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# 明源雲

## Ming Yuan Cloud Group Holdings Limited

明源雲集團控股有限公司

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

**(Stock Code: 909)**

### **ADOPTION OF SHARE AWARD SCHEME**

On June 11, 2021, the Board has resolved the adoption of the Share Award Scheme to, among other things, recognize the contributions by, and to motivate and retain, the Eligible Persons (as defined below). The aggregate number of Shares which may be awarded under the Share Award Scheme will not exceed 5% of total number of issued Shares as of the Adoption Date, without Shareholders' approval.

Pursuant to the Share Award Scheme, the Awards may be settled by (i) new Shares to be allotted and issued to the Trustee (which holds the same on behalf of the Selected Participants) by the Company; or (ii) existing Shares to be purchased by the Trustee on the market.

The Share Award Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and no Shareholders' approval is required for the adoption of the Share Award Scheme.

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Pursuant to the Share Award Scheme, the Awards may be settled by (i) new Shares to be allotted and issued to the Trustee (which holds the same on behalf of the Selected Participants) by the Company; or (ii) existing Shares to be purchased by the Trustee on the market.

The Share Award Scheme does not constitute a share option scheme pursuant to Chapter 17 of the Listing Rules and no Shareholders' approval is required for the adoption of the Share Award Scheme.

If the grant of Awards involves the allotment of new Shares to any connected persons, the approval of the independent non-executive Directors will be required for such grant of Awards and subject to the Company's compliance with the applicable announcement, circular and independent Shareholders' approval requirements (if any). Subject to the foregoing, any new Shares to be allotted are expected to be issued under the general mandate, which may be granted to the Directors by the Shareholders from time to time after having obtained the independent Shareholders' approval. Notwithstanding the foregoing, the grant of any Award to be settled through purchase of existing Shares to a Director will be exempted from reporting, announcement and independent Shareholders' approval requirements pursuant to Rule 14A.73(6) of the Listing Rules if the Awards form part of the relevant Director's remuneration under his/her service contract with the Company. In such case, such Director shall abstain from voting on the Board resolution approving the grant of Award to himself/herself.

An application will be made to the Listing Committee for the listing of, and permission to deal in, any Shares which may be issued pursuant to the Share Award Scheme (as appropriate).

## **SUMMARY OF THE SHARE AWARD SCHEME**

The following is a summary of the principal terms of the Share Award Scheme:

### **Purpose of the Share Award Scheme**

The purpose of the Share Award Scheme is to align the interests of Eligible Persons (as defined below) 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 Eligible Persons (as defined below) to make contributions to the long-term growth and profits of the Group.

### **Administration of the Share Award Scheme**

The Board has the power to administer the Share Award Scheme in accordance with the rules of the Share Award Scheme and, where applicable, the trust deed, including the power to construe and interpret the rules of the Share Award Scheme and the terms of the Awards granted under the Share Award Scheme. The Board may delegate the authority to administer the Share Award Scheme to a committee of the Board or other person(s) as deemed appropriate at the sole discretion of the Board. The Board or its delegate(s) may also appoint one or more independent third party contractors to assist in the administration of the Share Award Scheme as they think fit.

### **Eligible Persons to the Share Award Scheme**

Any individual, being an employee, director (excluding non-executive Directors and independent non-executive Directors) or officer of any member of the Group or any affiliate (an "**Eligible Person**") and, collectively "**Eligible Persons**") who the Board or its delegate(s) considers, in its sole discretion, to have contributed or will contribute to the Group or any affiliate is eligible to receive an Award. However, no individual who is resident in a place where the grant, acceptance or vesting of an Award pursuant to the Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual, shall be entitled to participate in the Share Award Scheme and such individual shall therefore be excluded from the term of Eligible Person.

