. Therefore, the adoption of the Scheme will not be subject to Shareholders' approval.

#### **SUMMARY OF THE SCHEME RULES**

A summary of the principal terms of the Scheme is set out below.

##### **I. Purposes of the Scheme**

The purposes of the Scheme are to provide the Selected Participants with an opportunity to acquire a proprietary interest in the Company, to encourage and retain such individuals to work with the Group, to provide additional incentives for them to achieve performance goals, to attract suitable personnel for further development of the Group, and to motivate the Selected Participants to maximize the value of the Company for the benefits of both the Selected Participants and the Company.

##### **II. Duration and Termination**

The Scheme shall remain valid and effective for a period of 10 years from the Adoption Date (the "**Scheme Period**") and can be terminated or extended by a resolution of the Board at any time prior to the expiry of the Scheme Period.

Upon termination of the Scheme, no further Award Shares shall be granted. The provisions of the Scheme shall in all other respects remain in full force and effect and the Awards granted during the term of the Scheme may continue to be valid and exercisable in accordance with their respective terms of Award.

### **III. Administration**

The Scheme shall be subject to the administration of the Board (or the Administration Committee as appropriate) in accordance with the Scheme Rules. The Board shall have the sole and absolute right to, among others, interpret and construe the provisions of the Scheme and determine the Selected Participants who will be granted Awards under the Scheme, the terms and conditions on which Awards are granted and when the Awards granted pursuant to the Scheme may vest.

The Company shall appoint the Trustee to assist with the administration of the Scheme and vesting of Awards granted pursuant to the Scheme. The Trustee shall hold the trust fund in accordance with the Scheme Rules and the terms of the Trust Deed.

### **IV. Scheme Limit and Limit on Individual Award**

At no time shall the maximum number of Shares which may be awarded or the total number of Shares held by the Trustee exceed 10% of the issued share capital of the Company as at the Adoption Date (i.e. 39,853,816 Shares). The maximum number of Award Shares which may be granted to a Selected Participant at any one time or in aggregate may not exceed 1% of the issued share capital of the Company as at the Adoption Date (i.e. 3,985,381 Shares).

As at the date of this announcement, no Award had been granted under the Scheme.

### **V. Grant and Acceptance of Awards**

The Board or the Administration Committee may, at any time during the Scheme Period in its sole and absolute discretion, select any Participant to be a Selected Participant and make an Award to such Selected Participant on and subject to any terms and conditions that the Board or the Administration Committee may impose.

After the Board or the Administration Committee has determined a Selected Participant, the number of the Award Shares to be granted, the Purchase Price and other terms and conditions of the Award, it shall notify the Trustee and the Selected Participant on the Grant Date in writing (which may also be made through the designated online portal facilities) (the “**Grant Letter**”), setting out, among other things, the terms and conditions of such Award.

Upon receipt of the Grant Letter, the Selected Participant is required to confirm his/her acceptance of the Award within five Business Days after the Grant Date (the “**Acceptance Period**”) by returning the notice of acceptance and completing any other required steps to confirm his/her acceptance of the Award within the Acceptance Period to the Company. For any failure to confirm his/her acceptance within the Acceptance Period, the Award shall automatically lapse forthwith and the Shares pursuant to the Award shall become Unaccepted Shares (see the section headed “VIII. Unaccepted and Unvested Shares” below).

## **VI. Dealing in Shares by the Trustee**

Pursuant to the Scheme, the Board or the Administration Committee shall, at any time and/or from time to time in its sole and absolute discretion, cause to be paid to the Trustee any monetary amount for the purchase of any Shares to be granted from the resources of the Company and, to the extent not prohibited by the Listing Rules and applicable laws, any Subsidiary. The Board or the Administration Committee may, in its sole and absolute discretion, at any time deliver to the Trustee a written instruction to instruct the Trustee to acquire existing Shares through on-market or off-market purchases according to the terms set out therein.

The Trustee shall not sell or otherwise dispose of the Shares purchased on the market or off the market pursuant to the Scheme until the termination of the Scheme unless otherwise instructed by the Board or the Administration Committee. For the avoidance of doubt, the Trustee shall not transfer any Shares to the Company at any time until the termination of the Scheme.

Notwithstanding the above, the Trustee shall not deal in Shares at any time if the Trustee has received notice in writing from the Company that any such dealing at that time would cause the Trustee, the Company or any Subsidiary, or a director, officer or employee of the Company or any Subsidiary to be in breach of the provisions of any applicable laws, rules or regulations (including the Listing Rules).

## **VII. Vesting of Award Shares**

Any Award Shares granted to a Grantee pursuant to the Scheme Rules shall vest in such Grantee in accordance with the vesting conditions as set out in the Grant Letter. If the Board or the Administration Committee is satisfied that a Grantee has satisfied the vesting conditions (save for the receipt of the Purchase Price, if any), the Board or the Administration Committee shall send to the Grantee (or his/her representative or lawful successor as the case may be) a vesting notice (which may also be made through the designated online portal facilities) (the “**Vesting Notice**”) at least 10 Business Days before the Vesting Date notifying the Grantee of the intended vesting of the Award Shares. The Board or the Administration Committee shall have the sole and absolute discretion in determining whether the Award Shares shall be satisfied by Shares or cash of the equivalent value of such Award Shares at the Vesting Date.

Upon receipt of the Vesting Notice, the Grantee is required to return to the Company a reply slip duly executed by him/her substantially at least five Business Days before the Vesting Date. If the Board or the Administration Committee specifies in the Vesting Notice that actual Award Shares will be transferred to the Nominee Account upon vesting, the Grantee shall complete the payment of the Purchase Price (if any) within the specified period set out in the Vesting Notice.

An unvested award shall lapse upon certain events, including, among others, termination of the Grantee’s employment or service with the Group. The Award shall automatically lapse forthwith and the Shares pursuant to the Award shall become Unvested Shares (see the section headed “VIII. Unaccepted and Unvested Shares” below).

As soon as practicable after the Award Shares have vested in a Grantee in accordance with the Scheme Rules, the Board or the Administration Committee shall issue to the Trustee a confirmation letter that the vesting conditions have been fulfilled (which may also be evidenced by confirmed data file made through the designated online portal facilities) to effect the transfer of the relevant vested Award Shares to the Nominee Account or, if so determined and instructed by the Board or the Administration Committee, direct and procure the Trustee to pay to the Grantee in cash the amount of equivalent value of such Award Shares after deducting the Purchase Price (if any) thereof and/or the amount to be withheld or deducted in accordance with the Scheme Rules. Without prejudice to any restrictions set out in the Vesting Notice which shall continue to be in force after vesting of the Award Shares, once the vested Award Shares are transferred from the Trustee to the Nominee Account, they shall no longer be subject to any restrictions and limitations (see the section headed “IX. Restrictions and Limitations” below) and shall rank *pari passu* with other Shares.

### **VIII. Unaccepted and Unvested Shares**

The Trustee shall, after having taken into account the recommendations of the Board or the Administration Committee, hold such Unaccepted Shares or Unvested Shares and all income derived therefrom for the benefit of all or one or more of the Selected Participants, as the Company in its sole and absolute discretion shall at any time re-grant.

Notwithstanding the aforesaid in this section, the Board or the Administration Committee may at any time at its absolute discretion deem any unvested Award Shares as Unvested Shares or vice versa.

### **IX. Restrictions and Limitations**

No Award shall be made to any Selected Participant under the Scheme: (a) where the Company is in possession of unpublished inside information (as defined under Part XIVA of the SFO); (b) within the blackout period as stipulated in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules; (c) where the grant of such Award is prohibited under the Listing Rules or other applicable laws, regulations or regulatory rules, guidance, codes, decisions or guidelines from time to time; (d) where the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of such Award, unless the Board or the Administration Committee determines otherwise; or (e) in any other circumstances where the requisite approval from any applicable regulatory authorities has not been granted.

Any Award to any Director, chief executive or substantial Shareholder, or any of their respective associates (as defined in the Listing Rules), shall be subject to the prior approval of the independent non-executive Directors and shall otherwise be subject to compliance with the requirements of the Listing Rules.

Any Award made under the Scheme shall be personal to the Grantee to whom it is made and shall not be assignable other than for the purpose of vesting in his/her lawful successor.

A Grantee shall not have any contingent interest, including income, dividend and any other right, in the Award Shares which are referable to him/her and shall not exercise any voting right in respect of the Award Shares until such Award Shares have been vested as Shares.

The Trustee shall not exercise any voting rights in respect of any Shares held under the Trust (including but not limited to the Award Shares, the Unaccepted Shares, the Unvested Shares, any bonus Shares and scrip Shares), whether directly or indirectly, unless otherwise required by law to vote and instructions from the Board or the Administration Committee are given to the Trustee.

## **X. Amendment**

The Scheme may be amended by a resolution of the Board at its sole and absolute discretion, provided that no alteration or variation shall be made which, in the reasonable opinion of the Board, will materially and adversely affect any rights of any Grantee with respect to the Award Shares granted to such Grantee prior to such amendment without consent in writing of the Grantees amounting to three-fourths in nominal value of all Award Shares on the date of such resolution of the Board (save as may be required to comply with the Articles, the Listing Rules, applicable laws, rules or regulations). Written notice of any amendment to the Scheme shall be given to all Grantees.