## **Grant of Award**

### ***Making the grant***

The Board or the committee of the Board or person(s) to which the Board has delegated its authority may, from time to time, at their absolute discretion, grant an Award to a Selected Participant (in the case of the Board's delegate(s), to any Selected Participant other than a Director or an officer of the Company) by way of an Award Letter. The Award Letter will specify the Grant Date, the number of Award Shares underlying the Award, the vesting criteria and conditions, the Vesting Date and such other details as the Board or its delegate(s) may consider necessary.

### ***Restrictions on grants and timing of grants***

The Board and its delegate(s) may not grant any Award Shares to any Selected Participant in any of the following circumstances:

- 1) where any requisite approval from any applicable regulatory authorities has not been granted;
- 2) where any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the Share Award Scheme, unless the Board determines otherwise;
- 3) where such Award would result in a breach by any member of the Group or its directors of any applicable securities laws, rules or regulations in any jurisdiction;
- 4) where such grant of Award would result in a breach of the Share Award Scheme Limit (as defined below) or the minimum public float requirement as required under the Listing Rules, or would otherwise cause the Company to issue Shares in excess of the permitted amount in the mandate approved by the Shareholders;
- 5) where an Award is to be satisfied by way of issue of new Shares to the Trustee, in any circumstances that cause the total Shares issued or allotted to connected persons (as defined under the Listing Rules) to be in excess of the amount permitted in the mandate approved by the Shareholders;
- 6) where any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws, rules or regulations, from time to time;
- 7) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results, unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met, in accordance with the Listing Rules;

- 8) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and the half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results, unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met, in accordance with the Listing Rules; and
- 9) during any period of delay in the publication of a results announcement.

### **Maximum Number of Shares to be Granted**

The aggregate number of Shares which may be awarded under the Share Award Scheme will not exceed 5% of the total number of issued Shares as of the Adoption Date without Shareholders' approval (the "**Share Award Scheme Limit**").

Save as stated above, for any 12-month period, the aggregate number of Shares granted to any Selected Participant shall not exceed 1% of the total number of issued Shares at the relevant time, without Shareholders' approval.

### **Rights Attached to the Award**

Selected Participants only have a contingent interest in the Award Shares and the related income unless and until such Award Shares and the related income are actually vested in to the Selected Participant and will cease to have any interest whatsoever in the Award Shares and the related income in the event entitlement to such Award Shares and the related income lapse, are forfeited or cancelled in accordance with the Share Award Scheme.

### **Issue of Shares and/or Transfer of Funds to the Trustee**

The Company shall, as soon as reasonably practicable and no later than 30 business days from the Grant Date, (i) issue and allot Shares to the Trustee; and/or (ii) transfer to the Trustee the necessary funds and instruct the Trustee to acquire Shares through on-market transactions at the prevailing market price, so as to satisfy the Awards.

The Company shall not issue or allot Shares nor instruct the Trustee to acquire Shares through on-market transactions at the prevailing market price, where such action (as applicable) is prohibited under the Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or other applicable laws from time to time. Where such a prohibition causes the prescribed timing imposed by the Share Award Scheme rules or the trust deed to be missed, such prescribed timing shall be treated as extended until as soon as reasonably practicable after the first business day on which the prohibition no longer prevents the relevant action.

### **Assignment of Awards**

Unless express written consent is obtained from the Board or the committee of the Board or person(s) to which the Board has delegated its authorities, any Award Shares granted under the Share Award Scheme but not yet vested are personal to the Selected Participants to whom they are granted and cannot be assigned or transferred. A Selected Participant shall not in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to any Award, or enter into any agreement to do so.

## **Vesting of Awards**

The Board or its delegate(s) may from time to time while the Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions or periods for the Award to be vested.

Within a reasonable time period as agreed between the Trustee and the Board from time to time prior to any Vesting Date, the Board or its delegate(s) will send a vesting notice to the relevant Selected Participant and instruct the Trustee the extent to which the Award Shares held in the trust shall be transferred and released from the trust to the Selected Participant. Subject to the receipt of the vesting notice and notification from the Board or its delegate(s), the Trustee will transfer and release the relevant Award Shares in the manner as determined by the Board or its delegate(s).

If, in the absolute discretion of the Board or its delegate(s), it is not practicable for the Selected Participant to receive the Award in Shares, solely due to legal or regulatory restrictions with respect to the Selected Participant's ability to receive the Award in Shares or the Trustee's ability to give effect to any such transfer to the Selected Participant, the Board or its delegate(s) will direct and procure the Trustee to sell, on-market at the prevailing market price, the number of Award Shares so vested in respect of the Selected Participant and pay the Selected Participant the proceeds arising from such sale based on the actual selling price of such Award Shares in cash and the related income as set out in the vesting notice.

If there is an event of change in control of the Company by way of a merger, a privatization of the Company by way of a scheme or by way of an offer, the Board or the committee of the Board or person(s) to which the Board has delegated its authority shall at their sole discretion determine whether the Vesting Dates of any Awards will be accelerated to an earlier date.

## **Consolidation, Subdivision, Bonus Issue and Other Distribution**

In the event the Company undertakes a subdivision or consolidation of the Shares, corresponding changes will be made to the number of outstanding Award Shares that have been granted provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Share Award Scheme for the Selected Participants. All fractional Shares (if any) arising out of such consolidation or subdivision in respect of the Award Shares of a Selected Participant shall be deemed as returned shares and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date. The Trustee shall hold returned shares to be applied towards future Awards in accordance with the provisions of the Share Award Scheme rules for the purpose of the Share Award Scheme.

In the event of an issue of Shares by the Company credited as fully paid to the holders of the Shares by way of capitalization of profits or reserves (including share premium account), the Shares attributable to any Award Shares held by the Trustee shall be deemed to be an accretion to such Award Shares and shall be held by the Trustee as if they were Award Shares purchased by the Trustee under the Share Award Scheme and all the provisions of the Share Award Scheme in relation to the original Award Shares shall apply to such additional Shares.

In the event of any non-cash distribution or other events not referred to above by reason of which the Board considers an adjustment to an outstanding Award to be fair and reasonable, an adjustment shall be made to the number of outstanding Award Shares of each Selected Participant as the Board shall consider as fair and reasonable, in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Share Award Scheme for the Selected Participants. The Company shall provide such funds, or such directions on application of the returned shares or returned trust funds, as may be required to enable the Trustee to purchase Shares on-market at the prevailing market price to satisfy the additional Award.

In the event of other non-cash and non-scrip distributions made by the Company not otherwise referred to in the Share Award Scheme rules in respect of the Shares held upon trust, the Trustee shall sell such distribution and the net sale proceeds thereof shall be deemed as related income of the Award Shares or returned trust funds of the returned shares held upon trust as the case may be.

### **Cessation of Employment and Other Events**

Except as otherwise determined by the Board or the committee of the Board or person(s) to which the Board has delegated its authority, upon termination of employment or service with any member of the Group or any affiliate during the applicable restriction period, Awards that are at that time unvested shall be forfeited or repurchased in accordance with the terms and provisions of the Award Letter and/or award agreement to be entered into by such Selected Participant; provided, however, that the Board or the committee of the Board or person(s) to which the Board has delegated its authority may (a) provide in any Award Letter and/or award agreement that restrictions or forfeiture and repurchase conditions relating to the Awards will be waived in whole or in part in the event of terminations resulting from specified causes; and (b) in other cases waive in whole or in part restrictions or forfeiture and repurchase conditions relating to the Awards.

If a Selected Participant ceases to be an Eligible Person for reasons other than those stated in the above paragraph, any outstanding Award Shares and related income not yet vested shall be immediately forfeited, unless the Board or its delegate(s) determines otherwise at their absolute discretion.

### **Alteration of the Share Award Scheme**

The Share Award Scheme may be altered in any respect (save for the Share Award Scheme Limit) by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Participant unless otherwise provided for in the rules of the Share Award Scheme, except:

- 1) with the consent in writing of Selected Participants amounting to three-fourths in nominal value of all Award Shares held by the Trustee on that date; or
- 2) with the sanction of a special resolution that is passed at a meeting of the Selected Participants amounting to three-fourths in nominal value of all Award Shares held by the Trustee on that date.