## **DEFINITIONS**

“Administration Committee”	a sub-committee of the Board, members of which shall be determined by the Board from time to time, delegated with the power and authority by the Board to administer the Scheme;
“Adoption Date”	July 29, 2024, being the date on which the Scheme is adopted by the Board;
“Articles”	the articles of association of the Company adopted on December 9, 2022 which became effective on December 29, 2022, as amended from time to time;
“Award”	an award granted by the Board or the Administration Committee to a Grantee of a conditional right for such Grantee to receive such number of Award Shares, subject to the satisfaction of vesting conditions and such other terms and conditions, as the Board or the Administration Committee may in its absolute discretion determine;
“Award Shares”	in respect of a Grantee, such number of Share(s) underlying the Award(s) as determined by the Board or the Administration Committee, and as may be acquired through on-market or off-market purchases of Shares, in accordance with the terms of the Scheme;
“Board”	the board of Directors;
“Business Day”	a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays, Sundays and public holidays);
“Company”	STAR CM Holdings Limited (星空華文控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability;
“Directors”	the directors of the Company, and “Director” means any one of them;

“Employee”	an employee of the Company or any Subsidiary;
“Grant Date”	in relation to any Award, the date on which the Award is, was or is to be granted;
“Grantee”	any Selected Participant who has accepted the offer of the grant of an Award in accordance with the terms of the Scheme or, where the context so permits, any person entitled to any such Award in consequence of the death of the original Grantee or the legal personal representative of such person;
“Group”	the Company and the 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 of Hong Kong Limited, as amended from time to time;
“Nominee Account”	an account operated by an administrator designated by the Board or the Administration Committee in its sole and absolute discretion, in which the vested Award Shares are held on behalf of individual Grantee;
“Participants”	(i) directors and employees of the Company or any of its Subsidiaries (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with these companies); (ii) directors and employees of the holding companies, fellow subsidiaries or associated companies of the Company; and (iii) Service Providers;
“Scheme”	the share award scheme approved and adopted by the Board on the Adoption Date or as amended from time to time;
“Scheme Rules”	the rules governing the Scheme (as restated, supplemented and amended from time to time);
“Selected Participant”	any Participant selected by the Board or the Administration Committee in accordance with the terms of, and entitled to receive an Award under, the Scheme;
“Service Providers”	persons who provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group (excluding placing agents, financial advisers, professional service providers such as auditors and valuers);
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended from time to time;
“Shareholders”	holders of the Shares;

“Shares”	ordinary share(s) with nominal value of US\$0.000001 each (or such other nominal amount as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of the Company;
“Subsidiary”	a company which is for the time being and from time to time a subsidiary of the Company, as determined by reference to the definitions in the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) as amended from time to time, and for the purpose of the Scheme and the Scheme Rules, includes any entity controlled by the Company and/or its Subsidiary through contractual arrangements;
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs as issued by the Securities and Futures Commission and as amended, supplemented or otherwise modified from time to time;
“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	the deed of settlement between the Company and the Trustee in relation to the Scheme (as restated, supplemented and amended from time to time);
“Trustee”	trustee(s) as may be appointed by the Company from time to time for administration of the Scheme or any additional or replacement trustee(s). To the best knowledge, information and belief of the Directors after making all reasonable enquiries, the original Trustee is not a connected person (as defined under the Listing Rules) of the Company;
“Unaccepted Shares”	such Shares pursuant to an Award which are not accepted by the Selected Participants within the Acceptance Period;
“Unvested Shares”	such Shares which do not vest in the Selected Participants and in respect of which the Award has lapsed in accordance with the Scheme Rules;
“US\$”	United States dollars, the lawful currency of the United States of America;
“Vesting Date”	the date or each such date on which the Award Shares are vested; and
“%”	per cent.

By order of the Board  
**STAR CM Holdings Limited**  
**Mr. Tian Ming**  
*Chairman, Executive Director and Chief Executive Officer*

Hong Kong, July 29, 2024

*As at the date of this announcement, the Board of Directors of the Company comprises (i) Mr. Tian Ming, Mr. Jin Lei, Mr. Xu Xiangdong, Mr. Lu Wei, Ms. Wang Yan and Ms. Shen Ning as executive Directors, and (ii) Mr. Li Liangrong, Mr. Chen Rehao and Mr. Sheng Wenhao as independent non-executive Directors.*