## **Duration and Termination**

The Share Award Scheme shall terminate on the earlier of:

- 1) the end of the period of ten years commencing on the Adoption Date except in respect of any non-vested Award Shares granted hereunder prior to the expiration of the Share Award Scheme, for the purpose of giving effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of the Share Award Scheme; and
- 2) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant under the rules of the Share Award Scheme, provided further that for the avoidance of doubt, the change in the subsisting rights of a Selected Participant in this paragraph refers solely to any change in the rights in respect of the Award Shares already granted to a Selected Participant.

## **DEFINITIONS**

In this announcement, the following expressions shall (unless the context otherwise requires) have the following meanings:

- “Adoption Date”** the date when the Board adopted the Share Award Scheme, i.e., June 11, 2021
- “affiliate”** a company that directly, indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Company and includes any company which is (a) the holding company of the Company; or (b) a subsidiary of holding company of the Company; or (c) a subsidiary of the Company; or (d) a fellow subsidiary of the Company; or (e) the controlling shareholder of the Company; or (f) a company controlled by the controlling shareholder of the Company; or (g) a company controlled by the Company; or (h) an associated company of the holding company of the Company; or (i) an associated company of the Company; or (j) associated company of controlling shareholder of the Company
- “Award”** an award granted to a Selected Participant, which may vest in the form of Award Shares or the actual selling price of the Award Shares in cash, as the Board may determine in accordance with the terms of the Share Award Scheme
- “Award Letter”** a letter issued by the Company to each Selected Participant in such form as the Board or the committee of the Board or person(s) to which the Board has delegated its authority may from time to time determine, specifying the Grant Date, the number of Award Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details as they may consider necessary
- “Award Shares”** the Shares granted to a Selected Participant in an Award

<b>“Board”</b>	the board of Directors
<b>“Company”</b>	Ming Yuan Cloud Group Holdings Limited (明源雲集團控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands on July 3, 2019, the Shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Director(s)”</b>	director(s) of the Company
<b>“Grant Date”</b>	the date on which the grant of an Award is made to a Selected Participant, being the date of an Award Letter
<b>“Group”</b>	the Company and its subsidiaries and consolidated affiliated entity from time to time or, where the context so requires, in respect of the period prior to the Company becoming the holding company of its present subsidiaries and consolidated affiliated entity, such subsidiaries and consolidated affiliated entity as if they were subsidiaries and consolidated affiliated entity of the Company at the relevant time
<b>“HK\$”</b>	Hong Kong Dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Selected Participant”</b>	any Eligible Person approved for participation in the Share Award Scheme and who has been granted any Award pursuant to the Share Award Scheme
<b>“Share(s)”</b>	ordinary share(s) in the share capital of the Company with a nominal value of HK\$0.0001 each
<b>“Share Award Scheme”</b>	the share award scheme of the Company approved and adopted by the Board on June 11, 2021, in its present form or as amended from time to time in accordance with the Share Award Scheme
<b>“Shareholders”</b>	the shareholders of the Company
<b>“Trustee”</b>	the trustee appointed by the Company for the purpose of administering the Share Award Scheme or entity(ies) controlled by such trustee



**“Vesting Date”** the date or dates, as determined from time to time by the Board, on which the Award (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Award Letter

**“%”** per cent.

By order of the Board  
**Ming Yuan Cloud Group Holdings Limited**  
**Gao Yu**  
*Chairman*

Shenzhen, The People’s Republic of China, June 11, 2021

*As of the date of this announcement, the Board comprises Mr. GAO Yu, Mr. JIANG Haiyang, Mr. CHEN Xiaohui and Mr. JIANG Keyang as executive Directors, Mr. LIANG Guozhi and Mr. YI Feifan as non-executive Directors, and Mr. LI Hanhui, Mr. ZHAO Liang and Ms. ZENG Jing as independent non-executive Directors.*